



Board of Trustees

Policy - Discretionary Spending of Public Funds

This policy covers spending on the following:

- Travel
- Sensitive Expenditure
- Entertainment

The policy reflects the Board's intention to be good stewards of the resources in its care and to with integrity in its dealing.

Introduction

1. The Board agrees that it has a responsibility to ensure that all expenditure related to travel, sensitive expenditure and entertainment incurred by the School must clearly be linked to the business of the School. The Board has agreed on the fundamental principles of this Policy, and has delegated responsibility for the implementation and monitoring of this Policy to the Principal.
2. The Board requires the Principal, as the chief executive and the Board's most senior employee, to implement and manage this Policy. The Principal may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this policy.
3. This Policy must be read in conjunction with other Board Policies, and the exercising of all authority and responsibilities conferred under this Policy must be in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

Travel

Principles

The Board agrees to ensure that:

- the travel expenditure is on the Board's business, and the School obtains an acceptable benefit from the travel when considered against the cost;
- expenses are reimbursed on an actual and reasonable basis; and
- staff that are required to travel on business do not suffer any negative financial effect.



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Process for Making Travel Arrangements

1. Under no circumstances may any staff member approve their own travel.
2. Travel bookings will be made with a view to both the most economical and most practical arrangements being made. A staff member should not choose a booking based on the accrual of travel benefits (e.g. airpoints, loyalty points etc) but on the price and practicality. Any benefits accrued after this remain with the staff member.
3. All booking for international and domestic travel is to be conducted through the School's normal purchase procedures. This includes the booking of accommodation, flights and rental cars.

Travel within New Zealand

4. The justification for travel within New Zealand must be documented. It is to be transparent and must relate to a school need. Travel within New Zealand is to be authorised on a one-up basis (for example the Principal should authorise any travel by the Deputy Principal and the Board should authorise any travel by the Principal).
5. All domestic air travel is to be economy class.

International Travel

6. Prior to international travel being undertaken, the traveller must be given a copy of this policy and be required to sign it off to signify that they have read and understood it.
7. All international travel should be authorised by the Board before it is commenced. A proposal must be put to the Board detailing the purpose of the trip, the expected benefit to the Board which will arise from the trip and an estimate of the costs of the trip. The Board will approve the travel in writing.
8. At the end of the trip overseas, the traveller must prepare a trip report, which details the costs incurred during the trip, activities which took place during the trip and the benefits to the Board and the School of the trip.
9. Except where the flight time exceeds 10 hours, all international air travel is to be economy class.
10. If a staff member has a travel time without a stopover in excess of 20 hours, a rest period of 24 hours before commencing work is permitted.

Accommodation

11. Staff should opt for good but not superior accommodation, for example 3 star accommodation and must be prepared to justify exceptions to this rule to the Board. It is acknowledged that conference accommodation can be the best overall solution and can be above the 3 star guide.
12. Staff who stay privately will be reimbursed on production of receipts, for koha or for the cost of a gift given to the people they have stayed with. Prior to travel the staff member should receive authorisation for the value of the intended koha/gift.

Vehicles

13. When using rental cars, staff should opt for good but not superior model vehicles and should be prepared to justify any exceptions to this rule to the Board.
14. Use of private vehicles is to be approved on a one-up basis and reimbursement will be at the rate specified by the Inland Revenue Department.



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15. If taxis are used, then staff should pay for the taxis out of their own pocket, obtain a receipt and seek reimbursement through petty cash or as part of an expense claim through the usual school procedures.

