SCHOOL FINANCE COMMITTEE

Rationale:

Effective financial management provides the school with enhanced educational opportunity.

1.0 General Principles

The following general principles guide the specific regulations that follow:

In accordance with clause 5.21 of the “Parish Finance Council Constitution and Regulations” document the parish priest has the ultimate responsibility for sound financial management of parish schools. The parish school principal is responsible for day to day management of school finances. The parish school principal will liaise closely with the parish priest and the parish finance council in regards to the sound financial management of the parish school. The school finance committee provides guidance and support to the principal in meeting the various financial and administrative responsibilities attached to the role. The finance committee is a sub-committee of the school board. The existence of the finance committee does not detract from the principal’s standing as the one who acts on behalf of the school community and that of the Archdiocese.

2.0 Code of Canon Law

The document titled “The Administration of Parish School Funds” provides an important overview of principles and practical application guidelines for the administration of school finances. It specifically reiterates the need for all school administrators to observe scrupulously the requirements of both civil and canon law.

3.0 Responsibilities

The principal will seek the advice and support of the finance committee in the following areas:

Advice on financial policies for the school, including appropriate accounting systems and internal controls.

To examine the annual budget of income and expenditure over the coming school year. Following this review and endorsement of the annual budget, the committee will recommend to the school board its acceptance.

To monitor the ongoing financial operation of the school. It is expected that at regular meetings of the finance committee, an up to date financial report will be presented.

The principal will present a full copy of the annual audited financial report to a meeting of the finance committee within three months of the report being received.
On presentation of the audit report as per clause 3.4, the committee’s responsibility is to review this annual financial report and recommend to the school board its acceptance.

To assist the principal with any reports to the school community on the financial situation of the school.

To assist the principal in the establishment of school tuition fees and levies. The committee’s responsibility is that following endorsement of the level of fees, it will recommend acceptance of such fee structures by the school board.

To assist the principal in arranging adequate insurance coverage for the school through Catholic Church Insurances.

To advise and endorse all long term borrowings of the school from the Archdiocesan Development Fund.

To present recommendations regarding financial management of the school.

The finance committee will recommend to the school board the appointment of the external auditor for the audit of the school’s finances for the ensuing financial year.

To assist the principal in the review of financing of major capital proposals.

To assist the principal in the periodical review of outstanding fees and levies owing to the school by students and families. The principal will seek the endorsement of the finance committee prior to any legal action being initiated in regards to the recovery of outstanding fees and levies.

4.0 Membership

4.1 Membership of the school finance committee would normally consist of:
Parish priest or their nominee.
Principal
A representative from the school community
At least one school board member. The board has the power to invite additional persons (and not only members of the board) who have expertise in financial matters to membership of the committee.

4.2 The chair of the committee would normally be either the school community member or the member representing the Board.

5.0 Eligibility

All members are to be honest, known for their integrity, committed to the ethos of catholic education, and to possess a sound grasp of business affairs, and be of proven ability.
Ineligible to be members are persons who are related to the principal, parish priest, school finance representative or any other member of the committee or those who have a potential conflict of interest in relation to the financial operations of the school.
6.0 Term

Membership to the committee of the principal, parish priest continues whilst they occupy these positions.
The period of appointment for all other members of the committee shall be three years.
Members may be re-elected or re-appointed for a second term but it is recommended that some change in the membership of the committee is to take place every three years.

7.0 Meetings

The committee should meet at least once per term.

A quorum shall consist of the principal plus at least 2 other members.

The chairperson in conjunction with the principal or their delegate shall prepare an agenda for each meeting.

One member of the committee is to act as secretary and shall be responsible for keeping minutes of the meeting.

On acceptance of the minutes of the previous meeting the chairperson is to sign and date minutes as a true record of the meeting.

Secretary to maintain a file storing the original version of the signed minutes of previous meetings of the finance committee. This file should be brought to each meeting of the finance committee.

8.0 Financial Timelines

Throughout the school year key financial requirements that require finance committee endorsement must be tabled in a timely manner. These include:

- **July**: Discussion of budget parameters for the next school year.
- **September**: Draft budget for next school year presented
- **March**: Review of budget for year, based on final enrolments

The finance committee would review the above and endorse its acceptance to the school board.

Glossary of terms

Financial Reports
A basic set of financial reports should be presented at each finance committee meeting.
These would include:

- A summary of income and expenditure statement for the period
- A balance sheet
- A report on outstanding tuition fees and levies
- A report on current loan position

Additional reports and analysis may be presented as requested by the committee or determined by the principal.
The requirement is that sufficient financial information will be presented from time to time to enable the committee to form an appropriate opinion or advice regarding the state of the affairs of the school.