

June 2010

FINANCIAL MANAGEMENT MANUAL

(Replaces Treasurers Manual)



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ASSOCIATION CONTACTS

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Accountant		
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Assistant Accountant		
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Hannah Cranston	04 232 3069	hannahs@wn-kindergarten.org.nz
Association	04 232 3069	info@wn-kindergarten.org.nz

TREASURER'S ROLE

Role

The role of the treasurer is to help manage the kindergarten funds in conjunction with the Head Teacher and the committee. These funds are managed 'in trust' for present and future children, teachers and committees.

On Appointment

After the Kindergarten AGM has been held, address details for the new committee are to be forwarded to the Association. Forms will be sent to the Kindergarten prior to the AGM.

If a new Treasurer is appointed during the year, he/she should contact Christine, Accounts Officer at the Association (DDI Phone 04 232 1742 or email christines@wn-kindergarten.org.nz) to introduce themselves and raise any questions they may have about the Treasurer role or queries about the Association account processes or kindergarten accounts.

Maintaining Records

All minutes of meetings and financial records will be kept for 7 years.

Kindergartens often wish to acknowledge significant dates with a reunion or other celebration. Please retain information that may be of historical interest.

Fundraising records are very useful to committees. Committees should record what fundraising events were successful and which ones were not. You should also record the names of contact persons and where equipment was bought, borrowed or hired from.

Retain copies of all applications for community grants.

End of Financial Year

The financial year ends on 30 June. The Association will advise committees of requirements regarding AGMs and auditing.

See more information on page Treasurer Responsibilities

COMMITTEE FUNDS

In July 2007, as part of its structural changes to accommodate the introduction of free early childhood education for three and four year olds in teacher led services, the Association introduced a fee charging system. From that date there were no more “brown envelopes” for the collection of family contributions and any fees received go directly to the Association.

Central Funds

From 1 July 2007 the Kindergarten Association took over the payment of centrally funded expenses of every kindergarten which includes:

- Landline rental and broadband base fee (kindergartens to pay additional charges)
- Kindergarten Cleaning (labour portion only)
- Administration Support staff (8 hours per week)
- Rates
- Power
- Insurance

Operating Account

Your Committee's funds are administered through your Kindergarten Operating Account (sometimes called Pool Account) with the Association.

Operating Allocation

Each month an operating allocation will be deposited into your operating account. This amount is set at the start of the financial year and the amount for each kindergarten varies according to the number of child hours the kindergarten generates. The operating allocation covers:

- Children's activities, resources, trips e
- Administration costs (portfolios, photocopier printing costs, paper)
- Repairs and Maintenance
- Equipment

All proposed large purchases from the operating allocation must be discussed by the committee.

Teachers will decide which equipment will be bought for use with the children and each year a budget will be set by the committee and Head Teacher on the proposed expenditure for the year.

Teachers will have an allocation of 'petty cash.'

The Operating Allocation will be monitored and reviewed by the Association.

Fees

Some families (those who do not use their free entitlement or use just part of their free entitlement at kindergarten) will be charged fees. It is preferable that fees are paid either by internet or automatic payment direct into the Association's 03 bank account which is used specifically for fees. References need to include the child's code and name. Any fees received at the kindergarten end will be processed through the Kindergarten's Infocare online management system by the Kindergarten and banked into the 02 Account as part of the normal banking. All fee money is retained by the Association.

GUIDELINES ON FUNDRAISING / DONATIONS

Any donations made to the kindergarten must be a voluntary donation.

Kindergartens are not able to:

- charge a “fundraising levy”
- prevent a child or family participating if they do not contribute to fundraising.

Kindergartens are able to:

- ask for a donation for a specific purpose but not a “general” donation.
- request support for fundraising.
- apply for grants.

Families will be able to choose to make a donation if their kindergarten is fundraising for a particular event or for resources, such as puzzles or books.

Example:

The committee may set a goal that they need to raise say \$10,000 towards various equipment to be purchased that year (committees would need to indicate what sort of equipment and resources they are referring too). They can ask parents to contribute a donation towards this, say \$200 (paid in bulk or as in instalments) or they may ask them to sell pizzas or whatever.

Or they would like to do five excursions throughout the year and this is going to cost \$500. Parents may be asked to contribute towards this (as for above).

