

SPRINGVALE PRIMARY SCHOOL

Established 1981



PERSEVERE

FINANCE POLICY

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1. TITLE OF THE POLICY

FINANCE POLICY OF SPRINGVALE PRIMARY SCHOOL

2. Effective Date

April 2024

3. Revision History

The Governing Body will review this policy every three years or sooner if there is a change in the relevant legislative framework; or for operational reasons whenever circumstances so require; or at the request of the Head of Department.

4. PREAMBLE

The management of school finances in an effective, efficient and economical manner will ensure that the funds of a school will be utilised to serve the best interest of a learner.

4.1 Public finance is governed by a single, remarkable legislation on financial management that places the management of finances in a performance based environment. The Public Finance Management Act is successful in ensuring that those responsible for the management of finances are clear about what is to be done and places the onus on all officials within the Department to take responsibility for the effective, efficient, economical and transparent use of financial and other resources within that official's area of responsibility.

4.2 The South African School Act mandates the school governing body of a school to establish a school fund and

administer it in accordance with the directions issued by
the Head of Department.

5. PURPOSE OF THE POLICY

5. 1 This policy aims to promote sound financial management by providing the necessary guidelines to be followed in the:

- (i) Collection of school funds.
- (ii) Management of school funds.
- (iii) Record - Keeping of all moneys received and spent by the school.
- (iv) Preparation of an annual financial statement.
- (v) Auditing of annual financial statement.

6. DEFINITIONS AND ACRONYMS

6.1 Definitions

Term	Definition
Accounting Officer	An Accounting Officer is a person responsible for the financial management of an organization. Eg Principal
Auditor	An Auditor is an independent professional who examines and verifies the financial records and statements of an organization. The auditor's role is to ensure that financial statements are accurate, complete, and in compliance with accounting standards and regulations. Auditors can be internal (employed by the organization) or external (hired from outside the organization).
Audited Financial Statement	An Audited Financial Statement is a set of financial statements that have been examined by an independent auditor. The auditor reviews the statements to ensure they are free from material misstatements and accurately reflect the financial position and performance of the organization. The auditor then issues an audit report with an opinion on the financial statements' reliability.
Book-keeper	A Book-keeper is a person responsible for recording the day-to-day financial transactions of an organization. This role involves maintaining accurate records of income, expenses, payroll, and other financial activities. Book-keepers often use accounting software to manage financial data and ensure that the books are

	balanced.
Budget	A Budget is a financial plan that outlines an organization's expected income and expenditures over a specific period, usually a year. Budgets are used to manage resources, set financial goals, and track performance. They help organizations allocate funds, control costs, and make informed financial decisions. Budgets can be adjusted as needed to reflect changes in financial circumstances.
Educator	means any person, excluding a person who is appointed to exclusively perform extracurricular duties, who teaches, educates or trains other persons or who provides professional educational services, including professional therapy and education psychological services at school.
Head of Department	means the head of an education department
Learner	means any person receiving education or obliged to receive education in terms of relevant legislation.
MEC	Means the Member of the Executive Council of a province who is responsible for education in the province.
Educator	means any person, excluding a person who is appointed to exclusively perform extracurricular duties, who teaches, educates or trains other persons or who provides professional educational services, including professional therapy and education psychological services at school.
Finance Officer	A Finance Officer is a professional responsible for managing the financial activities of an organization
Finance Policy	Finance Policy is a set of guidelines and procedures that govern the financial management practices of an organization
Head of Department	means the head of an education department
Learner	means any person receiving education or obliged to receive education in terms of relevant legislation.

