LAERSKOOL VRYBURG

FINANCIAL POLICY

1. INTRODUCTION

1.1 Hereby, the school governing body (hereinafter "the SGB") of **LAERSKOOL VRYBURG** (hereinafter "the school") lays down this policy as the financial policy of the school in terms of the provisions of the South African Schools Act 84 of 1996 (SASA) and applicable National Act, as well as any relevant North West provincial education Acts.

1.2 This financial policy aims to give practical effect to SASA, as well as to regulate the management of finances and school property.

1.3 The SGB has the responsibility to oversee and enact the following:

1.3.1 The collection of school fees;
1.3.2 Hold fundraising activities to complement the resources of the school;
1.3.3 Management of the school funds;
1.3.4 Recordkeeping of all money received and spent;
1.3.5 Preparation of annual financial statements;
1.3.6 The annual audit of the school's financial statements;
1.3.7 The submission of the annual financial statements to the Department on or before 30 April of each year
1.3.8 Drawing up and submitting an annual budget to the SGB and parents at the annual general meeting;
1.3.9 Art. 38A to the Department before 31 July of each year.

1.4 The purpose of the Financial policy is to:

1.4.1 Provide guidelines so that the financial duties imposed on the school and SGB by SASA are effectively and responsibly executed;
1.4.2 Ensure that no irregularities take place in the financial matters of the school;
1.4.3 Ensure that all financial matters are handled according to generally accepted accounting principles.

2. APPOINTMENT AND COMPOSITION OF THE FINANCE COMMITTEE

2.1 The SGB of the school puts together the finance committee (hereinafter "the FINCO") for a 3-year term. The Treasurer shall serve as Chairperson of the FINCO.

2.2 Apart from the chairperson, the FINCO will consist of the following members:

2.2.1 the school principal (ex officio);

2.2.2 the financial officer(s) of the school who will also act as Secretary;

2.2.3 the SGB Chairperson;

2.2.4 the SGB Vice-chairperson;

2.2.3 SGB member(s), as appointed by the governing body;

2.2.5 one educator (e.g. the Deputy-principal); and

2.2.6 financial and or legal experts, if required.

3. BRIEF OF THE FINANCE COMMITTEE

3.1 To draw up an annual draft budget for the following year, and submit it to the SGB before 31 October of each year.

3.2 To finalise the school's draft budget within the statutory requirements for submission to parents. This includes providing the SGB with a detailed recommendation on the approval of the budget.

3.3 To oversee the budget and manage it so as to ensure that income and expenses align with it. The FINCO is mandated by the SGB to amend the budget in order to cover essential expenditure, provided that total budgeted expenditure is not exceeded. Such amendments must be dealt with in line with the requirements/restrictions/provisions of the parent meeting that approved the budget.

3.4 Determination of annual school fees.

3.5 The management of salaries of the staff appointed by the SGB.

3.6 The management and recording of donations received by the school.

3.7 The management of all rentals of the school facilities and outsourcing of services.

3.8 To consider and either approve or veto fundraising projects in conjunction with supporter's/parent committees.

3.9 To control and manage the financial affairs of any profit-driven entity or project of the school, and ensure that it is run in a profitable manner.

3.10 To control and manage the financial affairs of any centres run by the school (currently Huis Raubenheimer), and ensure that it is run in a profitable manner.

3.11 To control and manage the financial matters of the pre-primary school, and ensure that they are run in a profitable manner.

3.12 To meet at least once per month and keep minutes and attendance registers of all meetings.

3.13 To exercise proper control over records of all funds received and spent by the school.

3.14 To ensure that a full inventory of all the school's movable and fixed assets is in place and is verified and updated at least once a year.

3.15 To establish a proper writing-off procedure for assets, and report on it to the SGB.

3.16 To have the financial statements audited every year before 30 April by an auditor appointed by the SGB, and subsequently submit the audit report to the SGB for approval. The audit report forms part of the annual general meeting (AGM) documentation. The financial year of the school runs from 1 January to 31 December of each year.

3.17 To submit the audited statements to the Department of Education (DoE) before 30 June each year.

3.18 To ensure that any financial allocation made by the Department from time to time is claimed by complying with all DoE requirements.

3.19 To present and report on financial management statements to the SGB (at least on a quarterly basis).

3.20 To ensure that proper procedures are put in place to account for discount on school fees for early settlement, as well as exemption of school fees.

3.21 To ensure that proper procedures are put in place to account for write-off of school fees for non-payment, as well as write-off/depreciation of school assets.