An example/template is included with the forms at the end of this manual for setting out your fundraising goals for the year. This can be given to families to show how much you need to raise for the year. Parents can be asked to help or contribute towards these or if they are unable to help they may rather choose to make a donation instead.

Payments for this can be made by cash/cheque, internet banking or automatic payment and will be credited to individual kindergarten accounts as currently is the case.

GRANTS

Grants from community organisation and trusts are one of the more lucrative ways to raise income for your kindergarten. Information on applying for grants is on our website. It is a good idea to keep a look out in local papers for grant application closing dates and contact local organisations to apply for regional funds.

It may not necessarily be the Treasurer's role to apply for grants. Any committee person may be allocated to apply for grants on behalf of the kindergarten.

For all grant applications you will need a copy of the Association's audited accounts, a copy of your kindergarten's accounts and a letter of support from the Association. If copies of these are not available at the kindergarten, copies can be requested from the Association.

If you are successful in obtaining grants, it is important that full auditing procedures are followed. If the grants people have not been provided with full details on how the grant has been spent and provided with copies of bank statements, they will not provide any further grants.

When a grant is received it is recorded under department 20 and all associated expenditure needs to be coded to department 20 as well. Please forward a copy of any successful grant letters to the Association.

Details of all successful grants must be provided to the Association for audit purposes. A schedule is attached under the Forms Section later in this booklet.

A significant amount of information is on the Associations website.

Key references

GST / IRD Number	46-862-317
Charities Registration Number	CC11092
Incorporated Society Reference	WN 252055 – Incorporated 21 August 1984

PETTY CASH

Petty cash is available to the teachers for incidental purchases. The suggested amount per month is approximately \$200. This comes out of the operating allocation and covers:

- Small grocery items
- Small stationery items (eg cellotape)
- Stamps
- Children's activity items (eg seeds for planting etc)
- Pet supplies (eg bird seed)

Procedures for petty cash are as follows:

- All petty cash expenditure should be recorded in a Petty Cash Book or Excel spreadsheet.
- All receipts should be retained, stapled into the petty cash book or kept with a hard copy of the excel spreadsheet.
- Petty cash expenditure must be noted at the committee meeting.
- Teachers should balance the petty cash book prior to the monthly meeting and show the record to the treasurer.
- When petty cash is down to approximately \$100, a request for a top up of petty cash should be emailed to the Association on the appropriate form (at back of this manual).
- Any personal expenditure incurred by the teachers will be reimbursed by the Association direct into the teacher's bank account. A Reimbursement Claim Form should be emailed, together with copy of receipts to the Association. Reimbursement will be paid the day following receipt of the claim form.
- Petty cash may be accessed only by the teachers or support staff.

ACCOUNTS AT LOCAL STORES

Committees and staff may have existing accounts at local stores for items such as:

- Small stationery items
- Items for children's activities
- Stamps, film processing, first aid supplies
- Small grocery items.

Procedures for use of these accounts are as follows:

- Accounts may only be accessed by teachers, support staff and committee office holders.
- Receipts must be requested and given to the treasurer to enable purchases to be reconciled against the monthly account.
- Goods must be signed for when making an account purchase or a purchase order used.
- All local store account expenses must be passed for payment at the committee meeting.
- No accounts may be opened at any store unless prior approval has been given by the committee at a meeting, and guidelines set for the use of the account.
- Individual kindergartens can not enter into contracts with third parties. Any local account forms need to be signed at the Association Office.

ACCOUNTS WITH MAJOR SUPPLIERS

The Association has set up accounts with major suppliers e.g. Moore Wilsons, Bunnings, Warehouse Stationery, Paper Plus North City Plaza and as need requires, will set up accounts with other major suppliers so we can obtain the best deals and savings for our kindergartens.

Each kindergarten is able to order or make purchases at any of these suppliers. Kindergartens have been given a Purchase Order Book which must be used when making purchases on Association Accounts.

PURCHASE ORDER BOOKS

As each kindergarten doesn't now have its own cheque book facility, the Association has set up accounts at major suppliers.

Each kindergarten has a purchase order book, which is to be held at the kindergarten. Each form is stamped with the Wellington Kindergarten Assn logo and the numbers are recorded by the Association.

Purchase orders should be used when buying goods from any suppliers.