MEC	Means the Member of the Executive Council of a province who is responsible for education in the province.
Parent	means – a) the parent or guardian of a learner; b) the person legally entitled to custody of a learner; or c) the person who undertakes to fulfil the obligations of a person referred to in paragraph (a) and (b) towards the learner's education at school.
Principal	means an educator appointed or acting as the head of a
	school.
School	Means an institution which enrolls learners in one or more grades from grade R (Reception) to grade 12
School fees	School Fees refer to the charges imposed by educational institutions for attendance and various services.
School fund	A School Fund refers to the financial resources allocated or raised to support the operations and activities of a school.
School Governing Body	Means the relevant body responsible for Governance issues
Treasurer	A Treasurer is a person responsible for managing the financial affairs of an organization, including a school.
	school.
School	Means an institution which enrolls learners in one or more grades from grade R (Reception) to grade 12
School Governing Body	Means the relevant body responsible for Governance issues

6.2 ACRONYMS

GDE	Gauteng Department of Education
HoD	Head of Department
MEC	Member of the Executive Council
SASA	South African School Act
SGB	School Governing Body
SMT	School Management Team

7. APPLICATION AND SCOPE OF THE POLICY

7.1 This policy applies to all relevant stakeholders at SPRINGVALE PRIMARY

8. LEGISLATIVE FRAMEWORK

- Constitution of the Republic of South Africa, (Act No. 108 of 1996), as amended.
 - National Education Policy Act, (Act No. 27 of 1996), as amended.
 - South African School Act, (Act No. 84 of 1996), as amended.
 - Employment of Educator Act, (Act No. 76 of 1998), as amended.
 - South African Council for Educators, (Act No. 31 of 2000)
 - Public Finance Management Act, (Act No. 1 of 1999), as amended
 - Public Accountants' and Auditors' Act, 1991
 - The Amended National Norms and Standards for School Funding.
 - Gauteng School Education Act, (Act No. 6 of 1995)
 - Education Policy Act, (Act No. 12 of 1998)

9 RELEVANT POLICIES AND PROVINCIAL CIRCULARS

Circular 74/2008

Circular 53/2008

Circular 65/2007

Circular 13/2000

10. POLICY CONTENT

- The Financial Policy of the School guides the School Governing Body (SGB) as well as the staff members as to their responsibilities, actions and general conduct.
- It is the responsibility of the School Governing Body, in keeping with the south African Schools Act, to:
 - Collect school funds to supplement resources and funds made available by the State to cover operating expenses of the school;
 - Manage school funds, subject to requirements of the Head of Department in terms of generally accepted accounting practice;
 - Keep records of all money received or spent by the School and of the assets, liabilities and financial transactions of the School;
 - Prepare a financial statement annually which reflects income and expenditure as well as assets and liabilities of the School as at the end of the school year;
 - Have the annual financial and other financial records of the school audited by a suitably qualified person who is duly registered in terms of the Public Accountants' and Auditors' Act of 1991 (Act 80 of 1991);
 - Send a copy of the audited annual financial statement to the Head of Department as soon as possible within six months after the end of the school year, and make copies of the same available to the parents at the Annual General Meeting of the Governing Body;
 - Prepare an annual school budget in which the amount of fees to be paid by each learner will be stipulated. The budget will be tabled and approved through a majority vote by the parents present at the annual General Meeting of the School Governing Body;
- The School governing body accepts responsibility for the execution of the responsibilities listed in paragraph 1.2. Where appropriate,

certain of these responsibilities may be delegated to individual or collective adult members of the school community who are not members of the School Governing Body.

- The policies and procedures indicated in this document may be amended by a majority vote of members of the School Governing Body in line with legislative requirements.
- The School Governing Body must open and maintain one banking account but may, with approval of the MEC, invest surplus money in another account.
- Money or other goods donated or bequeathed to or received in trust by Springvale Primary School must be applied in accordance with the conditions of such donations, bequest or trust.
- All assets acquired by a school are the property of the School.
- Money from the School may not be paid into a trust or be used to establish a trust. Sit with the PTA to discuss this further to streamline the process
- The SGB shall appoint a Finance Committee at the first meeting of the SGB after election.

11.1. Fee Paying Status and Allocated Functions

Springvale Primary is a fee paying school with the following allocated functions:

- (a) To maintain and improve the school's property, and buildings and grounds occupied by the school, including school hostels, if applicable;
- (b) To determine the extra-mural curriculum of the school and the choice of subject options in terms of provincial curriculum policy;

(c) to purchase textbooks, educational materials or equipment for the school;

(d) to pay for services to the school;

11.2. Finance Committee

Springvale Primary manages its finances through a finance committee.