3.22 To help identify and manage risks.

3.23 The contractual mandate of the principal and the EXCO is limited in terms of the spending limits (refer 10.6 and 10.9) based on the cumulative value of the contract over its running time.

4. PROCEDURE FOR DEALING WITH SCHOOL FINANCES

4.1 Introduction

4.1.1 The premise of this financial policy is that the school shall utilise a computer software package to manage the school's finances. Appropriate research should be conducted to obtain the best available software that would enable efficient financial management.

4.1.2 The school shall be responsible to receive and record all monies (egg. cash). All monies must be recorded the same day or, in exceptional circumstances, the following day by issuing a numbered receipt, either computerised or from a pre-numbered receipt book.

4.1.3 The school shall deposit all monies received into a bank account with a legitimate, registered bank.

4.1.4 Once received, all monies shall be placed in the small safe for safekeeping.

4.1.5 Should, for whatever reason, the financial system be inaccessible, the financial officer must have manual receipt books available so that parents may still make payments.

4.1.6 Operational decisions and approvals can be made electronically if the governing body's constitution and its policies provide for it. Such decisions must be made in accordance with the rules contained in the Policy on Electronic Meetings and Electronic Decisions.

4.2 The financial officer duties will be determined and delegated by FINCO to the duly appointed financial employees.

4.2.1 This will include –

4.2.1.1 Debtors functions

4.2.1.2 Creditor functions

4.2.1.3 Cashbook functions

4.3 A receipt book register must be introduced and maintained, showing which receipt book is issued to whom.

4.4 All monies must be deposited with the financial officer before 11:00 each day.

4.5 No person may hold over any money until the following day.

4.6 School fees must be paid to the financial officer directly. Receipts for any school fees must be issued in an official pre-numbered receipt book and handed to the relevant payer. The amount received must correspond with the amount on the receipt.

4.7 Carbon paper must be placed in the correct spot in the receipt book for the receipt number to correspond with the duplicate number.

4.8 Receipts may not be amended in any way. In the event of an error, the receipt must be cancelled and pasted on the corresponding number in the receipt book. No duplicate receipt may be removed from the receipt book.

4.9 Every person depositing money at the office of the financial officer shall be issued a receipt.

4.10 Money destined for the office must be placed in the money bag provided for this purpose to prevent it from falling out or getting lost.

4.11 Monies received must be banked at least every second day.

4.12 Otherwise, money shall be safely stored in the school safe until it is banked.

4.13 The person who does the banking must be regularly substituted, and the banking day and time varied.

4.14 The total amount banked must correspond with the statement on the computer as well as the receipts issued.

4.15 The person who banks the money must ensure that the duplicate deposit slip is handed to the financial officer once the money has been deposited.

4.16 The school principal, or such other person appointed by the FINCO for this purpose from time to time, is responsible to spot-check, compare and sign the deposit and receipt books.

4.17 The official who issues receipts from the main receipt book may not make up the bank deposits as well.

4.18 The total of the main receipt book must correspond with the day's deposits.

4.19 Should money go lost or be stolen from a classroom, the amount shall be recovered from the educator concerned.

5. RECEIVING MONEY IN CLASS

The receipt of money apart from school fees in class shall be administered as follows:

5.1 Every year, each educator shall be issued a finance book (logbook) with written instructions for keeping record of monies received from learners in respect of fundraising projects.

5.2 For every project, the educator shall insert a class list into the finance book to keep track of whose monies have been received.

5.3 Every day, the educator shall record in the logbook, and add up, all monies received, and enter the day's total on the collection form.

5.4 Where a parent deposits money by way of an EFT, the learner shall submit the payment advice to the educator, who must then indicate the payment as an "EFT" on the class list and collection form. The financial officer will check the entry against the system to verify that the money was indeed received.

5.5 All logbooks must be submitted daily to the financial officer before 09:30 and will then be verified. No finance book may be taken home with an educator.

5.6 The financial officer will attempt to issue receipts that same day and return them to the educator the following day. The educator shall file the receipts for control and auditing purposes.

6. DEBIT ORDERS

6.1 The school does not offer debit order facilities to parents for the payment of any school fees or any other monies payable.

7. EVENTS/FUNDRAISING

7.1 The FINCO appoints responsible persons to deal with cash during fundraising and other events.

7.2 A procedure must be in place to ensure the responsible management of cash during a fundraising or other event. Responsible persons must be appointed to collect cash from various points on a regular and ongoing basis, and deposit it at the office.