If a committee person, teacher or support person is doing for example a grocery order the purchase order should be completed first and authorised by the Head Teacher or the Treasurer. This is a safeguard against any unauthorised person buying in the kindergarten name.

Purchase orders must be used for any kindergarten purchases on account where the invoice is sent direct to the Association – this will ensure the correct kindergarten is debited.

Replacement order books can be requested by emailing the Association.

The procedures for use of order books are as follows:

- A purchase order form must be filled out with the suppliers' name and signed by either the Head Teacher or Treasurer prior to goods being ordered or purchased.
- The order form is given to the supplier or the purchase order number is quoted to the supplier.
- The supplier records the order number to ensure the correct kindergarten is identified for billing purposes.
- On receipt of the invoice at the Association, payment is direct credited to the supplier and the amount is debited against the kindergarten's operating account.

MONEY HANDLING PROCEDURES

An administration support person is employed in each kindergarten and from the beginning of 2010 our Support Staff have included in their tasks the input of data into Infocare (the Association online management system).

Support Staff are also expected to:

- receipt all money received at the kindergarten either for fees or donations;
- create Infocare bank lodgement reports for the banking to be done by either the Head Teacher, support person or treasurer

The kindergarten should comply with the following standard Association practices:

- All money received at the kindergarten will be entered by the Support Staff into Infocare.
- Any fundraising money should be counted out and given to the Support Staff for receipting into Infocare.
- It is advisable that all cash received at kindergarten should be counted by two people before receipting.
- It is the responsibility of the Kindergarten to generate donation receipts for families once a term. (The Association will issue receipts for donation prior to term 3 – Ask your families to contact the Association Office)
- Infocare is unable to record donations against a particular child. Donations received will be entered into Infocare (under fundraising project code donations 1050) and at the end of the tax year the kindergarten will need to issue donation receipts to the families who have made the donations.
- Donations received direct into the bank will be recorded into Infocare (under the fundraising project code donations 1050) by the Association from the bank statements.
- All cash must be banked, intact, as soon as possible after receipting into Infocare. This must be at least weekly.
- After receipting into Infocare the Infocare bank lodgement report should be filed.
- Christine at the Association Office will log onto Infocare to confirm banking details. If the kindergarten is aware of any issues they need to advise Christine (christines@wn-kindergarten.org.nz).
- Tax receipts for fees will be generated by the Association once a year following the end of the tax year.
- **Banking should be done by either the Treasurer, teacher or support person.**
 - **It is the responsibility of the Head Teacher to ensure banking is done each week.**
 - **Bank all money INTACT.**
 - **Do not make any payments from it.**

Do not use cash received to pay any bills.

MONTHLY FINANCIAL REPORTS

The financial side of the Committee's activities must be carefully managed. We are dealing with public funds and it is important that accounts approved for payment are recorded in the minutes of **each Committee meeting**. The successful audit of the committee's accounts depends on this.

Treasurer's financial reports must accompany the minutes of local committee meetings which should be sent (email is okay) to the Association immediately after each meeting.

Monthly financial reports on your operating account are prepared by the Association Office. These are emailed to individual kindergartens on the 15th day of each month.

Kindergartens need to forward the reports to the treasurer.

Please check with your Head Teacher if these have not been forwarded on to you.

BUDGET

Each committee must prepare a budget (**FinBud/1**) to cover the anticipated expenses to the kindergarten. This budget must be submitted to the Association by 30 June each year (for the next financial year)

It is the responsibility of the outgoing committee, in conjunction with the Head Teacher, to prepare the draft of this budget which will be finalised by the new committee. In preparing your budget, the previous year's end of year accounts will be a reliable guide.

Prior approval of the Association is required before any large unbudgeted item can be purchased. Be sure to check with the Association on such matters as source of supply, possible bulk purchase etc.

Certain items from your operating allocation are "not negotiable" and must be provided for:

- teachers petty cash
- replacement or repair of existing equipment
- children's activity materials (portfolios, paints, glue, cardboard etc)

If there is a surplus expected, then this can go towards the "negotiable" items:

- new equipment
- playground development
- minor capital works

The committee and staff will consult and negotiate on priorities for expenditure. Improvements and/or playground development also need to be discussed with the Association. The Association can provide experience and expertise and advice on technical and educational requirements.