The finance committee:

a) Has been elected at the SGB meeting of .

b) Will carry out its functions as a sub-committee of the SGB.

11.2.1. Composition of the Finance Committee

a) The Finance Committee will consist of:

i. The Treasurer - the Chairperson of the Committee;

ii. Chairperson of the SGB

iii. Principal and

iv. Finance Officer (PS staff member).

V Vice Chairperson of the SGB

11.2.3. Duties of the Finance Committee

a) The main purpose of the finance committee will be to monitor the finances of

the school and to make recommendations to the SGB;

b) To compile the school budget for the following year;

c) To consider any unbudgeted requisition/s for authorisation or refer the matter to the SGB for approval;

d) If necessary, the finance committee should prepare and present a financial

report at every SGB meeting.

11.2.4. Appointment of Financial Officer

- (a) Only one (1) person will be assigned to collect school funds from learners, hereafter, referred to as the Financial Officer.
- (b) The school shall appoint a Financial Officer in writing.
- (c) She will be issued with a cash receipt book.
- (d) Duties will include the control and recording on a daily basis of income and expenditure.
- (e) All income must be recorded daily in the receipt cashbook and expenses in the payment cashbook.
- (f) The collected fees are to be banked within 24 hours .

11.2.5. Meetings

- a) The Finance Committee shall be meeting at least once per month; to discuss matters relating to the school finances.
- b) The SGB shall be meeting at least once per term.

11.3 USE OF FUNDS

11.3.1 The School Fund, all the proceeds thereof and any other assets of the School must be used for:

- Educational purposes, at or in connection with the School;
- Maintenance and Improvement of school facilities;
- Other functions beneficial to the School as determined by the SGB.

11.4 ANNUAL BUDGET

- The school budget will be prepared once a year and finalised in the 4th quarter for the next financial year in accordance with the prescriptions as determined by the MEC, as well as good accounting practices.
- The School Governing Body then approves the budget in principle.
- The budget will be presented to the parents at the annual General Meeting (AGM) for final consideration and approval by the majority of the parents present and voting.
- The budget will be made available for inspection at least 14 days prior to the AGM.
- Once approved, the School Governing body then ratifies the budget for the next financial year, at the next School Governing Body meeting.

11.4.2 The budget is prepared in such a way that:

- The expenses and income support the long-term strategy and short term objectives of the school.
- A comfortable amount of cash is left for any unforeseen circumstances.
- Individual expenses can be controlled.
- Progress on income collection can be monitored.
- Monthly reporting and control can be exercise
- Long-term objectives taking into account any planned capital expenditure, with the permission of the Head of Department, which may be carried over for future years.

- Ensuring the School remains in a cash positive position.
- Incremental budgeting will be used to allocate resources to stable cost items such as established extra-curricular activities. Zero-based budgeting should be used to make allocations to new items, and activity-based budgeting will be used to determine which items should receive priority during budgetary processes

11.5 SCHOOL FEES

- School fees are derived from the expense budget taking other income into account.
- School fees may be determined and charged only if a resolution to do so has been adopted by a majority of parents attending the meeting referred to in Section 38(2) of the South African School's Act 84 of 1996.
- Full school fees are payable and due from the first school day of the year or on a pro-rata basis if a learner is admitted to the school during the course of a year.
- Payment of school fees can be spread over 10 months commencing from the first school day in January to the end of October. A deposit amount (as determined by the SGB) is due before the close of the preceding financial year after confirmation of admission and before the last day of the school year. To encourage payment, a discount is offered for full early payment. The discount is such that it is attractive for both parents and the School.
- If a learner leaves the School during the course of a school year, unpaid school fees, calculated on a pro-rata basis, will remain due and payable. A refund of fees, calculated on a pro-rata basis, will be applicable where it has been paid in full. Any discounts will then, however, be negated with the full year's fees used as the benchmark.

- Strict debtors control is exercised with regular calls to non-payers and the handing over of accounts to attorneys where no acceptable response is forthcoming. All legal costs are for the account of the parent with collection being jointly administered by the School's finance office and debt collectors/attorneys.
- Exemptions or partial exemptions of school fees are based on the formulas provided in the "National Norms and Standard for School Funding (including amendments) Applications for exemptions are to be made according to the above norms. The Finance Committee of the School Governing Body will approve school fee reductions or write-offs.
- Parents are required to sign an understanding of debt at learner enrolment, at the commencement of each school year, acknowledging the requirement to pay school fees. All records are to be filed, locked and kept in the School's safe.

