

1. POLICY TITLE

a) FINANCE POLICY

2. SCOPE

a) Applies to finance committee, SMT, Educators, SGB and Admin Assistant.

3. INTERPRETATION OF TERMS AND ACRONYMS

a) **Parent:** any person entrusted with legal duty to look after a learner enrolled at the school

Educator:

an educator employed as defined in the Employment of Educators Act, 76 of 1998.

b) **Principal:** an educator appointed or acting as the Head of the Jane Furse Comprehensive School.

c) **SASA:** South African Schools Act (84 of 1996), as amended,

d) **School Governing Body:** the governing body responsible for the governance of Jane Furse Comprehensive School otherwise referred to as SGB.

e) **MEC:** Member of Executive Council responsible for education Limpopo Province.

f) **The School:** refers to Jane Furse Comprehensive School

g) **LTSM:** Learning and Teaching Support Material.

h) **S and T:** Subsistence and travelling allowance

4. LEGISLATIVE FRAMEWORK

- a) Public Finance Management Act, No.1 of 1999
- b) South African Schools Act, No.84 of 1986
- c) National Treasury Guidelines on wasteful expenditure.
- d) Any provincial regulations on the use of school finances

5. OBJECTIVES

- a) To regulate the collection of school fees and any other monies due to school.
- b) To regulate the usage of funds allocated to the school.
- c) To ensure that school funds are appropriated in accordance with the provisions of PFMA and the SASA.
- d) To provide for guidelines regarding fundraising, investing and any other matter related to the funds of the school.

6. RESPONSIBILITIES OF THE SGB ON FINANCES

- a) Ensure that school fund is established and maintained.
- b) The SGB shall open bank account with a registered commercial bank.
- c) Determine school fees that should be paid from time to time.
- d) Appoint signatories to the school bank account in a duly constituted meeting.
- e) The SGB shall keep updated records of the school's finances, to be made available to parents, and the officials of the department of education upon request.
- f) SASA Sec 38. Before a budget referred to in subsection (1) is approved by the governing body, it must be presented to a general meeting of parents convened on at least 30 days' notice, for consideration and approval by most parents.
- g) Financial records and statements of public schools according to SASA Sec 42:
The governing body of a public school must
 - i. *keep records of funds received and spent by the public school and of its assets, liabilities, and financial transactions; and*
 - ii. *as soon as practicable, but not later than three months after the end of each financial year, draw up annual financial statements in accordance with the guidelines determined by the Member of the Executive Council.*

- h) Audit or examination of financial records and statements.
SASA Sec 43. (1) The governing body of a public school must appoint a person registered as an accountant and auditor in terms of the Public Accountants and Auditors Act, 1991 (Act No. 80 of 1991) to audit the records and financial statements referred to in section 42. Sec 44. 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.

7. ESTABLISHMENT OF FINANCE COMMITTEE

- a) The SGB shall appoint Finance Committee as per the provisions of the departmental regulations to ensure accountability and due reporting systems comprised as follows:
- i. **Treasurer** as Chairperson,
 - ii. **Finance Officer** (appointed in writing) as Secretary,
 - iii. **Principal**,
 - iv. **SGB Deputy Chairperson and**
 - v. **A coopted member with financial expertise.**
- b) The Finance Committee shall advise the SGB on matters relating to correct practices in the public service when it comes to finances.
- c) The finance committee shall serve as procurement and bid adjudication team.
- d) As far as practical, the finance committee shall help establish a database of preferred service providers each financial year.
- e) However, this may not prejudice other providers who are not on the said database.

8. DUTIES OF THE COMMITTEE MEMBERS

8.1. Principal

- a) Act as Chief Accounting Officer accountable to the SGB and HOD.
- b) Shall ensure that generally acceptable accounting principles are followed when school funds are appropriated.
- c) Shall approve by means of signature all correctly captured and adjudicated financial transactions submitted to him by the Finance Officer.
- d) Shall approve, and control or monitor systems and procedures employed in dealing with school finances.
- e) Shall ensure that the treasurer prepares and presents annual budget for the school.
- f) Shall advise fundraising committee to assist the school on securing sponsorships for special projects.

- g) Shall ensure that there is good relationship between the SGB and himself.
- h) Shall serve to advise the SGB on financial needs of the school.
- i) Shall ensure that monies collected on daily basis are duly banked and that proper receipts are kept.
- j) The principal shall device internal control measures to monitor control of monies collected by means of record keeping.

8.2. Finance Officer

- a) Shall collect, record, and duly receipt all monies.
- b) Shall advise the Principal on all matters relating to the school finances.
- c) Shall prepare and submit to the principal all documents required for signature before any transaction is done.
- d) Shall ensure the safe keeping of all financial records and books of the school.
- e) Shall together with the treasurer, prepare school financial books for auditing.
- f) Shall advise the Principal on financial policy matters.
- g) Shall implement generally acceptable accounting principles on behalf of the SGB.
- h) It is the duty and responsibility of the finance officer to ensure that the above principles are adhered to without fear or favour.
- i) Shall serve as secretary of the Finance Committee.