In the case of new equipment, **it is the committee** which should decide **how much** it hopes to afford, and the **Head Teacher** in consultation with Senior Teachers who decides **which** equipment is most needed by the children. Head Teachers should be aware that the budget is not certainty, and that there may not, after all, be enough money for "negotiable" items. Committee should be aware that, by providing activity materials or replacement equipment, they are simply keeping the kindergarten in the same position and not improving the facility.

A suggested process and format for setting budgets is shown in the Forms Section later in this booklet. These are simple to follow. If you need any support on these please contact the Association. The month's budget figure must be shown on each financial report to help keep track of income and expenses.

IMPROVEMENTS TO THE KINDERGARTEN BUILDING AND ENVIRONMENT

Each Kindergarten should have a 5 year Building and Environment Plan which has been submitted and approved by the Association.

All improvements done to the Kindergarten building and environment must be covered in the Building and Environment Plan. Further information and forms are covered in the Association Facilities Manual.

Accounting for Building & Environment Plans

- All projects will be given a project job code(see PM4) which is to be used for all expenditure connected to the project

- Where an Association Contribution has been approved (ref PM4 – in Facilities Manual)
The kindergartens portion of expenditure (total cost less association contribution) is charged against dept 60 in the kindergartens accounts. All bills are then paid by the association and at the end of the project there will be a washup. Kindergartens will receive a job report as part of the monthly reports which will show the total budget for the project and the expenses to date for the job. All expenditure is shown as GST exclusive however some of the budget figures may include GST. Any issues around GST will be sorted at the end of the project.

- Where an Association Contribution has not been approved
The total cost of the project belongs to the kindergarten. All expenditure on the project is to be coded to account 2050 Building & Environment Plan Projects and the allocated job number is to be used.

ROLES AND RESPONSIBILITIES

The following are the financial roles for Support Staff, Treasurer, Head Teacher and the Association.

SUPPORT STAFF

- Ensure correct fee structure is entered for each child
- Create and give invoice to each new fee paying family during their first week of Attendance.
- Enter all money received at the kindergarten into Infocare.
- Maintain a record of all family donations .
- Create termly manual receipts for donations received at kindergarten.
- On Infocare prepare bank lodgment report for either staff or Treasurer to bank weekly.
- Enter invoices approved for payment on payment schedules for signing off by Head Teacher.
- Send schedule of approved invoices for payment to the Association regularly.

TREASURER

- Assist Kindergarten staff/committee in raising funds/organizing events / long term planning.
- Collect all fundraising money.
- Pass details of fundraising and money to support staff for entering onto Infocare.
- Collect bank lodgment report from Support Staff and then bank all money into 02 account.
- Report to committee once a month on finances/operating account report received from Association.
- Approve and sign off at committee meeting any purchases over \$500.
- Help with budgeting in conjunction with the Head Teacher.

HEAD TEACHER

Kgtn Accounts

- Authorise purchases and sign purchase orders.
- Maintain petty cash record .
- Send requests for Petty cash once petty cash is down to approx \$100.
- Approve payment of invoices and sign the Schedule of Invoices for Payment.

COMMITTEE

- Form a working committee .
- Manage budget in conjunction with Committee.
- Fundraise.
- Create in conjunction with staff 5 Year Building & Environment Plan.

ASSOCIATION

Accounts Payable

- Follow Association Process Documents – (Bank Reconciliation / Fees Reconciliation & Management / Accounts Payable).
- Ensure all invoices are paid in timely manner.
- Send out monthly financial reports to Kindergartens.
- Liaise with and assist Treasurers on Kindergarten accounts.
- On receipt of petty cash request send out petty cash cheque.
- Set up accounts with key suppliers in areas.
- Manage use of purchase order books.
- Enter into Infocare any family donations received direct into bank account.

Accounts Receivable

- Follow Process Documents – (Support Staff Induction / Fee Reconciliation).
- Check that all kindergartens have generated invoices.
- Advise kindergartens when it is time to print off statements.
- Follow up that statements have gone to families.
- Follow up each month with overdue letters to families owing over \$200.
- Print off annual tax receipts for families.
- Collate Roll Return information to Ministry .

Support Staff

- Follow Process Documents – (Support Staff Induction and Training).

Treasurer

- Support Kindergarten Treasurers.
- Offer support with Budgeting.
- Support with accounts.
- Support with Grant Applications and Audit.