11.6 Financial Reporting

11.6.1 Financial Year

- (i) The financial year of the school runs from 1st January to 31 December

11.6.2 MONTHLY REPORTING

- A monthly financial report is presented to the Finance Committee at a monthly Finance Committee meeting. The report must cover all individual income and expense items. The monthly reporting will be extracted from the computerized financial system.
- Variances between actual, budget and previous year for both month and year to date must be explained.
- A progress report on school fees collected to date and a comparison with budget and previous year must be presented.

- The cash on hand situation must be monitored and compared with the budgeted amount.
- The Treasurer presents a financial report to the School Governing Body on a monthly basis with regards to the financial position of the school or on financial information as requested by the School Governing Body from time to time.

c) Quarterly Reporting

a) The Finance Committee must present the quarterly report to the SGB.

b) The quarterly report should consist of:

- Income and expenditure for the quarter and for the year to date;
- Projected income and expenditure for the year;
- Total amount of fees outstanding
- Analysis of debtors and debts owed the school;
- Status of all projects; and
- Details of money in the bank and
- Details of funds invested if applicable and approved by the MEC.

d) Annual

11.7 ASSET PROTECTION

- A proper register must be kept of all assets.
- Assets must be counted at least once a year.
- The School Governing Body must approve any write-offs.

- Adequate insurance cover must be maintained at all times taking risk and the premium cost into account.
- In order to reduce the risk of cash losses and danger to the lives of school staff, a reputable security company must be employed to collect, transport and deposit moneys on behalf of the School. The School Governing Body must approve and appoints the most appropriate security company.

11.8 FUND RAISING

The School, through the PTA and the PRO (Public Relations Officer), does fund raising to reduce overall school fees and any potential budget shortfall.

The SGB and the PTA decides on the fund raising activities for the year.

The School Governing Body must allocate a reasonable budget to the PTA after due consultation.

All funds raised at events are to be handled by a School Governing Body member or designated staff member/parent.

Purchase and Procurement

11.9 . Quotations

- a) A database of possible suppliers should be compiled and appropriate enquiries be made regarding their ability to provide the goods/services
- b) Tenders or quotations should be called for in the case of non-routine
- c) expenditure, including capital expenditure. Tenders or quotations should be obtained from at least three independent suppliers;
- d) Before the engagement and commencement of tenders or quotations, it should first get the approval of the SGB;

e) Unless there are valid reasons, the lowest tender or quotation will usually be accepted

11.10 CASH MANAGEMENT

11.10.1 Excess cash is invested with the current account being managed in such a way that short-term cash requirements can be met.

11.10.2 Cash on deposit is managed to enjoy maximum interest income.

11.10.3 The following specific policy applies to investments:

- No investments of a speculative nature may be made.
- Investments may only be made at a registered commercial bank.
- No funds may be kept or administered outside the School's controlled area. All special received funds such as donations, sponsorships, sale of any items, must be banked with the School and will be administered by the School's financial staff.

11.11 ANNUAL FINANCIAL STATEMENTS

- The accounting records must be audited once a year within six months after the year-end, and suggested improvements from the auditors must be tabled at the SGB meeting and prioritized for implementation.
- The auditors are expected to check all basic controls and procedures and report on this to the School Governing Body.
- Un-audited Annual Financial Statements should be presented to the School Governing Body for consideration within one month after the end of each financial year.

- Audited Annual Financial Statements should be presented to the School Governing Body within six months after the end of each financial year.
- The audited Annual Financial Statements should be tabled at the Annual General Meeting of the School Governing Body. These will be made available to parents for viewing prior to the meeting.
- The audited Annual Financial Statements should be submitted to the Head of Education within six months after the end of each financial year, as required by the South African Schools Act.
- The Annual Financial Statements should be audited by a person appointed by the Governing Body, who is registered as a public accountant and auditor in terms of the Public Accountants' and Auditors' Act of 1991.
- The auditor may not be a member of the School Governing Body.