7.3 At least two persons must deal with and control all cash during events.

7.4 All funds that cannot be deposited directly after the event must be stored in the safe and be deposited with the financial officer by no later than the following working day. The financial officer must issue the responsible persons with a receipt. The principal must ensure that all money is locked away in the safe.

7.5 No expense may be paid for in cash. Payments shall be made by EFT only. Where a person covers a smaller expense from his/her own pocket and presents a cash slip as proof, this shall be refunded by electronic transfer.

7.6 At school events involving sales, tickets shall be sold, and cash shall be restricted to such ticket tables.

7.7 In the event that the school's own officials transport the cash to the bank, they are to follow the shortest possible route. Ideally, this should be done by two officials, and all possible safety measures must be taken to safeguard the cash. The officials may not stop anywhere end route to the bank, except where necessitated by traffic signs. Upon arrival at the bank's parking lot, the officials shall first ensure that it is safe to get out of the vehicle with the cash. Inside the bank, the cash shall be taken to the bulk teller, or to a regular teller if the bulk teller is unavailable.

8. BUDGET PROCEDURE AND MANAGEMENT

8.1 Annually, the FINCO, in conjunction with all stakeholder groups, draws up a draft budget and submits it to the school governing body before 30 October. The governing body shall deal with it in terms of its constitution and applicable legislation. The FINCO is responsible for overseeing the budget, and for recommending its approval to the governing body. At the governing body's budget meeting, the budget is then submitted

to the bona fide parents of the school for approval. The secretary of the governing body keeps minutes of the resolutions taken by parents at the budget meeting, as well as an attendance register of parents present at the meeting.

8.2 All activities of the schools must be reflected in the budget.

8.3 The budget may only be drafted once the objectives, projects and fundraising events for the following year have been determined.

8.4 A clear link should be established between the governing body's constitution, the school's mission and objectives, and the school's budget.

8.5 After a parent meeting has approved the budget, the FINCO shall start to implement it in terms of prescribed procedures.

8.6 The chairpersons of the governing body committees also serve as the budget managers for their respective portfolios.

8.7 Each year, the FINCO, in conjunction with the school principal, also appoints other persons who accept responsibility for managing approved budget portfolios.

8.8 The various budget managers shall draft a zero-based budget. The budget managers must specify and motivate budget proposals in writing.

8.9 The abovementioned portfolios could include:

8.9.1 stationery;

8.9.2 the various sports and cultural activities of the school;

8.9.3 the media centre, etc.

8.10 Each budget manager receives a copy of their respective budgets, on which they shall accurately record all amounts spent.

8.11 Should a budget overrun appear inevitable, the budget manager concerned shall report this to the treasurer timeously.

8.12 The FINCO is responsible for approving budget reallocations in order to use one-line item to compensate for a budget overrun on another.

8.13 The financial officer shall submit all budget reallocations to the following FINCO meeting, and communicate these to the governing body by way of the FINCO report.

8.14 The FINCO has the power to finally approve any budget reallocations below R100,000. Budget reallocations of R100,000 or more shall be submitted to the governing body for final approval.

8.15 Reporting on any material underspend must occur in the same way as reporting on any overspend.

9. PURCHASES

9.1 The budget manager must pre-approve any purchases before any order be placed.

9.2 Before granting such approval, the budget manager must ensure that the expense falls within budget.

9.3 Next, the purchaser must request the necessary quotation(s) for approval.

9.4 Purchases may only be made after written approval by the principal or such person who has the FINCO designated for this purpose, occurs in that the order is requested in writing at the supplier.

9.5 If the school does not have an account with a particular institution, an EFT for payment purposes be requested.

9.6 Institutions' banking details may also be requested so that accounts can be settle electronically. The same authorization procedures apply.

9.7 When goods/services are rendered, the purchaser must check the description and quantity thereof with the approved order form and quotation before a delivery note/invoice is signed as proof of receipt.

9.8 Order forms must be compared with the invoice before payment.

9.9 The Finance Officer keys in all details of electronic payments according to the invoice after it has been confirmed that the goods/services have indeed been rendered and the principal and others authorized approves it by way of a special computer code.

10. PAYMENTS

Only approved expenses and purchases may be paid.

10.1 Arrangements regarding payments by electronic transfer

10.1.1 All applications for an electronic transfer to be made must be addressed to the financial officer on a fully completed requisition form.

