



---

## Procurement Policy

### Purpose:

The purpose of this policy is to determine the level of authority over financial and accounting functions and staff authorities that are delegated throughout the school.

### BUDGET

#### 1. Budget Preparation

- 1.1 The Principal and Business Manager will prepare the annual school budget and take this to the Finance Sub committee. The Finance Sub Committee will present the budget to the School Council for discussion and approval.
- 1.2 The Principal and Business Manager will consult with school staff and the Finance Sub committee about the resources needed to achieve the schools's goals of providing quality Christian education.
- 1.3 The budget will include plans for capital expenditure.
- 1.4 The budget will be finalised no later than four weeks prior to the School General Meeting to allow for presentation to School Council and circulation to Alice Springs Lutheran Church General Meeting which includes adoption of the budget .

#### 2. Expenditure of the Budget

- 2.1 The Business Manager and the Principal are responsible for the financial control of all expenditure.
- 2.2 The Business Manager and the Principal will ensure that expenditure is within budget.
- 2.3 All expenditure requires a purchase requisition signed in advance of the planned expenditure by the person responsible for the applicable budget to be expensed. This is to be authorised by Business Manager if within budget for approval and under \$500. Expenditure over \$500 also requires approval of Principal.
- 2.4 Expenses \$25 or less may be paid/reimbursed via Petty Cash. Reimbursement will only be made on presentation of a Tax Invoice.
- 2.5 Purchases over \$25 require an official purchase order signed in advance of the planned expenditure. Purchase order will then be faxed to supplier/or provided for presentation to supplier for purchase of goods/services on account.
- 2.6 The Business Manager is responsible for payment of Creditors, with dual signing authority shared by Principal and/or delegate.

The Principal and Business Manager shall expend the capital works budget according to the allocated budget. Any proposals to exceed budget will be brought to the Living Waters Lutheran School (LWLS) Council meetings for discussion and decision.

### **3. Expenditure Exceeding Planned Budget**

Any proposed expenditure exceeding \$5,000 not included in the budget will be brought to the LWLS Council for consideration. School councillors will be given a briefing including the rationale for the expenditure and an analysis of the risks and benefits of such expenditure. If the proposed expenditure, not included in the budget, is considered urgent and cannot wait until the next meeting of the full council, the Principal and Business Manager will discuss the matter with the School Council Executive.

### **4. Financial Reporting**

The Business Manager will provide the school council with financial reports in a format agreed by the Finance Sub Committee. As a minimum this will include an income and expenditure statement including percentage and dollar figures against budget. The financial report will be circulated a minimum of three days in advance of school council meetings.

### **5. Asset Register**

The Business Manager will maintain the school asset register for all Capital items. The asset register will be available to school councillors and the auditor.

### **6. BusinessSub Committee**

The Finance Sub Committee reports to the school council

- 6.1 Membership: The Business Manager, the Principal, at least two school councillors
- 6.2 Chair of Finance Sub Committee: elected by the school council
- 6.3 Duration: the Business Manager and the Principal are permanent members. The Chair and other members will be elected annually.
- 6.4 Meetings: the Finance Sub Committee will meet quarterly
- 6.5 Terms of Reference. The school council Finance Sub Committee will:
  - 6.5.1 Analyse the financial reports and advise the council about the reports
  - 6.5.2 Analyse the annual financial statements and advise the council on them
  - 6.5.3 Assist the Principal and Business Manager with budget preparation
  - 6.5.4 Set the specifications for the annual audit and recommend these to the council
  - 6.5.5 Review the financial procedures and chart of accounts
  - 6.5.6 Present the financial report to the school annual general meeting

## 7. Accounting Authorities

Category	(Value)	Authorised to approve
Opening bank accounts		Business Manager and Principal following agreement from Chairperson
Write off bad debts	\$2000	Business Manager in consultation with Principal
	over \$2000	Principal in consultation with School Council
Signing of Payment Summaries		Business Manager
Cheque signatories and electronic funds transfer		Principal and Business Manager or nominated person
Placement of Investments	to 30 days over 30 days	Principal or Business Manager School Council
Destruction of Records		Principal – in accordance with legislative requirements