11.12 CASH SHORTAGES AND OTHER IRREGULARITIES

- Cash shortages, suspected fraud or any other irregular issues detected must be reported to the School Governing Body immediately.
- The Treasurer/School Governing Body Executive will investigate and take the necessary steps to correct the situation.
- The School Governing Body will be advised of the outcome.

11.13 BASIC FINANCIAL CONTROLS

11.13,1 All expenses must be signed for by two designated signatories, who have sight of the supporting documents. The designated signatories will include the School Principal, any one of the Deputy Principals, the Finance Officer and the School Governing Body Treasurer and SGB Chair.

11.13.2 All school purchases must have the approval of the Treasurer, no payment will be made without approval made without approval

11.13.3 Purchase authorisations for budgeted school operational expenditure must be approved as follows:

1. Every transaction to be approved by the School Principal, SGB Treasurer and in the absence of the Treasurer the SGB Chairperson to be delegated with the approval of the SGB Treasurer
 - i. Purchases R25 000 and below, the Principal or in his/her absence and one of the Deputy Principals or SGB Chairperson.
 - ii. Purchases over R150 000 – School Governing Body.
 - iii. For Capital Expenditure over R20 000 up to 5 quotations must be obtained. The School Governing Body reserves the right to award the contract to the best supplier/contractor. Unless valid reasons or concerns exist, the lowest tender or quotation should be accepted.

Annual review and update of supplier database and suppliers registered with treasurer data base. SMT and SGB to establish a local database for sourcing of services required within the school. The database will be refreshed annually, in the 3rd term through the school website,, class dojo and other communication platforms

- Signatories on orders will take into account the above authorization levels.

10 The person ordering the goods and the person receiving the goods may not be the same person.

11 A person independent from the bookkeeper, as well as from the person who does the banking, handles all cash and cheque receipts.

12 Official pre-numbered receipts are issued for all moneys received.

13 Class teachers may not issue any receipts.

- The Treasurer must check and sign off the bank reconciliation statement on a monthly basis.
- Any exceptional costs as well as expenses not included in the budget are referred to the School Governing Body for approval.
- The School Governing Body approves staff appointments and the Chairperson will sign the letter of appointment. Salary levels will be market related and approved by the Finance Committee. The School Governing Body approves all School Governing Body staff appointments.
- The School Governing Body approves all salary and wage increases. No overtime is paid except if approved by the SGB Executive Committee.
- ONLY pre-approved expenses will be reimbursed on receipt of an official claim form signed by the individual that requested the payment. Full supporting documentation, along with the necessary PRE-APPROVAL must be provided before any expenses are reimbursed.

Other income is controlled through certain basic controls:

a) Where items are sold, e.g. Tuck Shop, uniforms and saleable items, a reasonability check must be done on the profit by taking sales, theoretical margins and stocks into account.

b) Where school property is used, the School is entitled to a percentage of the income. Said percentage should be confirmed in the contract or letter of acceptance/authorization.

c) Proper and regular computer backups must be made of monthly financials and these are placed both off site and in the School's safe.

d) All funds received are to be administered as per Annexure 1 – Financial procedures.

11.14 FINANCIAL PROCEDURES

11.14.1 RECEIPTS AND RECORDING OF MONEY

- The School Governing Body, through a delegation of responsibility to the School's administration finance office, will be responsible for the receipt and recording of all money received and spent by the School. For the purpose of this policy, money will include cheques, bills, postal orders, credit cards and travellers' cheques.
 - The School Governing Body will appoint, in writing, a member of the staff of the School to act as the School Finance Officer to look after the day-to-day receipt and recording of money.
- All monies received by the School, either at the administration office or received by a class teacher and recorded in a money book, will be recorded immediately by the finance office, through the issue of a written pre-numbered or computer printed receipt. The same numeric sequence should be used in the receipt cashbook; the completed original receipt must be handed to the person making the payment. The duplicate of the receipt will remain with the person issuing receipts on behalf of the School.
 - All monies must be placed in the School safe or an equivalent secure place together with the receipt book soon after payment. The receipt book/s should, under no circumstances, be taken off the School premises.
 - All monies received by the School should be deposited in the School current bank account after reconciliation with the receipts issued.

