



Armadale Primary School

Finance Committee Constitution - 2021

The role of the Finance Committee is to assist the principal in the exercising of their governance responsibility in the management of the school's financial affairs.

MEMBERSHIP

The committee shall consist of:

- Mr Warren Bachman, Principal, Armadale Primary School (**mandatory**)
- Mrs Marlene Salbie, Manager Corporate Services (**mandatory**)
- Mr Wayne Nurse (School Board), Mrs Shani Wilkins (P&C Treasurer), Mr Grant Moir, Mrs Amy Barnes, Mrs Beth Edwards2121

POWER TO CO-OPT

- The committee shall have the power to co-opt, for example, to set up a sub-committee. Those co-opted shall have no voting power.
- The committee may invite any other relevant persons to attend meetings and to provide information as necessary.

ELECTION AND TERM OF MEMBERS - TENURE OF OFFICE

The election of incoming members will be undertaken prior to the first committee meeting for the school calendar year.

- The tenure of office will be two years.
- Vacancies caused by transfer or resignation shall be filled by by-election for a full term.
- Retiring members are eligible for re-election.
- In the event of an elected member not attending three consecutive meetings without reasonable explanation, his/her membership of the committee may be terminated.
- Any position declared vacant shall be filled by by-election for a full term.

COMMITTEE STRUCTURE

- Chairperson shall be the principal (*mandatory*).
- Manager Corporate Services shall be the executive officer and has ex officio status (*mandatory*)
- The committee shall appoint (from within the committee) a deputy chairperson.
- In the absence of the principal the deputy chairperson will chair the meeting.
- At any committee meeting a majority of members shall constitute a quorum.

MEETINGS - mandatory

- The **committee will meet at least once per term**, with further meetings to occur when either called by the chair, when circumstances require.
- Minutes must be recorded which include all agreed actions.
- Minutes of meetings of the committee will be confirmed at the following meeting of the committee and signed and dated by the chairperson. (mandatory)
- Minutes of meetings are ordinarily included in the papers for the next meeting of the School Board.

VOTING

- Voting at meetings shall be by a simple majority.
- **Co-opted members have no voting rights.**
- **A proxy vote may not be recorded in a member's absence.**
- **The chairperson** shall have both a deliberative vote and, in the event of a tie, a casting vote.

REPORTING

The key matters discussed at each committee meeting are to be minuted and reported by the principal or nominated representative, to the School Board at their next meeting. This is a mandatory requirement.

TERMS OF REFERENCE

a) Financial Performance

- To monitor and review the school's financial position and performance against the budget.
- To make recommendation to the School Board on financial matters as appropriate.

b) Budget Planning and Control

- To receive, review and approve the school annual one-line budget submission and recommend endorsement by the school board.
- To review and approve one-line budget revisions and supplementary funding requests.
- To monitor and review the school's overall financial performance against the one-line budget.
- To monitor and advise the school board on major initiatives and programs that involves a significant financial commitment and/or a significant financial risk.

c) Charges and Voluntary Contributions

- To review and recommend levels of voluntary contributions, charges, extra cost optional components and personal items and submit to the school board for approval.

d) Risk Management

- To assess and review school's financial risk management structures and processes.
- To provide input into the development of audit action plans and support their implementation if required by principal.

e) Financial Advice

- To act as a source of advice and consultation for the principal on financial matters.

f) Exclusions

- Members of the finance committee must not intervene or interfere in the day-to-day management of the school funds or accounting operations.
- Members of the finance committee shall not undertake or enter into any contractual agreement on behalf of the school.

BACKGROUND

Principals are responsible for the day to day management of the school's financial resources. In accordance with the Financial Management in Schools: Finance and Accounting manual, the principal must form a finance committee in conjunction with the school board, to assist in financial planning and control.

ROLE OF THE FINANCE COMMITTEE

The finance committee assists the principal to exercise their governance responsibility in the management of the school's financial resources. The finance committee serves to facilitate and enhance the financial management processes of the school including:

- reviewing the school's annual budget submission and recommending approval to the school council/board;
- monitoring and reviewing the school's financial performance and position;
- reviewing and approving budget revisions and supplementary funding requests; and
- reviewing and recommending levels of contributions, charges and personal items to the school council/board for approval.

MEMBERSHIP

Principals must ensure that staff members are invited to participate in the financial planning and management process.

It is recommended that the size and composition of the finance committee is determined by the principal in conjunction with the school board. **The finance committee must include the principal and manager corporate services.** The manager corporate services contribute financial skill and expertise to the committee. The membership must consist of staff member's representative of the school structure. Community members may be included.

CONSTITUTION

To assist in ensuring that the finance committee operates effectively and ethically, it is necessary to prepare a constitution. Its use is also considered as a way to promote a set of expectations as to how a finance committee should perform its functions.

MEETINGS

It is essential that finance committee meetings are conducted regularly. **The minimum mandatory requirement is to hold at least one meeting every term.** Meeting minutes must be recorded and confirmed at the next meeting. The chairperson is required to sign and date the minutes when confirmed.

The principal is to be the chairperson of the committee. In the absence of the principal, the deputy chairperson, elected by the committee, should chair the meeting.