10.2 Every year, the SGB appoints three persons to serve as co-signatories along with the principal. These persons must be reassessed every year at the first FINCO and approved at the first SGB meeting.

10.3 Purchases by electronic transfer

10.3.1 Before authorising any purchase, the budget manager must ensure that the expense does indeed fall within budget parameters.

10.3.2 The purchaser must obtain an order form/number from the financial officer before (s)he may make any purchase.

10.3.3 Purchases may only be made with the principal's written approval.

10.3.3.1 During holidays, approval may be obtained by way of e-mail between the budget manager, principal and at least one financial officer.

The paperwork involved must be completed as soon as financial processes resume.

10.3.4 If the school does not have an account with a particular institution, an electronic transfer may be requested.

10.3.5 In the event of any purchases on credit, the purchaser must still complete the authorisation form beforehand.

10.3.6 An order number may be obtained from the financial officer if the supplier requires an order form.

10.4 Authorisation of electronic transfers

10.4.1 All payments by electronic transfer must be accompanied by a proper invoice or receipt.

10.4.2 Before any payment may be made, the financial officer must verify that there is money available in the budget item, and that the purchase complies with the financial policy.

10.4.3 The financial officer must also ensure that there are sufficient funds available in the current account to cover the payment.

10.5 Methods of payment for services rendered

10.5.1 Payments are made in the following ways:

10.5.1.1 By electronic transfer, only once proof or an invoice for the correct amount of the purchase has been received from the supplier

10.5.1.2 By electronic transfer to staff members who covered purchases from their own pocket and have submitted a valid, itemised till slip for such purchase

10.5.1.3 By electronic transfer if the beneficiary is already registered as a beneficiary on the school's internet banking platform

10.5.1.4 By electronic transfer in the event of a new supplier who has not yet been registered as a beneficiary. No one-off payments to beneficiaries is allowed to be made.

10.6 Quotations

10.6.1 Two (2) quotations are to be obtained for all expenses of between R7,500.01 and R50,000.00.

10.6.2 Three (3) quotations are to be obtained for all expenses of between R50,000.01 and R100,000.00.

10.6.3 On any expenditure above R100,000.01 proper tender procedures must be followed as per the school's Tender policy and procedures.

10.6.4 If the lowest quotation is not accepted, proper reasons need to be given in writing.

10.6.5 The lowest quotation may not always be the best quotation. Other factors like service delivery and quality of products need to be taken into consideration.

10.6.6 No quote may receive information on other quotes' quotations.

10.6.7 Quotations must be obtained from at least three suppliers or institutions. If there are no other suppliers of the product and, therefore, three quotations cannot be provided, the management team must consider the nature and availability of the service and make a recommendation to the FINCO. The governing body must grant approval before final payment may be made.

10.6.8 The lowest quotation should be accepted, unless there are other reasons for accepting a higher quotation, which reasons should be indicated on the application for approval.

10.6.9 Quotations for capital projects must be approved by the SGB, and the principal may sign the documentation on behalf of the relevant SGB committee.

10.6.10 Quotations must be for similar products or items.

10.7 Electronic transfers

10.7.1 Electronic transfers are made by financial officers and may only be made if an approval is attached.

10.7.2 The financial officer must verify that the expense is incurred from the correct budget and falls within said budget. The payment is then uploaded to the internet banking platform, but is not yet approved.

10.7.3 A second financial officer then verifies that the expense complies with the financial policy, and may then proceed to approve the payment on the internet banking platform.

10.7.4 The same financial officer may not upload the transaction to the system as well as approve it. Only one financial officer and the principal may grant final approval for transactions on the system.

10.8 Passwords and PINs must be dealt with in accordance with the ***Policy on Information Systems***.

10.9 Approval limits

10.9.1 The Treasurer **or** principal may grant final approval for budgeted expenses of up to R7,500.00.

10.9.2 The Treasurer **and** principal may grant approval for budgeted expenses of between R7,500.01 and R100,000.00 (refer 10.6.1 and 10.6.2), although these expenses must also be reported to the following FINCO and SGB meetings.

10.9.3 SGB approval is required for expenditure above R100.000.01 (refer 10.6.3)

10.9.3 Unbudgeted expenses require prior approval from the FINCO and SGB.

10.10 Allowance for the use of private vehicles

10.10.1 Staff members who use their private vehicles to attend school activities and events must obtain prior approval from the principal.

10.10.2 The staff members must complete a travel claim form and have it signed by the principal before attending the activity or event.