All money received by educators, inclusive of school fees, fund raising, photographs, etc., must be recorded as follows:

- A class list must be used to indicate the amount received by the educator next to the learner's name.
- A different class list must be used for different items, e.g. Box Car Derby, School Fees, Photo Order, etc.
- All monies received must then be entered into the money book which must be sent down to the office on a daily basis, together with all monies received. The receipt number must be entered next to the amount and signed for by the Finance Officer as proof that money was handed over.
 - Under no circumstances may money books be removed from the School premises.
- Each educator will be allocated a money book which must be presented to the Finance Officer whenever money has been received and to the Treasurer on request.
- Educators may, under no circumstances, collect money from learners or parents unless express written permission has been granted by the Finance Committee of the School Governing Body.
- Money books must be handed in to the finance office for safekeeping once full. They form part of the School's financial records.
- Money received from fund raising events must be controlled in a sensible way. Checks must be done to ensure that the money received is correct. If at all possible, money should be controlled by the issuing of tickets or a similar control procedure.
 - A School Governing Body member must be present for the collection and counting of money at major PTA fund raising activities.

- The Tuck Shop convenor is responsible for counting and recording the cash taken in at the Tuck Shop on a daily basis and this must be reconciled on a monthly basis.

11.5 PAYMENTS

11.15.1 Payments by electronic means

- Payments made by the School, except petty cash reimbursement, including but not limited to all amounts more than R3000 (three thousand rand only) shall be paid using electronic funds transfer EFT.
- No money held for receipts may be used to make payments.
- Where it is not practical to pay a supplier by cheque such purchases should be paid by cash or internet bank transfer.
- Hard copy printouts of electronic banking transactions are to be maintained along with creditors receipts.
- Monthly banking reconciliation of electronic banking are required and is to be signed off by two signatories; the Finance Officer and the School Governing Body representative (Treasurer) responsible for the financial portfolio.

11.16 Authorization of payments

- Payments should not be made for items not included in the budget or where the budget will be exceeded unless prior approval of the School Governing Body has been obtained:
- Requests for payment must be made on a properly completed requisition form.
- The requisition form will only be approved if accompanied by an order, the detailed invoice,

signed as evidence of the receipt of the goods or services being paid for;

- The signatories should check the invoice details prior to approving the requisition form or signing the cheque used for the payment for goods/services.
- Tenders or quotations should be called for in the case of non-routine expenditure, including capital expenditure. Tenders or quotations should be obtained from at least three independent suppliers.
- All tenders or quotations must be considered by the Finance Committee and recommendations made to the School Governing Body for approval.
- A short list of possible suppliers should be compiled and appropriate inquiries made regarding their ability to provide the goods/services required; and
- Unless valid reasons or concerns exist, the lowest tender or quotation should be accepted.

11.17 PROCESSING OF PAYMENT

- A beneficiary must be created prior to processing a payment and this must be approved by the Treasurer, even on off payment.
- The person loading the payment(Administrator) must prepares a payment requisition(s), attach the supporting documents, and request physical signatures of authorises
- Once the requisition(s) has been approved, they must be loaded ontothe system by the Administrator. This can be one payment or of payments .

- The Administrator must print out the batch payment summary sheet, attach it to the payment requisition once payment or batch payment is loaded.
- The Administrator must then check the payment details (e.g. bank account number, vendor name etc.) On the summary against the requisition to ensure that these were captured accurately and sign off as proof of first review.
- The Administrator can then submit the pack to second approver to release or authorise.
- Both the first and second authorisers must also check the batch summary against requisitions for accuracy or capturing and sign off as proof of this check.. Each authoriser must do their own check.
- The authorisers can then release or authorise the payment from the system.
- The payment batches have been released and signed off must be filed safely by the Administrator.
- It is recommended that both the Principal and Treasurer must receive Sms, email notifications of proof of payments.
- SGB's are encouraged to have one back up person for the EFT loading and one for the EFT authoriser. This means a total of 2 loaders who cannot release payments and 3 authorisers who cannot load payments.

