



THORNTREE PREPARATORY SCHOOL

FINANCE MANAGEMENT POLICY

Document Name	Finance Management Policy
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Approved by	Head
Scope of Document	Staff, Students, Parents
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Related Policies	<p>The Constitution of the Republic of South Africa (Act 108/1996.)</p> <p>The South African Schools' Act (Act 84/1996) and subsequent amendments.</p> <p>The National Education Policy Act (Act 27/1996) and any applicable policies determined in terms of this Act, including the Regulations for Admissions to Schools.</p>
Addenda	

Approved by:	Approved by:
	
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Helyn Tooley (Principal) MJB Properties CC	Ursula van den Berg MJB Properties CC

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1 TITLE: FINANCE MANAGEMENT POLICY

2 PREAMBLE & PURPOSE

The Governing Body has decided to honour all the stipulations of the SA Schools Act, so as to be compliant with this regulation in respect of Financial management at Thorntree Preparatory School.

3 SCOPE

This policy is applicable to the Board of Directors, Head, Bursar and Administration of Thorntree Preparatory School.

4 THE FINANCE COMMITTEE

Composition: The Board of Directors and Head of the school are the members of the Finance committee.

5 MANDATE TO THE FINANCE COMMITTEE

To annually compile a concept budget before 15th October for the following academic year, and to present this concept budget to the Board for discussion and approval;

To apply sound financial control over income and expenditure in line with the terms of the budget;

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To meet at least quarterly to consider the budget. Minutes of all meetings should be kept.

To keep proper record of all funds received and issued by the school;

To keep an asset register of the school's property;

To annually, before 31 March, present the school's books to the appointed auditor for the annual audit, and to present this audit report to the Board for approval.

6 COLLECTION OF MONEY

Proper records must be kept of all money collected by teachers.

No large amounts of school money are to be left in classroom.

Educators are to be responsible when handling any school money as any shortages remain the educator's responsibility.

The Financial Official will place all receipts in the petty cash box.

7 HANDLING OF MONEYS DURING FUNCTIONS

During functions, the Head of the school will designate a responsible person to manage the monies collected.

8 MANAGEMENT OF THE BUDGET

The Finance Committee annually compiles a concept budget before the 15th October each year for the following academic year.

This concept budget is then presented for discussion and approval.

If the majority of the Board accepts the proposed budget, the proposed Budget becomes the budget for the following year.

The Finance Committee accepts responsibility for the management of the budget. The Finance Committee manages the budget according to standard accounting procedures.

Strict control is to be exercised over all expenditures. Before any purchase is made, the order book should be completed and presented to the Head for approval. Upon approval by the headmaster, can the applicant go ahead with the actual purchasing of the item required.

No exceeding of any budget amount is permitted. In the case of a possible Over expenditure of the budget, prior approval must be obtained from the Finance Committee.

9 PURCHASE PROCEDURES

Authorization by management committee is necessary before any purchase is made.

Items ordered require a valid invoice in order to effect payment.

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After the purchase has been made, the invoice is to be attached to the proof of payment from EFT banking form, for accounting purposes.

If the purchased item is not a consumable item, the item should be registered in the Asset Record within three working days after the purchase has been made.

10 HANDLING OF SCHOOL FEE/ TUITION PAYMENTS MADE TO THE SCHOOL

All school fee payments are to be made by EFT into the school bank account. No cash will be permitted to be received at the school due to security concerns associated with cash being held at the school.

Should school fees be paid into the school's account in cash, then the cash deposit fee will be charged back to the parents for the cost of the cash deposit.

Should parents wish to make the full fee payment for the year, then they receive a 5% discount, should this amount be paid in full by 31 Jan of the year in question.

11 ACCOUNTING SYSTEM

The Board determines the accounting system to be used by the Finance Officer.

The Financial Officer must be computer literate and be able to operate such a computer program.

12 THE FINANCE OFFICER

The duties of the Financial Official of the school includes the following:

- Capture all receipt of payments on the accounting system in use.
- Raise invoices for all fees due;
- Keep orders and make payments for all purchases;
- Receive and process all claims for payment;
- Manage all budget items and inform the headmaster of any over expenditure of budget items.
- Handle the financial aspects of all projects;
- Answer queries from chairpersons of Governing Body committees on budget items;
- Handle the petty cash float and all petty cash purchases;
- Balance all moneys according to receipts that were issued;
- Make payments of staff salaries by EFT
- Capture the monthly cash book

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- Allocate all purchases under certain budget items;
- Print monthly statements for outstanding school fees;
- Handle all quires from parents on school fees;
- Exercise credit control and collection of all outstanding school fees;
- File and keep all financial statements safe;
- Prepare and get school's books ready for the annual audit;
- Collect mail from the post box
- Implement the financial system ordered by the Board;
- Keep a thorough record of all income and expenditure;
- Co-ordinate the asset register;
- Prepare documentation for the FC meetings;
- Report any financial irregularities to the headmaster;

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