



## **25. Financial Planning and Condition Policy**

The Board has overall responsibility for the financial management of the school but delegates the day-to-day management of the school's finances and budget to the principal. The principal, in association with the Business Manager, is responsible for recommending an annual operating and capital budget to the Board within the timelines specified in the board work plan.

The financial viability of the school must be protected at all times. The Board understands that the possibility of theft or fraud cannot be entirely eliminated, however, the principal is required to ensure robust, clear procedures are in place to safeguard the integrity of financial management.

Budgeting shall not fail to reflect the annual plan, risk financial jeopardy nor fail to show a generally acceptable level of foresight.

The budget should:

- reflect the results sought by the Board.
- reflect the priorities as established by the Board.
- comply where the Board's requirement is for a balanced budget.
- demonstrate an appropriate degree of conservatism in all estimates.

The principal must ensure:

- unauthorised debt or liability is not incurred.
- generally accepted accounting practices or principles are not violated.
- tagged/committed funds are not used for purposes other than those approved.
- more funds than have been allocated in the fiscal year are not spent without prior Board approval.
- all money owed to the school is collected in a timely manner.
- timely payment to staff and other creditors is made.
- unauthorised property is not sold with an excess book value of \$1,000 without Board Approval.
- all relevant government returns are completed on time.
- no one person has complete authority over the school's financial transactions.
- When making any purchase:
  - of an unbudgeted expense over \$10,000 for goods and services, must have majority approval from the Board
  - of an unbudgeted capital item over \$5,000, Board approval is sought after completion of a Business Case.
- effective systems are in place to meet the requirements of the payroll system.

Review schedule: August 2027