11.18 Safekeeping of vouchers

All payment vouchers, cheque requisitions, bank statements and paid cheques should be properly filed for audit and reference purposes; and

- Cheque requisitions and payment vouchers should be filed in sequence according to cheque numbers, together with their respective returned paid cheques.

11.19 Orders

- Order forms should be printed in triplicate and be pre-numbered;
- Order books should be recorded in the controlled stationery register. When order books are required, they must be signed out by the Finance Officer, Principal or any other person(s) so authorized by the School Governing Body.
- The School stamp must be affixed on both the original and duplicate copies of the order books.

11.20 PETTY CASH

11.12.1 Amount of petty cash

- An initial amount of R3000 is made available for petty cash. The Finance Committee will determine the maximum amount of petty cash float from time to time. The amount should be sufficient to cover the normal daily petty cash requirements of the School; and
- The original petty cash advance should be made in the form of an uncrossed cheque made payable to the Finance Officer or Principal. Thereafter, the petty cash should be reimbursed by cheque upon the presentation of appropriately authorized petty cash vouchers – the impress system.

11.21 Procedures for controlling petty cash

- No advances (IOU's) may be made out of petty cash, except where an amount is authorized, for example, to be given to a person to purchase stamps or pay entrance fees for a class outing.

Wherever possible, the amount due should be determined in advance and payments made by cheque;

- The petty cash box should be kept in the safe or equivalent secure place when not in use;
- Only the Finance Officer, Principal, SGB Chairperson and Treasurer may have access to the petty cash box; and
- The petty cash shall be balanced and reconciled monthly.

1.22 ISSUING OF RECEIPTS

- The School must make use of pre-printed or computer generated receipts;
- A receipt must be issued for every amount of money received and for all cash surpluses;
- A new receipt should also be issued where the drawer settles a previously dishonoured cheque. The original cheque entry should be reversed in the cash book;
- Post-dated cheques may not be accepted.

11.23 MANNER OF ISSUING RECEIPTS

- Receipts should be issued in numerical order;
- Manual receipts should be completed in duplicate;
- Manual receipts must be completed in black, non-erasable ink in clearly legible handwriting;
- All duplicates must be clearly legible.

11.24 DETAILS TO BE INCLUDED IN RECEIPTS

The full initials and surname of the person making payment, or the full name of a company or business making payment. In case of third party payments, the receipt should be made out in the name of the person on behalf of whom payment is made and the name of the person physically making payment should be written clearly in brackets;

The amount of payment must be written in words and figures;

- 1) The nature of the money being tendered (e.g. cash, cheque, postal order, electronic transfer, etc.) must be clearly indicated;
 - a) The receipt must be dated;
- 2) The reason for the payment (e.g. school fees, or donation) must be completed in detail;
 - a) The name and signature of the person receiving the money and issuing the receipt must be clearly indicated on the receipt;
- 3) The person issuing the receipt should ensure that only one receipt is issued for each amount of money received for any transfer, with the exception of electronic banking where a monthly reconciliation is required;
- 4) No alterations may be made on any receipt. If a mistake is made, the receipt should be cancelled by writing the word "CANCELLED" in clear large letters in ink across the original receipt as well as its duplicate copy. The cancelled original and duplicate receipts should not be removed from the receipt book; and
 - i) The receipt book must be ruled off (in red ink) at the point when money is banked. The date, series of receipt numbers and amount being banked should be clearly indicated. Similar balancing must be done in the accounting records, specifically the receipt cash book before the money is banked.

11. 24 SAFEKEEPING OF MONEY ON HAND

- **The Finance Officer, Principal or a duly authorized person will receive monies payable to the School only during school hours;**
- **Immediately after receipt, the money should be locked in the safe together with the receipt book;**

In order to reduce the risk of loss through theft or robbery, a minimum amount of money should be kept in the safe.

11.25 DEPOSITING MONEY

- **Deposit slips must be properly completed and the deposit slip totals should be balanced with the receipt cash book totals prior to the banking of the money;**

Arrangements for collecting money by the security guards must be varied to reduce the risk of loss through robbery.