Support Staff Role/Responsibilities

On Infocare:

Child Records

- Enter Child/Family details
- Create Child Timetables
- Enter Free hours
- Enter Fee structure
- Print off daily sign sheets
- Enter roll information
- Create invoices/statements for families
- Enter all fees/donations/fundraising received at Kgtn
- Create manual receipts for any donations received at kgtn

Staff Records

- Print off staff sign in sheets
- Adjust staff rosters as requested by HT when reliever used

Rolls

- Create attendance report for absences that may break funding rules for review by HT
- Create discretionary hours report and give to HT for review

Accounts

- Prepare bank lodgment report for banking for either staff or Treasurer to bank
- Enter invoices approved for payment on payment schedules for signing off by HT
- Send schedule of approved invoices for payment to Assn
- Create and give invoice to each new fee paying family during their first week
- Termly print off donation receipts.

Treasurer Role

- Assist Kgtn staff/cttee in raising funds/organizing events / long term planning
- Collect all fundraising money
- Pass details of fundraising and money to support staff for entering on to Infocare
- Collect bank lodgment report from Support Staff and then bank all money into 02 account
- Report to committee once a month on finances/operating account report received from Assn
- Approve and sign off of purchases over \$500
- Budgeting in conjunction with HT

Head Teacher responsible for:

Child Enrolments

- New registrations and explaining about:
 - Whanau Pack Info
 - WINZ
 - 20 hours free information
 - Fees Policy
- Enrolling children into sessions
- Changes in timetables and updating free hours on enrolment form
- Sign in sheets for children

Staff

- Staff Rosters
- Relievers – giving relievers a timesheet and sign in sheet, to complete and notify SS time and hours reliever used.
- Daily Staff Time Sheets for signing
- Managing discretionary hours

Roll Management

- Marking the paper roll within 1 hour of session start
- Checking child absence funding rules
- Manage and monitor staff ratios
- Use of relievers
- Review discretionary hours
- Monthly roll sign off

Children's Accounts

- Checking uncommitted invoices and ensuring corrections are made by SS or sent to Assn for correction
- Ensure statements are given to families
- All money received at kgtn

Kgtn Accounts

- Authorise purchases and sign purchase order
- Send request for Petty cash and maintain petty cash spreadsheet or petty cash book
- Approve sign off of Payment of invoices

Committee

- Forming a working committee
- Managing budget in conjunction with Committee

Association Role/Responsibilities

Accounts Payable

- Follow Process Documents – (Bank Reconciliation / Fees Reconciliation & Management / Accounts Payable)
- Ensuring all invoices are paid
- Sending monthly reports to kgtns
- Liaising with Treasurers on accounts
- On receipt of request sending out petty cash cheque
- Setting up accounts with key suppliers in areas
- Managing use of purchase order books

Accounts Receivable

- Following Process Documents – (Support Staff Induction / Fee Reconciliation)
- Check that all kgtns have generated invoices
- Advise kgtns when it is time to print off statements
- Collating Roll Return info to Ministry
- Create fee receipts for families annually.

Support Staff

- Following Process Documents – (Support Staff Induction and Training)

Treasurer

- Support Treasurer in Role
- Supporting with Budgeting
- Accounts
- Support with Grant Applications and Audit

Staff

- Enter new staff details to Infocare

TREASURER RESPONSIBILITIES

Weekly

- Banking – with the Head Teacher and Support Staff work out system who will do the banking each week.

Deposit books and treasurer information is to be kept at the kindergarten. They can be taken home to work on but should be brought back to the kindergarten as soon as possible.

Monthly

- Prepare to report to the Kindergarten Committee on the activities of the operating account statement received from the Association and on any other financial issues such as fundraising, community grants.

Annually

- Prepare and send to the Association Office the information required for audit as per the information sent out by the Association in early June each year.

AUTOMATIC PAYMENTS, DIRECT DEBITS

If any automatic payments or direct debits (eg for Just Water, Security) need to be stopped, the Treasurer should inform the Association who will then authorise the bank to stop the payments.

MEETINGS

Report either verbally or in writing to the committee meeting each month based on the report provided by the Association and other information held. Reformatting of the reports is not required unless the treasurer would like to do so.

INVENTORY

It is not necessary to keep an inventory of all kindergarten contents but Treasurers must maintain a list of all items in the kindergarten with a value of more than \$500 ie computer, photocopier, digital camera, stove, stereo etc. Copies of inventories must be forwarded to the Association at the end of each year.