10.10.3 Where the allowance exceeds R750.00, the expense requires prior approval.

11. DEBIT AND FUEL CARDS

11.1 Debit cards are no longer be used by the school.

11.2 Fuel cards are issued to each vehicle owned by the school.

11.2.1 Each vehicle driver is responsible for the safekeeping of the vehicle's fuel card

11.2.2 The fuel card may be used only for purchases of fuel for the specific vehicle and in line with the budget for fuel. No private purchases may be made with the fuel card.

11.2.3 Unauthorised transactions as stipulated in the South African Schools Act, 1996, and the financial policy of the school are prohibited.

11.2.4 The maximum daily purchase amount is R_____.

11.2.5 All fuel slips must be submitted to the financial officer on the day directly after the purchases were made, to enable verification and reconciliation of the bank account.

11.2.6 If the fuel slips are not handed in to the financial officer, the vehicle driver of the specific vehicle shall be held liable for the cost of the purchase.

11.2.7 With every refuel of the vehicle the correct Kilometre reading must be provided to the fuel station attendant.

11.3 Should the vehicle driver lose the fuel card, (s)he shall be responsible for immediately notifying the bank, and reporting the lost card to the school's finance office as well.

12. ACCOUNTING SYSTEM

12.1 Based on the school's needs, the governing body determines the accounting system that is to be used. The school currently uses D6.

12.2 Systems must be backed up on a weekly basis, currently being done online and is Cloud based.

13. THE FINANCIAL OFFICER

The financial officer is appointed in writing annually.

The financial officer:

13.1 implements the accounting system prescribed by the governing body;

13.2 keeps accurate weekly record of all income and expenditure;

13.3 issues receipts for all monies received;

13.4 manages electronic transfers according to the prescribed procedure;

13.5 provides the principal and FINCO chairperson with a weekly updated trial balance;

13.6 regularly banks all monies;

13.7 ensures that a maximum of R50,000.00 is stored in the safe in the ordinary course of business (as per Insurance policy guidelines);

13.8 ensures that during seasonal times (as per Insurance policy guidelines) a maximum of R100,000.00 is stored in the safe during the course of business;

13.9 increases the school's insurance cover for cash with a view to fundraising events (such as the Makiti festival) and ensures that the amount of money kept in the safe does not exceed the cover limit;

13.10 keeps record of applications for exemption from school fees, and submits to the FINCO a list of names and application details in accordance with the parent meeting resolutions;

13.11 keeps record of all parents who receive reminders to pay, as well as those who are summonsed;

13.12 coordinates the asset registers;

13.13 keeps accurate record of invoices and proof of expenditure;

13.14 checks that total expenditure falls within budget parameters;

13.15 receives money during fundraising projects;

13.16 balances all money against the receipts issued;

13.17 provides each parent/guardian with a monthly account statement;

13.18 submits to the principal and FINCO chairperson a list of parents in arrears with school fees on a quarterly basis;

13.19 prepares FINCO meeting documentation;

13.20 immediately reports any irregularities and deviations to the FINCO chairperson or governing body representative;

13.20 is responsible for keeping and handling the key to the small safe;

13.21 administers the salaries of staff remunerated by the governing body;

13.22 collects information on taxes and other levies on salaries from the school's payroll administrators, and transfers these to the South African Revenue Service and other institutions, e.g. Liberty;

13.23 drafts a quarterly trial balance/budget statements and reports on the school's financial position at FINCO meetings;

13.24 reconciles the school's bank statements;

13.25 includes in the trial balance all budgeted purchases and expenses;

13.26 files and keeps all financial supporting documents for at least seven years;

13.27 makes payment for all the school's purchases;

13.28 deals with telephonic enquiries regarding school fees;

13.29 makes electronic transfers, and send proof of payment to the relevant institutions if requested to do so;

13.30 administers and reconciles the ledger account, e.g. VAT, salaries, IRP5, logbooks and general creditors, on a monthly basis;

13.31 administers all budget items and informs the principal/chairperson where budget items are being exceeded;

13.32 deals with enquiries on the status of budget items from those assigned responsibilities for such items;

13.33 prepares the school's documentation for the annual audit.

14. ASSET REGISTER

14.1 The vice-principal and relevant administrative staff are responsible for compiling an asset register and updating it from time to time.

