**Recording finance discussions and decisions in school governing council minutes**

**Introduction**

Ensuring important financial management discussions occur and recording them in governing council minutes is essential for good governance. Minutes are evidence that key information is being discussed at governing council meetings. They can be used by external bodies to assess compliance with legislation and policy (to which the school needs to comply with) as well as to adhere to requirements detailed within the school’s own internal policies or practices.

This document provides guidance to schools on suggested wording for minuting the most common finance discussions and decisions. It’s not mandated, but is a good guide for you to use, which you can modify to your needs. This guidance wording is being provided to allow the minute preparer to ‘copy’ and ‘paste’ this wording into minutes templates where deemed appropriate and where it reflects discussions that have occurred.

The following points are provided as additional guidance when tabling, discussing and minuting finance reports in governing council meetings:

* The minutes should outline the year to date financial result and the implications for the end of year financial projection, and how these results compare to original or revised budgets.
* It is noted that the school may be recording a year to date and / or end of year deficit, which is a planned outcome compared to the approved budget e.g. run down in cash balances relating maintenance expenditure. On the basis that the governing council approves the decision, and it is affordable by the school, a planned run down in cash balances is acceptable.
* Where the financial results compared to budget are a deterioration, the minutes should be clear about what has caused the issue and how the deterioration will be managed and implications for the future. It is also relevant to note that unplanned expenditure for the current year may avoid costs in the future e.g. incurring expenditure in advance. The school may need to manage the unplanned impact from accumulated cash reserves.
* If more analysis is required to understand the financial impacts and implications of the financial result incurred to date, this should be explained to the governing council and appropriately minuted and an action be recorded.
* Where the year to date and / or end of year results may impact on the ongoing viability of a service then the report and minutes should explain this and outline the strategy to address this, which will need to be reported on in the future. Appropriate actions should be recorded.

**Suggested wording (to be modified where applicable):**

1. Tabling of finance reports for the school (each meeting)

The following reports for the month and period ended ………………. 20XX were tabled and discussed:

* EDSAS governing council report OR

year to date actual vs year to date budget report, also showing the current approved full year budget

* explanation of variations from budget
* profit and loss statement
* balance sheet

The governing council noted the reports.

The governing council noted that as a result of the financial position, the school is undertaking the following actions: …..(explain what actions are being undertaken)……

Following discussion, the reports are accepted.

Moved ………………

Seconded ………………..

Copies of reports provided are included with these minutes.

1. Tabling of finance reports for canteen/oshc/other governing council services (each meeting)

The following reports for the canteen/oshc/other service for the month and period ended ………………. 20XX were tabled and discussed:

* EDSAS governing council report (optional for canteen)

OR year to date actual vs year to date budget report, also showing the current approved full year budget (optional for canteen)

* explanation of variations from budget
* profit and loss statement
* balance sheet

The governing council noted the reports.

The governing council noted that as a result of the financial position, the following actions are being undertaken:…..(explain what actions are being undertaken)……

Following discussion, the reports are accepted.

Moved ………………

Seconded ………………..

Copies of reports provided are included with these minutes.

1. Review of debtors reports (each term)

The governing council noted the report provided by the school about outstanding debts including the types of debts, age, volume and value.

The governing council noted the report and requests that the school undertakes the following actions …..(explain what actions that have been committed to)……

Report accepted:

Moved ………………

Seconded ………………..

A copy of the report provided is included with these minutes.

1. Referring outstanding debts for debt collection (as required)
The governing council noted the principal’s recommendation that debts totalling $................ be sent to …………………………… for debt collection, and supports the recommendation.

Moved …………..

Seconded ……………

1. Approving accounts receivable being written-off (as required)

The governing council approved the write off of ……….(type of debt)……….. debts totalling $................... in accordance with the recommendation of the principal.

Moved ………………

Seconded ………………..

1. Approval of delegations (annually or when a change occurs)

The governing council approved the delegations recommended by the principal.

Moved ………………

Seconded ………………..

Refer to the attached financial delegations listing.

1. Approval of the annual budget

The governing council approved the following annual budgets recommended by the principal.

* 20XX (draft/final) school budget indicating a surplus/deficit of $........... for the calendar year including expenditure of $xxx m and revenue of $xxx m as outlined in the report submitted to the governing council. The governing council noted that the reason for the projected surplus / deficit is primarily due to …(insert primary reasons)…
* 20XX (draft/final) oshc budget indicating a surplus/deficit of $............ for the calendar year including expenditure of $xxx m and revenue of $xxx m as outlined in the report submitted to the governing council. The governing council noted that the reason for the projected surplus / deficit is primarily due to …(insert primary reasons)…
* 20XX (draft/final) canteen budget indicating a surplus/deficit of $......... for the calendar year including expenditure of $xxx m and revenue of $xxx m as outlined in the report submitted to the governing council. The governing council noted that the reason for the projected surplus / deficit is primarily due to …(insert primary reasons)…

Moved ………………

Seconded ………………..

Refer to the attached annual budget/s.

1. Noting of the annual independent auditor’s report

The governing council noted the correspondence and Report of Audit Conducted provided by the external auditor.

In response to the auditor’s findings,

* the school plans to …….…..(list relevant actions)…………..
* the oshc plans to ……….…(list relevant actions)……………
* the canteen plans to ……..(list relevant actions)…………..

The governing council accepts the report and proposed actions.

Moved ………………

Seconded ………………..

Refer to the attached audit letter/s and report/s.

1. Approval of the school’s proposed materials and services charge

The governing council approved the proposed materials and services charge as recommended by the principal.

Moved ………………

Seconded ………………..

Refer to the attached details regarding the proposed materials and services charge.

1. Outcome of materials and services charge poll

*(For schools where the governing council approved materials and services charge exceeds the amount prescribed in the Education and Children’s Services Regulations 2020, and the governing council was therefore required to poll under Section 129(2)(c ) of the Education and Services Act 2019. )*

The governing council noted the outcome of the poll as follows:

Yes:………………………..

No:……………………….

N/A:……………………..

Moved ………………….

Seconded ……………….

*(If the majority of the respondents support the poll (majority YES).)*

As the majority of the respondents support the poll, it is proposed that the chairperson seek the principal’s approval (as the Chief Executive’s delegate) to approve the proposed materials and services charge.

Moved………………….

Seconded…………….