

FINANCIAL MANAGEMENT & CONTROL POLICY

Policy Statement

Effective financial management provides the College with enhanced educational opportunity and limits the risk of fraud.

Our College will:

- Provide a financially well-managed school that seeks out financial opportunities and makes decisions that are based on the best educational interests of the students.
- Comply with all DET guidelines, Acts and audit requirements.

Implementation:

- It is a requirement under the Education Act 1958 that School Councils use all monies coming into their hands for proper purposes.
- College Council will appoint a Productivity and Finance sub-committee which will meet twice a term and report on issues and present recommendations relating to all financial matters at each Council meeting.
- The Productivity and Finance sub-committee will work closely with the College's Principal and Business Manager. College Council will appoint a Treasurer who will assume the position of convenor of the Productivity and Finance sub-committee.
- The Productivity and Finance sub-committee will liaise with all appropriate school groups to present both individual program budgets and annual budgets for Council approval, and monitor and report to Council twice a term on all receipts, expenditure and commitments against approved budgets, unpaid accounts, investments and balances held in school accounts.
- The Productivity and Finance sub-committee will monitor and report twice a term on Student Resource Package reports including current surplus or deficit amounts and anticipated reconciliation balances.
- All revenue and expenditure budgets will be based on the CASES21 chart of accounts, the College will use the CASES21 Accounts Receivable module, and all reports to College Council will be CASES21 generated.
- The Productivity and Finance sub-committee will be responsible for preparing annual financial statements and records for auditing, as well as provide College Council with annual receipt, expenditure and investment statements for public annual reports.
- The Productivity and Finance sub-committee will be responsible for advising College Council on all matters associated with centrally and locally raised funds including the levels of voluntary contributions and levies, sponsorships, Department of Education grants, philanthropic contributions, trusts and local cooperatives.
- The Productivity and Finance sub-committee will be responsible for managing any investment accounts consistent with School Council's Investment Policy.
- Productivity and Finance sub-committee members and College councillors will declare any pecuniary or conflict of interest prior to partaking in any recommendation, and will be vigilant in providing robust and thorough internal control procedures.
- College bank accounts may only be opened, operated or closed only with the written authority of the College Council.
- The Productivity and Finance sub-committee is actively encouraged to second extra members with additional expertise at times of major projects and to engage consultants when desirable.

Investing

- The Official account, which is to be used for all receipts, payments and investment transfers, is to be maintained at 2 months of normal expenditure.
- All remaining funds are to be held in the High Yield account.
- All accounts will be linked directly to the official account and all account withdrawals to be via the official account.
- The Business Manager is authorised on behalf of the Principal to make necessary transfers between the Official and High Yield accounts.
- All transactions shall be entered into DET finance system - CASES21.
- The Bank Movements Report and bank reconciliations will be submitted as proof of entry each month.
- Electronics transactions are to be performed strictly in accordance with DET policy.
- The banking process may be reviewed at any time to ensure continued quality of service and competitive investment rates.
 - The College may only hold accounts in APRA (Australia Prudential Regulation Authority) banks or institutions.

EFTPOS

- College Council will approve the use and number of EFTPOS facilities in the College.
- Transaction charges will be paid for by the College as an administration cost.
- EFTPOS machines will be kept in a secure environment in the Campus & VCAL Offices and canteens to limit their access to non-authorised users.
- Staff members authorised to process transactions on EFTPOS facilities will be listed in the EFTPOS register.
- Staff members authorised to use the EFTPOS machines will have the policy made available to them and be sufficiently trained in the operation of the machines.
- “Cash Out” is unavailable with College EFTPOS facilities.
- All EFTPOS transactions will be processed through the College’s Finance program CASES21.
- All EFTPOS documentation, e.g. Merchant copies of EFTPOS receipts, voided refunds, EFTPOS reports and refund authorisation, will be kept for audit purposes for the required seven years.