14.2 An asset register must be kept of all movable and fixed school property.

14.3 All newly purchased assets valued at R15,000.00 or more must be recorded in the asset register.

14.4 The vice-principal carries out spot-checks to verify whether new purchases have been included in the register.

14.5 Each budget manager is responsible for notifying the financial officer of assets falling under his/her portfolio so that these may be included in the asset register.

14.6 All new asset purchases or asset transfers must be reported to the financial officer in writing so that the system may be updated accordingly.

14.7 The asset register must consist of the following sections:

14.7.1 Furniture: classrooms

14.7.2 Office: furniture and equipment

14.7.3 Media centre

14.7.4 Literature

14.7.5 Hardware

14.7.6 Software

14.7.7 Computer centre

14.7.8 Sports equipment: a separate register for each sporting code

14.7.9 Vehicles

14.7.10 Gardening tools

14.7.11 Textbooks

14.7.12 Music: instruments and other equipment

14.7.13 Catering committee: cutlery and other equipment

14.7.14 Study centre: furniture, devices and equipment

14.7.15 Grade R: furniture, apparatuses and equipment

14.7.16 Pre-primary schools: furniture, apparatuses and equipment

14.8 All asset registers must be made available to the FINCO chairperson on a quarterly basis.

14.9 The vice-principal shall spot-check whether new purchases have been included in the register.

14.10 Each budget manager is responsible for updating the asset register within his/her portfolio.

14.11 All new asset purchases or asset transfers must be reported to the financial officer in writing so that the system may be updated accordingly.

ACQUISITIONS

14.12 All purchases of non-consumable stock must be properly documented in the asset register.

14.13 All non-consumable assets must be marked.

14.14 The date of purchase/acquisition, price and/or any guarantee period must be mentioned.

WRITE-OFFS

14.15 Annually before 30 September, each budget manager submits to the FINCO a list of items recommended to be written off.

14.16 All write-offs must be motivated in writing. The financial officer must check the stock items and ensure that the necessary steps have been taken to establish whether the items are indeed irreparable.

14.17 Recommendations must be made on how to deal with the written-off items, e.g. “Items can no longer be serviced, have been destroyed or are dated”, “Items must be donated to an external institution”, “Items must be sold on tender once approval to alienate has been obtained in line with section 58A of SASA”, etc.

14.18 Items must be destroyed under the supervision of the relevant committee chairperson, who must certify in writing that the items have been destroyed.

14.19 The FINCO consolidates the write-off requests of the different committees or budget managers, and submits these lists to the following governing body meeting.

14.20 Once the governing body has approved the write-offs, the lists are returned to the respective budget managers. The relevant write-offs are recorded in red in the asset register, and the original list is filed.

14.21 For each item write-off, a corresponding entry must be made in the asset register.

15. STOCK

STOCKTAKING

15.1 Stocktaking must be done before 30 September each year.

15.2 Each budget manager determines their own date and method for such stocktaking.

15.3 A written stocktaking report must be submitted to the FINCO chairperson before 30 September each year.

15.4 The FINCO chairperson reports to the following governing body meeting.

STOCK CONTROL

15.5 The school shall have one stock program.

15.6 The principal ensures that all stock is properly controlled, and can be accounted for.

15.7 The principal appoints one stock control officer in writing.

15.8 The stock control officer may co-opt other persons to assist him/her with stocktaking.

15.9 If stock is moved from one location to another, the relevant parties shall complete and sign a form, which is to be handed to the stock control officer to amend the system accordingly.

15.10 If stock needs to be written off for whatever reason, the responsible person shall complete a form and hand it to the stock control officer, who shall, in turn, submit the form to the FINCO and governing body.

15.11 If stock is to be sold or donated to another institution or person, this shall first be tabled to the FINCO and governing body for approval, following which an application for further approval shall be referred to the provincial Member of the Executive Council (MEC) responsible for education.

STOCK REPORT

15.12 The financial officer must be able to report on the school's stock at any time by supplying a printout of the inventory on the computer.

15.13 The audit report must also contain feedback on stock control at the school.

STOCK ORDERS

15.14 The respective budget managers shall also be responsible for ordering and approving:

15.14.1 textbooks;

15.14.2 cleaning aids;

15.14.3 photocopying paper;

15.14.4 duplicating material, like ink; and

15.14.5 general stationery.

16. SALARIES

16.1 Salaries are paid over electronically on or before the last business day of each month.

16.2 Full particulars of all staff members must be continuously updated. Each staff member is responsible for notifying the relevant financial officer of any change in their personal particulars.

16.3 Where applicable, it must be ensured that monthly PAYE and unemployment insurance deductions are made from all salary drawers.