8.3. School Treasurer

- a) Shall serve as Bank Signatory.
- b) Shall authorize or release funds ONLINE.
- c) Shall be the chairperson of the finance committee.
- d) Draft the school budget in consultation with the SGB and the Principal.
- e) Shall sit in the Fundraising committee either as ex-officio member or full member.
- f) Shall assist fundraising committee with developing and implementing funding proposals.

9. AUTHORIZATION OF EXPENDITURE

- a) It is the Principal's responsibility to authorize all financial transactions made by the school, this shall be done in consultation with the SGB treasurer and chairperson.
- b) This duty may not be delegated.

- c) The following documents must accompany any payment transaction:
- Requisition form bearing the school logo
 - Quotation and
 - Invoice

10. ELECTRONIC FUNDS TRANSFER (EFT) AND BUSINESS ONLINE BANKING

- a) The school shall use business online to process payments.
- b) The SGB deputy chairperson, treasurer and any third member shall be the only people to initiate and authorize payments.
- c) No payment shall be made without the approval of the principal and the SGB chairperson.
- d) SGB shall ensure that signatories appointed to effect electronic funds transfer do so with utmost care and diligence.
- e) Passwords and all applicable usernames used for electronic payments may not be shared with unauthorized persons.
- f) Any member of SGB entrusted with such responsibility shall be held personally liable should they be found to have acted in bad faith and failed to exercise due care.
- g) Telephonic authorization of EFT is not desirable and should only be done under exceptional circumstances.

11. COLLECTION OF SCHOOL MONIES

- a) All monies collected from learners/parents shall be duly receipted and an official receipt issued immediately.
- b) Only official receipt books will be issued when collecting money.
- c) The Principal shall make sure that money collected at the school is banked within 24 hours.
- d) Only the Principal or SGB Chairperson may authorize an educator to collect money from learners.
- e) No school monies may be kept on school premises without a safe, if for any reason the money cannot be taken to bank on the same day.
- f) Any person collecting money on behalf of the school shall be held responsible should there be some missing funds.
- g) The treasurer shall together with the finance clerk design a comprehensive cash collection procedure which, must be presented to the principal and SGB for approval.

- h) Such document shall be attached to this policy as an addendum and may be subject to amendment as and when the need arises. It may be changed anytime even before the review of the finance policy.
- i) Although this policy may not prescribe allocated times for collecting monies from parents, the finance clerk is expected to submit to the principal proposed times for receiving money from the public.
- j) Such times may be granted at the sole discretion of the principal. It is however, advisable that notices be put up for parents so that they may stick to the scheduled times.

12. PETTY CASH CONTROL AND REQUISITION

- a) The principal may request authorization of petty cash from the SGB as may be required, and in line with guidelines by the provincial department of education.
- b) Once an amount is granted or agreed upon, it remains the principal's responsibility to ensure that it is kept at that agreed value.
- c) A cash may be withdrawn by an authorized official and be kept as petty cash.
- d) The authorized petty cash amount is currently at R1000.00 per month

13. PROCUREMENT OF GOODS AND SERVICES

- a) The SGB shall in consultation with the principal, and the finance committee establish procurement system to be followed to purchase certain goods and services.
- b) Such procurement procedure shall be aimed at smooth management of school funds, and not stifle school programmes with stringent measures.
- c) It should outline clear lines of responsibility regarding requisitions, sourcing, and payment of service providers.

14. PROCUREMENT OF GOOD AND SERVICES THROUGH QUOTATIONS

- a) All purchases or services up to the value of R5 000.00 may not require written quotations..
- b) Care should be taken that the specific purchases or services are obtained to the best interest of the school taking into account value for money.
- c) Orders should be signed on the school's requisition slip by the applicant, the budget holder and the principal or his duly appointed representative.

- d) Purchases of goods and services for over R5 000.00 would require written quotations from at least three different service providers.
- e) Should there be any preferred service provider in terms of any existing database; quotes should be requested from other providers as well.
- f) Purchase of goods exceeding R30,000.00 can only be approved by circuit manager / district director / Head of Department.

15. FINANCIAL REPORTING

- a) The financial year of the school is from 1 January to December 31 each year.
- b) Monthly and yearly financial reports will include all income and expenditure and bank statement.
- c) Audited financial statements shall be presented at an annual parents' meeting duly convened for the same purpose.

16. ANNUAL BUDGET

- a) Annual budgeting should be done at least two months before the end of each academic year.
- b) A general meeting convened for this purpose shall approve the budget.
- c) When doing the budget, the SGB shall be guided by the school needs in terms of School Development Plan and school budget guidelines from the provincial department of education.
- d) It is advisable that budget is broken down into units as follows: 60% Curriculum, 10% administration, 10% sports, arts and culture, 15% Covid-19 related expenses and 5% transport.
- e) The SGB shall in consultation with the principal delegate duties to establish units as per either phases or grades and constitute them as school business units.
- f) Each business unit shall hold its own mini budget meeting to submit their budget proposal to the finance committee before final budget is concluded.



Date of next review

Adopted as per signatories below

Name	Position	Signature	Date