- EFTPOS transactions will be reconciled against CASES21 reports by Campus staff as part of their banking procedures and be cross-checked by the Business Manager as part of the end of the month procedures.
- All information gained from EFTPOS transactions will only be used for its intended purpose in accordance with the Victorian Information Privacy Act 2000.
- The Business Manager will be delegated authority to authorise Campus staff to perform EFTPOS refund transactions in the event of a processing error.

Internet Banking

- As per DET guidelines all internet banking accounts will have the single authoriser "Pay Anyone" feature disabled. Payments may only be made by batch file upload or manual batch creation that requires 2 signatures to authorise.
- All internet banking creditor and local payroll payments will be made through the DET Finance program CASES21 and uploaded by computer file into the internet banking system.
- The Business Manager and the Accounts Payable Officer will be granted access to internet banking. They will have viewing and file creation rights.
- The College Principal and the College Council's authorised signatories will be granted access to internet banking. They will have viewing and file authorisation rights.
- All internet banking payments will require two authorisation codes before the payment will be processed.
- All internet banking payments will be subject to normal DET documentation requirements prior to being processed.
- All internet banking payment records will be stored as per DET guidelines and audit requirements.
- The College will make BPAY available for families wishing to pay camps, excursions or material charges via the internet. All money received via BPAY will be receipted against the family's account as per normal EFTPOS and CASES21 procedures.
- The preferred method of payment will be internet-banking transfers. Only in limited cases where it is not possible to do bank transfers would cash payments be considered.

Purchasing

- All purchases of goods and services require a Purchase Order and, if applicable, additional procurement documentation as required by DET.
- All goods orders must comply with OHS standards. Any chemicals purchased must have a MSDS - Material Safety Data Sheet - completed prior to ordering.
- Preferred and local suppliers should be used wherever possible.
- All assets over \$5,000 and attractable electrical goods that will be placed on the Asset register should be first discussed with the Asset Manager prior to ordering.

- Budget holders will ensure there are adequate funds prior to ordering and have authority to sign orders. Budget holders will be set as per the College Positions of Responsibility list.
- The College will follow all tender/quotation documentation thresholds for the purchase of goods and services under the Financial Management Act 1994.

Less than or equal to \$2,500	A minimum of 1 quote (may be verbal or written)
Greater than \$2,500 and equal to \$25,000	A minimum of 1 written quote
Greater than \$25,000 and equal to \$150,000	A minimum of 3 written quotes to be sought
Greater than \$150,000	Public tender process

- All orders must be approved by the budget holder & the Business Manager and approved prior to being ordered.
- Budget holders, as set down by the Positions of Responsibility (POR), will be granted authority to approve consumable orders under \$2,500.
- Asset orders and consumable orders in excess of \$2,500 will require the Business Manager or Asset Manager's approval.
- Asset and consumable orders in excess of \$25,000 will require Principal authorisation.
- Asset and consumable orders in excess of \$150,000 will require Productivity and Finance Committee authorisation.

Purchasing Card

- College Council will approve all purchase cards prior to them being issued and be responsible for determining the number of cards issued and the monetary limits set on those cards to the maximum value of \$15,000 per card.
- All purchase cardholders will be listed in the Purchase Card Register, to be maintained by Central Administration.
- Purchase cards will only be issued after the user has completed and signed an "Undertaking by the Cardholder" form which outlines their responsibilities as a cardholder.
- The College Principal and the College Council President will be designated the Authorising Officers who, with Council approval, can authorise the creation of a new purchasing card, change transaction or monthly limits and cancel existing cards.
- The Business Manager will be designated the 'Point of Contact' for the purchase cards with Westpac. A Point of Contact has no authority to issue cards or change cardholder limits, but is able to contact the bank and request information about the purchasing card facility.
- Purchase cards must not be used to obtain cash advances.
- All purchases made using the purchase card must be supported by receipts and tax invoices.

- Goods and services purchased with the card must follow the guidelines set out in the Purchasing section of this policy.
- Each monthly purchasing card statement must be signed by the cardholder and submitted to the Authorising Officer for approval. A purchasing card held by the College Principal is to be approved by the College Council President.