16.4 The following parties must be paid promptly:

16.4.1 The Unemployment Insurance Fund

16.4.2 Tax authorities

16.4.3 The Compensation Commissioner

16.5 A full monthly record must be kept of each person's earnings/deductions.

16.6 All staff members must be issued IRP5/IT3 certificates as soon as possible after the end of February of each year by the school's payroll administrators.

16.7 IRP5 reconciliations must also be promptly submitted by the school's payroll administrators.

16.8 No person shall be granted any loan from school funds. If a Teacher or General Assistant that was employed by the school's SGB receives a Departmental post at the school, an advance can be paid to the Teacher or General Assistant until such time as

the Teacher or General Assistant receives their salary from the Department. This discretionary payment must be presented to and accepted by the FINCO. Repayment of the advance must be made on the same day as when the Teacher or General Assistant receives their salary from the Department.

16.9 Salaries must be allocated to a General ledger control account on the accounting system.

16.10 Written employment contracts, including all required annexures, must be drafted and signed by each new staff member.

17. BANK ACCOUNTS

17.1 The school shall maintain only one current account for all monies.

17.2 The school may also have a savings account with an approved financial institution.

18. INVESTMENT POLICY

18.1 The school may not make any speculative or long-term investments.

19. QUARTERLY REPORTING

19.1 Every quarter, the financial officer must prepare the balanced trial balance/budget statements for reporting to the FINCO.

19.2 The trial balance/budget statements must be distributed to members at least two days prior to the FINCO meeting.

19.3 At the very least, the quarterly financial feedback must include the following:

19.3.1 Income and expenditure for the month and year to date, as seen against the budget

19.3.2 Total outstanding school fees, and a summary of school fees handed over for collection

19.3.3 An analysis and explanation of cases where the budget is exceeded by more than 10%

19.3.4 Status of projects

19.3.5 Details of cash on hand and in the bank

19.3.6 Financial analyses of sport tours, fundraising events or projects that have occurred

20. ANNUAL FINANCIAL STATEMENTS

20.1 Audited annual financial statements must be submitted to the governing body for consideration within five calendar months following the end of the financial year.

20.2 The audited financial statements must be made available to parents within six months following the end of the financial year.

20.3 Within six months following the end of the financial year, the financial officer shall send a copy of the approved audited annual financial statements to the head of the DoE, and shall make available copies to bona fide parents of the school at the governing body's annual general meeting.

21. SCHOOL FEES

21.1 School fees are determined at the annual general meeting for parents once the budget for the following year has been submitted to parents.

21.2 The payment of school fees is determined by Legislation and is compulsory.

21.3 School fees will be levied in full on 1 January of each year. The full amount is payable on or before 28 February of each year or on a monthly basis (refer 21.12) from January to October of each year.

21.4 Should the monthly payment option be accepted by the Parent/Guardian; payments should be made as follows:

21.4.1 January – on or before 31 January

21.4.2 February to October – before the 7th of each month

21.5 School fees are payable via EFT with the learner's account number as reference.

21.6 Card and cash payments for school fees are accepted at the Finance office.

21.7 The cost structure of school fees is determined by the FINCO and submitted to the SGB for approval every year.

21.8 Monthly account statements for school fees must be provided to parents either electronically or by hand.

21.9 Parents/guardians may not arrange to deliver a service to the school if they are unable to pay school fees.

21.10 Parents will be held liable for any outstanding school fee balances when learners leave the school.

21.11 Should a learner be transferred to another school during the school year and still has an outstanding school fee balance for the full year, the learner's parents/guardians can address a letter to the FINCO requesting an exemption on a pro rata basis from paying the school fees from the date the learner is transferred to another school. All outstanding school fees up to date of transfer will still be payable.

21.12 School fees are payable:

21.12.1 Yearly in advance on or before 28 February (a 2.5% settlement discount will be credited to the learner's school fees account if the full yearly school fess is paid on or before 28 February)

21.12.2 Monthly in advance from January to October of each year (before the 7th day of each month)

22. EXEMPTION OF SCHOOL FEES

22.1 Parents/Guardians will be notified at the AGM that application forms for exemption of school fees will be available from the Finance Office. Parents/Guardians will also be notified at the AGM that everyone can apply for the exemption of school fees.

22.2 Parents/Guardians have the opportunity to apply for exemption from school fees until the end of February of each year. The applications are then submitted to the SGB for perusal, comment and approval.