11.26 ISSUING OF DEBTORS STATEMENTS

- a) **Annual debtor's statements must be issued within 30 days of the commencement of the academic school year; and**
- b) **Quarterly debtor's statements must be issued within 10days of the commencement of each school term.**

11.27 CONTROL AND SUPERVISION

- **Any person authorized by the School Governing Body or the Head of Department has the right to access the safe, money, deposit books, receipt and payment cash books at any time, in the**

presence of the Finance Officer, Principal or both for control and supervision purposes;

- All income must be recorded in the receipt cash book and expenses in the payments cash book daily;
- Arrangements must be made to obtain bank statements on the 1st day of each calendar month. The cash book must be balanced and reconciled to the bank statements monthly;
- The bank reconciliation must be given to the nominated person for checking and control. The person checking must sign the reconciliation to indicate that they have checked it.

11.28 PRINCIPLES FOR THE PREPARATION OF THE BUDGET

The budget should be realistic;

11.28.1 All available sources of income should be considered;

- All possible expenses, capital, maintenance and revenue should be considered;
- Proper motivations should be prepared and presented to the Governing Body for all cost items;
- A separate budget preparation form must be completed for category of income or expenditure;
- The budget should take into account aspects such as changes in legislation, price increases and changes in interest rates;

11.28.2 The annual budget should take into account capital expenses required for the following year;

- The income and expenses support the long-term strategy and short-term objectives of the School;

The budget should take into account historical trends of the preceding three years;

- The budget must contain an element of saving in the event of an unforeseen expense and approved by the School Governing Body;

No unnecessary expenses not foreseen in the budget will be allowed for.

11.29 Annual Financial Statements

a) Un-audited AFS should be presented to the SGB for consideration within 1 month after the end of each financial year.

b) Audited AFS should be presented to the SGB within 2 months after the end of each financial year.

e) Audit Processes and Timeframes

a) The AFS should be audited by a person, so appointed by the SGB, who is registered as a Public Accountant and Auditor in terms of the Public Accountants' and Auditors' Act, 1991;

b) The auditor may not be a member of the SGB; and

c) The audit must be completed by the end of the first school term

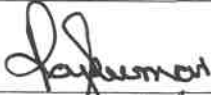
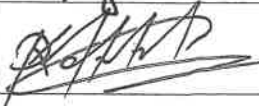
11.30 CASHLESS

To enhance the safety and convenience for our students, all transactions at the school will be cashless.

Parents are required to visit the administration to swipe your bank card to load an amount of your choice onto your child's account.

Children will then be able to use this account to purchase items from the tuckshop.

13. APPROVAL

Designation	Reviewer: Name & Surname	Signature	Date noted
School Principal	J. RAJKUMAR		5/08/2024
SGB Chairperson	DANNY MATHEBULLA		5/08/2024
ISSP: Policy & Planning			
Circuit Manager			
Cluster Manager			
District Director			

ANNEXURE 3 – PROCEDURE FOR MONEY COLLECTION

The use of the money book by staff of Springvale Primary School was necessary in order to avoid the risk of learners carrying sums of money and to assist the administrative staff and the admin office when there is a large number of people wishing to make payments at any given time.

Money received from learners must be in a sealed envelope with the following clearly visible on the envelope:

Name, Amount, for what the money is being paid.

Teacher to record this info in the money book, i.e. name and amount and for what the money is being paid.

When small amounts are being collected, i.e. for civvies days, the following procedure is to be followed:

Monies received recorded on a class list next to the child's name by the teacher. This may only be done for a general collection not exceeding R20-00.

At the office:

1. Books are emptied daily – for banking on Wednesday and Friday.
2. Once emptied the books are put into the safe for collection by teachers.

When accepting money:

Specify in detail when receipting money for example stationery, Golf Day, etc. when receipting money for tours and camps, all monies received are captured as one amount. No individual receipts are made out. The only individual receipts are for school fees and when money is paid at the front office for camps, tours, etc. Check carefully that money in book corresponds with what is written in the money book.

Money books must be handed in for safekeeping once full. They form part of our financial records and will be archived for a period of time.