Treasurers are asked to keep copies of invoices, guarantees and manuals of large purchases such as video cameras, computers, stereos, microwaves etc.

Original invoices are to be sent to the Association as part of payment processes.

INSURANCE

Insurance is the Association's responsibility. Details of cover and claims procedure are available from the Association Office or from the Facilities Manual. A \$250 excess applies to all claims.

ANNUAL ACCOUNTS AND AUDIT

Annual Accounts and Audit are the responsibility of the Association Office. The financial year runs from July to June. At the beginning of June each year you will be advised when and what books must be sent to the Association Office for the annual audit. These may include:

- all receipt and petty cash books
- deposit books.

CONTRACTS

Treasurers are not to enter into ongoing contracts on behalf of their kindergarten without approval from the Association. The kindergarten is not a stand alone legal entity.

CENTRAL BILLING

This system of central billing and account management has been introduced for the following reasons:

- To assist with account management at the local committee level.
- To centralise the Association's accounting system.
- To provide Treasurer support.

Please note:

- The Office needs to hold all original invoices. A photocopy of the invoice can be kept at the kindergarten. It is preferred to pay directly into suppliers bank accounts. Where possible suppliers details should be supplied.
- Statements can be retained at Kindergartens for reference. Please do not make payments based on statements, quotes or packing slips – we need tax invoices.

For accounting purposes each kindergarten is coded to a branch – **your branch number is the same two digit code you have always used**. If you are not sure what your branch number is, please telephone Christine at the Association to find out what it is.

For each transaction (be it about spending \$ or receiving \$) we will need to allocate it to a department as well.

CODES

DEPARTMENT CODES

Kindergarten Operating Funds (60)

This is for donations or other money received by the kindergarten which is to remain with the kindergarten for use at your discretion. Money raised for trips will go into this. It will have also your operating allocation put into it. Any kindergarten income and expenditure which does not fit into the other categories goes in here.

Fundraising (40)

This is for funds raised in specific fundraising events (as income) or when coding expenditure (eg fundraising expenses or purchase of specific items from fundraising). At year end any surplus/deficit is added to department 60.

Grant Funded (20)

This is for grant income and expenditure. When you spend grant money you code it to the expense category and to the grant department. For example if you receive a grant for puzzles and books - you would code it to children's activities and to department 20. It is important that all expenditure associated with grants is recorded against department 20.

Equity Funded (50)

This is for kindergarten costs paid for using equity funding (see MOE Funding manual for examples). Equity funding is paid by the MOE to kindergartens which met certain criteria to do with socioeconomic factors or rural isolation among other things. You will know if your kindergarten receives this funding.

Kindergarten Special Projects (61)

If a kindergarten wishes to set aside money for a particular project, Department 61 can be used for this. The Treasurer should ring Christine at the Association to arrange this.

Building & Environment Plan (65)

This is to be used for a project where there is an approved PM4. The association will charge the Kindergartens share straight to department 60 but the association will pay all costs out of department 65. Projects have a job code and kindergartens receive a monthly update on costs charged to the job.

Reorganisation (59)

When a kindergarten reorganises it may be given a grant from the Association. This department is to record costs associated with reorganisation. At year end any surplus/deficit is added to department 60.

Centrally Funded (30)

This is for kindergarten costs paid for by the Association (power, gas etc). You still need to approve them for payment.

ACCOUNT CODES

The list of codes is attached under the Forms Section later in this booklet.

PROCEDURES FOR:

- Purchase of Goods and Services
- Receipt of Family Fees, Donations and Fundraising Money
- Use of Cheque Book

PURCHASE OF GOODS AND SERVICES

At the Kindergarten

- Committees meet at the usual monthly meeting and approve the purchase of say, a trolley. Staff place the order to a particular value. Probably they have shown the committee the model from the supplier's catalogue.
- Teachers place the order.
- The trolley is delivered and the invoice sent to the Kindergarten.
- The teachers check that the trolley is the one they ordered and the price is correct.
- The invoice is passed to the Support Staff.
- Support Staff stamps invoices for payment with the stamp provided by Association and writes in the correct code on the invoice.
- The Support Staff fills out "Schedule of Goods and Services Certified for Payment" attaches the invoice and posts these off to the Association **weekly**. Because approval to purchase the trolley was given at the previous meeting, payment of the invoice can be made immediately rather than waiting for ratification at the next committee meeting.
- Support Staff needs to ensure that the correct code is on the schedule, and that the schedule has two signatures.