22.3 Parents/Guardians will be notified by a signed letter from the SGB on the outcome of the exemption application.

22.4 Parents/Guardians are still liable to pay school fees until the outcome of the exemption application has been finalised by the SGB.

22.5 Any outstanding school fees payable after exemptions amounts have been applied are still payable by the Parents/Guardians.

22.6 Exemption of school fees will only apply to the current financial year. No exemption will be granted to prior year school fees.

23. OUSTANDING SCHOOL FEES AND COLLECTION THEREOFF

23.1 In terms of Sec 41 of the SASA regulations, Parents/Guardians are obligated to pay the determined school fees, unless their application for full or partial exemption has been approved by the SGB.

23.2 If an account is 30 days or more in arrears, the Parent/Guardian is contacted telephonically and via email by the finance officer.

23.3 If an account is 90 days in arrears, the full year's school fee is handed over to the selected attorneys duly appointed by the SGB.

23.4 In the case of handovers, the finance officer must submit the list of hand overs to the FINCO for notice at a meeting.

24. FUNDRAISING

24.1 The governing body shall determine the number and type of fundraising projects to be launched by the school every year, and no fundraising projects may take place without the governing body's explicit approval.

24.2 At the governing body's annual parent meeting, the governing body chair shall inform parents of the fundraising projects approved by the governing body for the following financial year.

24.3 The aim of fundraising projects shall be to supplement the school budget or fund capital projects.

24.4 In order to drum up interest in fundraising projects, the school may offer certain prizes, which must be included in the budget.

24.5 Fundraising may also be done by parent committees as well as through potential sponsorships once approved by the governing body.

25. SAFEKEEPING

25.1 The financial officer shall be responsible for the safekeeping of all financial proof and documentation.

25.2 All financial statements and supporting documents must be stored.

25.3 All bank statements, reconciliations and salary documents must be neatly filed for reference and audit purposes.

25.4 The financial officer must indicate a date of destruction on the cover of all stored documents.

26. TOURS AND CAMPS

26.1 Please also refer to the school's policy on Tours and Camps.

26.2 For all budgeted tours, camps or excursions, a detailed budget must be presented to FINCO at least three weeks before the events.

26.3 Within 7 (seven) school days after a tour, camp or excursion is completed a full income and expenditure reconciliation, with receipts, must be submitted to the finance officer for presentation to FINCO.
26.4 Only tours, camps and excursions already submitted during the budget may take place.

26.5 Some tours are partially subsidised by the school as determined during the budget process. If the difference in expenses cannot be paid by the parents concerned, the tour cannot take place.

26.6 The school does not make use of debit/credit cards. An advance payment can be made to the Tour head for unexpected expenses. This must be accounted for in the reconciliation referred to in 26.3.

26.7 If funds are available on the relevant fund account, a shortfall regarding the tour fees can be recovered from it with the consent and approval of FINCO.

26.8 Tour fees for which parents are responsible are payable before the tour takes place. In exceptional cases where an instalment agreement has been concluded with parents in this regard, tour fees will be charged along with tuition fees.

26.9 All monies received from sponsors by a Tour head **must** be paid into the school's bank account and accounted for in the sponsors book.

27 RENTING OF SCHOOL PROPERTY

27.1 Tariffs for the renting of school property will be determined by FINCO on an annual basis.

27.2 Fees are payable in advance into the school's bank account.

27.3 The school must be indemnified from any liability when property is rented out.

27.4 When rentals happen over weekends, the duly appointed person responsible for open and closing of the school premises, must be compensated by the Lessee.

28 TEACHERS – EXPENSE CLAIMS

28.1 Expense claims by Teachers for tours, camps, excursions or sporting events:

28.1.1 Must be budgeted for as part of the annual budget process

28.1.2 Tariffs must be approved by FINCO on annual basis

28.1.3 Will be paid via EFT into the Teacher's personal bank account

28.1.4 No expense claim will be paid for social events

29 MEDICAL EXPENSES

29.1 Parents/Guardians are responsible for the learner's own medical expenses during school activities.

29.2 The school must make provision for public liability and indemnity insurance with the school's insurers.

30 SUBSTITUTE TEACHERS

30.1 Substitute teachers will be compensated as per the compensation schedule approved by FINCO on an annual basis.

30.2 Written employment contracts, including all required annexures, must be drafted and signed by each substitute teacher.

30.3 Supervision teachers will be compensated on a different compensation schedule approved by FINCO on an annual basis.