Reimbursement of Expenses

16. The reimbursement for business related travel expenses is on the basis of actual and reasonable costs. Actual and reasonable expenditure is defined as “the actual cost incurred in the particular circumstance, provided that it is a reasonable minimum charge”.
17. For travel within New Zealand, actual and reasonable expenses are those incurred above the normal day to day costs. For example, a staff member would normally incur personal expenditure for lunch on a daily basis and the cost of lunch when travelling should not be reimbursed unless the costs are greater than that normally incurred.
18. All personal expenditure is to be met by the staff member. Examples of this are mini bar purchases, in house movies, laundry and private phone call charges are to be paid separately by the travelling staff member.
19. All receipts must be retained and attached to the travel claim. The claim is to be authorised on a one-up basis.
20. For expenditure incurred in New Zealand of value greater than \$50 (including GST) there should also be a GST invoice to ensure that GST can be reclaimed by the School.
21. Authorisation can still be given for expenditure less than \$50 where there is no receipt, for example if it is not practical to obtain a receipt or if the receipt is lost. The expenditure can be reimbursed provided there is no doubt about its nature or the reasons for it.

Discretionary Travel Benefits

22. Travel benefits, including airpoints and loyalty scheme rewards/points (Flybuys, Global, etc), accrued from official travel may remain with the staff.
23. Staff must travel by the most direct route unless scheduling dictates otherwise.
24. The School will not meet expenses incurred on behalf of a spouse or travelling companion. In the event of a person travelling with an employee, a reconciliation of expenses should clearly demonstrate that the School did in no way incur additional expenditure.

Sensitive Expenditure

Principles

1. The board requires the principal, where expenditure may be beneficial to an individual or group of individuals, to take account of the following prior to authorising this expenditure:
 - i) Does the expenditure benefit student outcomes?
 - ii) Does the expenditure represent the best value for money?
 - iii) Is it in the budget?
 - iv) Could the board justify this expenditure to a taxpayer, parent or other interested party?
 - v) How would the public react if this expenditure was reported by the media?



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- vi) Would there be perceived to be any personal gain from this expenditure?
- vii) Does this expenditure occur frequently?
2. Any proposed expenditure which may benefit individuals or groups of individuals will be backed by funds which have been raised for the purpose. The funds will be raised with a full understanding of their purpose known to those contributing the funds – such as parents or other funding sources (eg. Charities). The funds raised will cover all costs (including travel and accommodation costs for teachers who may be involved).

Accounting for expenditure

3. All expenditure which is incurred on behalf of individuals or groups of individuals will be fully accounted for and a separate income statement for management reporting purposes showing all funds raised and expenditure incurred will be provided to the board.

Entertainment

Purposes of Entertainment

1. Entertainment expenditure in general will be for the following purposes:
 - Building relationships and goodwill
 - Representation of the school in a social situation
 - Hospitality provided in the course of school business to external parties
 - Internal social functions
2. The purpose of all purchases should be transparent and the amount expended able to be demonstrated as reasonable and appropriate.

School Events and Staff Meetings

3. This includes conferences, seminars, workshops, training courses and meetings.
4. When deciding upon a venue, teachers should take into account location, accommodation standard and tariff rates. They should give due consideration to the nature of the event, total cost, expectations of participants and their home location.
5. When deciding upon catering, teachers should take into account the nature of the event and the quality of food required. Lunch should only be provided for staff meetings where it is not possible to arrange the meeting for a period which avoids the lunch break.

Alcohol Purchases

6. The school should only purchase alcohol for entertainment purposes.
7. Purchases are usually for the consumption by staff and guests at school hosted events. However, the school is an alcohol free site and any event where pupils also attend is alcohol free. The amount expended needs to be demonstrably reasonable and appropriate for the event and should be sufficient for moderate consumption only.



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Approval

- When the board approved this Policy it agreed that no variations of this Policy or amendments to it can be made except with the 75% approval of the board.
- As part of its approval the board requires the principal to circulate this policy to all staff, and for a copy to be included in the School Policy Manual, copies of which shall be available to all staff. The School policy manual shall also be made available to students and parents at their request. The board requires that the principal arrange for all new staff to be made familiar with this Policy and other policies approved by the board.

BOT Chair Sign:



Adopted On:

2017

Date of Review:

2020