NB All major purchases must be approved prior to the order being placed.

At the Association

- The Schedule is received.
- The supplier is paid and the Kindergarten operating account debited with the **Nett** amount. Most suppliers are paid directly into their bank account through the Association's DirectLink Banking system.

RECEIPT OF FAMILY FEES, DONATIONS AND FUNDRAISING MONEY

At the Kindergarten

- Staff receive family fees, donations **OR** fundraising money for photos etc.
- Donations and fundraising money must be kept in tact and handed to the Support Staff /or Treasurer for counting and receipt.
- Support Staff record all money received in Infocare (Kindergarten Online Management System) and create a bank lodgement report. This helps the Association reconcile bank statements.
- A deposit slip from the deposit book is completed and put with the Infocare bank lodgement report.
- Money is kept in a safe place then signed over to the person who will be doing the weekly
- Fees and the donation/fundraising money must be kept separate.
- Fees, Donations, Miscellaneous Income, Community Grants and Fundraising amounts need to be recorded separately on the Bank Lodgement Report, also keeping separate the different fundraising money eg photos, pizzas, raffle money.
- The money is banked.
- If you have any bank issues, please refer these to the Association instead of going direct to the bank.

At the Association

- The Association receives the bank statements from the bank.
- Donation and fundraising deposits are credited to the individual kindergarten pool accounts.
- Fee deposits are credited to the Central Association account.

All accounts should be paid by Central Billing where possible.

If a direct credit payment is not acceptable and a payment has to be made immediately, (for say something like an excursion) the Association should be advised and they will either make arrangements with the provider or a cheque will be provided.

In those instances where a teacher may use her/his own personal account to make payment, a reimbursement claim form should be submitted to the Association and reimbursement will be made overnight.

Accounts for items already approved can be paid in between committee meetings but must be ratified at the next committee meeting.

GOODS AND SERVICES TAX (GST)

The Wellington Region Free Kindergarten Association is an incorporated society. The GST returns are prepared at the Association level. Amounts on the pool accounts do not include GST.

If a Kindergarten charges for goods or services the GST needs to be added to the charge.

Invoices from suppliers who are GST registered need to show their GST number and the words tax invoice along with a description of the goods or services.

The Association is also registered under the Charities Commission.

GENERAL HOUSEKEEPING

Here are a few things to help us process accounts quicker at the Association end. With 63 kindergartens we have a huge number of accounts to process each week and we need to receive these regularly throughout the month so we can get Financial Reports out to you on the 15th day of the following month.

- Please send accounts in weekly rather than waiting until the end of the month.
- We need original invoices – we cannot pay on packing slips or statements.
- Stamp invoice and enter correct payment code on the invoice. (A stamp should be held at the kindergarten.)
- Please don't fold invoices individually as this takes extra time to unfold them all. Paper clipped or stapled at the corner is great. And all up the same way.
- With small dockets or accounts, it is helpful if these could be stapled or cellotaped onto a larger piece of paper so we can get our stamp on it - this will also prevent little bits of paper from being buried among other accounts.
- Invoices from small businesses – can you please check that they have an address on them to send a cheque otherwise we'll have to send it back to the kindergarten.
- If you have several invoices from the same company it would be helpful when completing the Schedule, if you could put a subtotal for that company out to the side as when we process the accounts we only enter the total figure. The different codes can be listed for each amount but a total figure for that supplier would be great.
- For auditing purposes we must have the invoices on our files.

FINANCIAL REPORTING

Each month the Association provides the Kindergartens with Financial Reports.

Each Kindergarten has been split into departments, this will give you the breakdown of what income has been received and what has been spent within the department.

1st Report – Financial Statement

This report shows the total income/expenses, for the month (total of all the departments), and the final Net Funds for your Kindergarten. eg;

TOTAL INCOME	(1000.00)
TOTAL EXPENSES	<u>500.00</u>
SURPLUS/DEFICIT	(500.00) *

OPENING BALANCE 01/07	(2000.00)
NET MOVEMENT	<u>(500.00)*</u>

TOTAL NET FUNDS	(2500.00)
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2nd Report – Financial Statement by Department (broken down in departments)

This report shows you a breakdown of the total income/expenses and also the total Net Funds for each Department (if you add the total net funds for each department they will give you the total Net Funds for your Kindergarten).

