FINANCE POLICY: AUGUST 2012

PREAMBLE
The Governing Body adopts this financial policy for the School,

- acknowledging that the duties assigned to it by law are of a fiduciary nature and as such should be discharged within the utmost good faith and in the best interests of the school at all times,
- having a responsibility for administering the Schools' finances and for determining, monitoring and keeping under review the school's financial systems, asset management and budgets,
- and accepting that it governs the School under authority derived from the SA Schools Act.

As a statutory body the Governing Body commits itself to the compliance with the South African Schools Act 84 of 1996, namely that:

1. It acts under guidance from its Finance Committee and its auditors, who ensure compliance with this policy and applicable laws.

2. The School operates a school fund and administers it in accordance with directions issued by the Head of Department for the Province.¹

3. The School operates a bank account and, with the approval of the Member of the Executive Council, invests surplus money in a separate account.²

4. All money received by the School, including school fees and voluntary contributions, are paid into the School’s bank account or investment account.³

5. Money or other goods donated or bequeathed to or received in trust by the School are applied in accordance with the conditions of such donation, bequest or trust.⁴

6. All assets acquired by the School are the property of the School.⁵

¹ Section 37(1)
² Section 37(3)
³ Section 37(2)
⁴ Section 37(4)
⁵ Section 37(5)
7. The School may, with the written approval of the Member of the Executive Council, enter into any loan or overdraft agreement so as to supplement the school fund.  

8. The School fund, all proceeds thereof and any other assets of the school are used only for -

(a) educational purposes, at or in connection with the School;
(b) educational purposes, at or in connection with another public school, by agreement with such other public school and with the consent of the Head of Department;
(c) the performance of functions set by it or
(d) other educational purposes agreed to between it and the Head of Department.

9. Money from the school fund is not paid into a trust or used to establish a trust.

10. It does not allow the collection of any money or contributions from parents that circumvent or manipulate the payment of compulsory school fees nor the use of such money or contributions to establish or fund a trust, and if such money or contributions from parents were paid into a trust prior to 1 January 2002, that the trust pays such money or contributions back into the school fund.

11. It prepares a budget each year according to prescriptions determined by the Member of the Executive Council in a Provincial Gazette, which shows the estimated income and expenditure of the school for the following financial year.

12. The annual budget is prepared and approved in accordance with the procedures set out in the Act.

13. It applies to the state as employer for approval to pay a state employee any payment contemplated in clause 14 below.

14. Subject to clause 13, it does not pay or give to a state employee employed in terms of the Employment of Educators Act, 1998 (Act No. 76 of 1998), or the Public Service Act, 1994 (Proclamation No. 103 of 1994), any unauthorised -

(a) remuneration;
(b) other financial benefit; or
(c) benefit in kind.

15. It determines and charges school fees in terms of a resolution adopted by a majority of parents in a meeting convened in terms of the Act.

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6 Section 36(2)
7 Section 37(6)
8 Section 37(7)(a)
9 Section 37(7)(c)
10 Section 38(1)
11 Section 38
12 Section 38A(2)
13 Section 38A(1)
16. It may by process of law enforce the payment of school fees by parents.\textsuperscript{15}

17. It keeps proper and accurate records of funds received and spent by the school and of its assets, liabilities and financial transactions and, as soon as practicable, but not later than three months after the end of each financial year, draws up Annual Financial Statements in accordance with the guidelines determined by the Member of the Executive Council for presentation to the Department, \textsuperscript{16} and presents quarterly management accounts as required by the Department.

18. It appoints a suitable person, registered as an auditor in terms of the Auditing Profession Act, 2005 (Act No. 26 of 2005), to audit the records and financial statements. \textsuperscript{17}

19. The financial year of a public school commences on the first day of January and ends on the last day of December of each year. \textsuperscript{18}

\textbf{In broader terms the School's Governing Body commits itself -}

20. To research the needs of the school so as to maintain and improve as necessary its academic standards and platform as well as its campus development needs and to produce short and medium term budgets for approval that reflect these appropriations.

21. To create and maintain systems of authority and control so as fully to record all transactions entered into by the school and to ensure that such transactions are within planned and authorised expenditure.

22. To deliver reasonable quality schooling to parents and the student body with a fair distribution of the financial burden between parents within the parameters set by the Education Department and the Parent Body.

23. To maximise the effectiveness of contributions received from past pupils or donations towards the future development of the school with the aim of increasing the opportunities afforded to all pupils to maximise their individual skills.

24. To take responsibility for the financial administration of the School.

\textsuperscript{14} Section 39(1) read with section 38(2)
\textsuperscript{15} Section 41
\textsuperscript{16} Section 42
\textsuperscript{17} Section 43
\textsuperscript{18} Section 54, Western Cape Provincial School Education Act 12 of 1997
The Governing Body recognises and supports the responsibilities and functions of the Headmaster in terms of the SA Schools Act, including that he:

24. represents the Head of Department on the Governing Body;

25. reports annually to the Head of Department in respect of the effective use of resources, including financial resources;

26. undertakes the professional management of the school under the authority of the Head of Department;

27. assists the governing body in the performance of its functions and responsibilities; and

28. carries out functions delegated by the Governing Body.

Business Manager

29. The Governing Body appoints a Business Manager to assist it in carrying out its functions.

30. The Business Manager reports to the Governing Body, and assists the Headmaster in respect of those functions specifically delegated to the Headmaster by the Governing Body.

31. The Business Manager and the Headmaster assist the Governing Body in providing a check and balance for the proper administering of the School’s finances.

Treasurer

32. The Governing Body elects a Treasurer from among its members.¹⁹

33. The Treasurer chairs the Finance Committee of the Governing Body.

¹⁹ Section 29(1) of the SA Schools Act