Refund and Reimbursements

- No refunds or reimbursements will be issued without the correct documentation in line with DET guidelines. Families and staff owing money for camps, excursions, music tuition or property damage will only receive a refund once the outstanding amount has been deducted.
- **Method** – The preferred payment method of refund/reimbursement is by direct deposit. Alternatively all others payments will be made by cheque or, in limited cases, by petty cash.
- **Camps/Excursions** - Occasionally students are unable to participate in an activity because they are sick on the day, late to catch the bus, etc. In making a decision regarding a refund one issue has to be considered: ***Has the school already spent money for the student to participate?*** If the school has already had to pay for the activity then a refund would not normally be given.
- **Cash advances** – Cash advances will only be given for camps, excursions, international trips and interstate/international PD conferences when prepayments are not able to be made and to ensure staff have adequate funds to deal with emergencies while away. Cash advances will be made electronically to staff bank accounts with receipts and advance balance to be returned once they have returned.
- **Stale Cheques** - The College's financial administration will follow up all unpresented cheques that have appeared on the bank reconciliation for three continuous months. All reasonable action must be taken to locate and pay the payees named on the cheque. Where action to locate the payee is unsuccessful, the returned or uncollected cheque must be cancelled on the school's finance system and a stop payment made with the bank after the cheque has remained on the bank reconciliation for 12 continuous months.
- **Travel** – In accordance with DET guidelines all travel will be reimbursed through payroll.

Writing off Charges

- School Councils need to approve any charges that are required to be written off.
- Approval will be given via the Sundry Debtor Credit Note and Family Credit Note reports presented monthly to the Productivity and Finance Committee.
- All family charges will be written off at the end of each year or at the time of exit with the exception of music charges, instrument hire, camps, excursions, notebook and damages.
- Music, instrument hire, camps, excursions, notebook, damage and sundry debtors charges will only be written off once it has been determined by the Business Manager or the Accounts Receivable Manager that it is unlikely that the College will receive the money.

Cash Handling

Cash is the most vulnerable asset in a school, unlike cheques or electronic funds transfers, which have their own trail of evidence for verification.

These processes are to be applied to any instance when cash is collected or transferred, whether curriculum or non-curriculum related.

One of the most effective controls for minimising the risk is to reduce the collection of cash. The College allows and encourages payment via EFTPOS, cheque, credit card, BPay, Centrepay and direct deposit. While only allowing non-cash forms of payment would provide transaction evidence and a verifiable trail, this may cause unnecessary hardship to families who may not have access to non-cash forms of payment.

The College's financial administration staff will:

- Ensure that any cash collected or remaining after banking that day is stored in the school safe.
- Ensure that there is minimal cash in the school overnight and weekends.
- At the end of each school term, all cash on hand will be banked and a petty cash responsible officer will ensure that the petty cash float is locked in the fireproof safe for the period of the vacation.
- Ensure cash collected away from the general office (e.g. fundraising, canteen etc) is regularly removed, counted and recorded by an independent person.
- Where possible and practical, segregation of duties will occur (for example, all cash and cheques collected are banked intact daily by a different person other than the one collecting them).
- A reconciliation of cash collected versus cash banked will occur as part of the EOM procedures.

Cash Floats

A cash float is often necessary for the conduct of operations.

The College's financial administration staff will ensure that cash floats are:

- Maintained in a secure location.
- Accounted for after each use.
- Recorded in the financial documents register.
- Re-banked when no longer required.

Gifts, Benefits and Hospitality

The Department's [Gifts, Benefits and Hospitality Policy](#) applies to all Victorian government schools, school based staff and school council members.

Kurnai College values its staff contribution and will use the following scale as a guideline for staff leaving gifts:

- \$10.00 per year of service, up to a maximum of \$200.

Any gift that falls outside the scope of the Department of Education and Training (DET) policy will require the College Principal to seek approval from the School Council.

Evaluation

This policy will be reviewed as part of the College's four year review cycle.

Date Implemented	Week 3 – Term 2 – 2014 – V1
Approval Authority	College Council 18/3/2025
Dates Reviewed	
Responsible for Review	Finance Committee
Next Review Date	Week 3 – Term 1 - 2026
References	DET