3rd Report – MTD General Ledger Transactions

This report gives you the breakdown of all the transactions that have been processed during the month by department

4th Report – YTD General Ledger Transactions

This report gives you the breakdown of all the transactions that have been processed during the current financial year by department

The Association's Role

- All data is gathered and processed from the bank statements and schedules sent from the Support Staff.
- Other information is processed (eg equity funding, stationery charges)
- Reports are generated and sent to Kindergartens on the 15th day of the following month.

At the Kindergarten

- Treasurer receives the monthly reports.

The Treasurer should compare the information received from the Association to that provided by the support staff. Generally they should match, very occasionally there are differences – this may be an error or a charge from the Association for stationery or some other item. Please contact us if things don't make sense.

The Treasurer should check accounts 1997 (Income/No Schedule) and 2099 (Expenditure/No Schedule). If there are balances in these accounts this means that the Association is missing some information from you. Please send schedules in for processing or contact Christine to inform her what these relate to.

- Grants person (may be treasurer).

The Grants person should review the transactions in the grants department (20) and ensure that all grant income and expenditure has been correctly accounted for and that the balance represents unspent grant money.

- Treasurer reports financial activity to Kindergarten Committee.

Each Treasurer (along with the committee) can choose how financial information is reported on. It is sufficient to provide the reports provided from the Association but kindergartens may want to incorporate the reports provided into other formats. It is also important to keep a track of how the kindergarten income and expenditure compares to that budgeted.

A sample of monthly reports sent to the Kindergartens are included under the Forms Section later in this booklet.

ACCOUNT FORMS

Please ensure that you use the correct forms as attached. Copies of these can be emailed to you or can be found on our website.

Codes

Each kindergarten has its own numeric code. To assist us at the Office could you please insert your kindergarten code when sending us any forms. If you are unsure of your code please ring us.

- Template for setting out your fundraising goals for the year
- Department Codes
- Account Codes
- Schedule of Goods and Services Certified for Payment
- Request for Kindergarten Petty Cash
- Reimbursement Claim Form
- Suggested Worksheet for Committee Budget
- Inventory Form
- Successful Grants Details form
- Financial Reporting Forms

Wellington Kindertartens
 211 Main Road, Tawa. P.O. Box 51 143, Tawa
 T (04) 232 3069 F (04) 232 3096
 E info@wn-kindergarten.org.nz
 www.wn-kindergarten.org.nz



Request for Kindertartens Petty Cash

Please email this form to christines@wn-kindergarten.org.nz or
 Fax to Assn on 04 232 3096 or Post to P.O. Box 51143, Tawa, Attention: Christine

Kindertartens	
Amount Requested	
Date	
Signed	<div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;"> <p>.....</p> <p>Head Teacher</p> </div> <div style="text-align: center;"> <p>.....</p> <p>Teacher</p> </div> </div>

- Please note:
- A top up for petty cash should not exceed \$200.
 - A request should be made on this form when your petty cash reaches \$100.
 - A cash cheque for your petty cash will be sent to the kindertartens within a week of receipt of this request.
 - A petty cash spreadsheet or book must be maintained at the kindertartens and be available for auditing at any time.

REIMBURSEMENT CLAIM FORM

Name:	
Kindergarten:	

Date	Details of Claim (Receipts or invoices to be attached)	Amount	Code

Claimant's Bank Account Details: Important that you provide Bank and Account Number (or attach a bank deposit slip) so reimbursement can be direct credited to your account.	
Claimant's Signature:	
Authorised by:	

INVENTORY

Completed inventory to be returned to WRFKA
Please list all items in the kindergarten over \$500

Kindergarten:		Year Ending December 20...
Date Purchased	Item	Cost

Remember –

If you have any questions do not hesitate to contact the Association Office – we are very happy to help.

We hope you enjoy your time as Treasurer.

We look forward to working with you for the children and families of the Wellington Region Free Kindergarten Association.

Phone: 04 232 3069

Fax: 04 232 3096

Freephone: 0508 546 397 (for Levin Kindergartens)

Email: info@wn-kindergarten.org.nz

