



**Korowal School Limited**

**Management and Operation  
of the School**

**Policy and Procedures Handbook**

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# 1. Document Control

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## 2. Policy Statement

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Korowal is concerned to ensure proper governance structures that support the efficient and effective operation of the school in accordance with its mission statement and strategic plan. In exercising proper governance Korowal strives to review, develop, and implement policies and procedures to satisfy its legal obligations, manage risk, provide strategic guidance and monitor performance.

This document provides a summary of the Proper Governance Framework of the Korowal School which consists of the following suite of guiding documents:

- A. **Korowal School Board Charter**
- B. **Code of Conduct**
- C. **Confidentiality**
- D. **Management of Conflicts of Interest**
- E. **Management of Related Party Transactions**
- F. **Commitment to Professional Learning**
- G. **Board Induction Policy**
- H. **Responsible Persons Procedure**
- I. **Legal Compliance Framework**
- J. **Risk Management Framework**
- K. **Independent Audit Policy**
- L. **Notifications to NESA Policy**
- M. **Financial Viability Policy**
- N. **Delegations Policy and Procedure**

## 3. Purpose

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The purpose of this policy is to satisfy

- relevant legal and compliance requirements;
- manage risk;
- provide strategic guidance;
- monitor performance;
- facilitate sound decision making;
- promote accountability and transparency.

## 4. Scope

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This policy applies to all **Korowal School Board (KSB) Directors** and the Korowal School Executive, which includes the **Principal, Business Manager, Deputy Principal Primary and Deputy Principal High School**.

## 5. Related Policies

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This policy is related to other Korowal policies including but not limited to:

- *Korowal School Board Charter*
- *Responsible Persons Policy*
- *Responsible Persons Conflict of Interest Policy*
- *Responsible Persons Related Party Transactions Policy*
- *Responsible Persons Professional Development Policy*
- *Responsible Persons Induction Policy*
- *Proper Governance – Independent Audit Policy*
- *Financial Viability Policy*
- *Notifications to NESAs Policy*
- *Financial Delegations policy*

These policies and procedures are incorporated within this Management and Operation of the School – Policy and Procedure Handbook.

## 6. Legislation

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This policy has been drafted to achieve legislative compliance, with particular regard to the following:

- *Education Act 1990*
- *Australian Education Act 2013*
- *Corporations Act 2001*
- *Australian Charities and Not for Profit Commission ACT 2012.*

## 7. Definitions

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All relevant terms are defined in the associated document [Korowal School Definitions Register](#)

## 8. Principles

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**Korowal School** adheres to the following principles:

- Adherence to best practice governance practices;
- Diligence and accountability in all governance responsibilities;
- Financial and legal responsibility and compliance.

## 9. Responsibilities

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10.1 Korowal School develops, implements, reviews and retains the following documentation, for the statutory period required:

- i. A **Charter** which identifies the governance structure of **the School** and the role and responsibilities of each **Responsible Person** or body
- ii. **Responsible Persons' Code of Conduct**

- iii. A delegation schedule which identifies the respective authorities within the governance/management structure and which describes the process for removing or varying a delegated authority (**Delegations Schedule**)
- iv. A document which sets out supervisory and reporting arrangements for **Responsible Persons** of Korowal School (**Governance/Management Organisation Chart**)
- v. **Induction Procedures for Responsible Persons**
- vi. **Responsible Persons'** code of conduct (**Code of Conduct**).
- vii. Records of governance decisions and actions (Minutes of **KSB** Meetings). These records are securely retained by the **Company Secretary** for a period of seven years and then archived for a period of twenty five years.
- viii. A document which describes **the School's** legal compliance process to facilitate compliance with relevant legislation and reduce risk of non-compliance (**Legal Compliance Framework**).
- ix. An up-to-date school **Risk Management Framework/Risk Register**.

**10.1 KSB** delegates to the **Company Secretary** responsibility for notifying **NESA** via **RANGS Online**, and **ASIC**, of any changes to **Responsible Persons** within 28 days.

- i. These documents are managed by the **Company Secretary**, reviewed by **the Chair and Principal**, and are stored in a secure electronic drive on **the School's** computer network. Hard copies are also retained for a period of seven years, then archived for a period of twenty-five years.

## 10. Records

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The **Company Secretary** oversees the maintenance of the following registers:

- i. **Responsible Persons' Register**
- ii. **Fit and Proper Person Statutory Declaration**
- iii. **Conflict of Interest Register**
- iv. **Related Party Transaction Register**
- v. **Professional Learning Register**
- vi. **Induction Register**

The Registers related to the Management and Operations of **the School** may be accessed through **the Board** file on **the School** Cloud Drive. A hard copy is also retained in a locked cupboard in the **Business Manager's** office.

**The Company Secretary** is responsible for the maintenance and storage of all records related to the governance activities of the **KSB** as identified in this policy. All records are kept on site for a period seven years and archived for a period of twenty five years.

# 11. Policies and Procedures

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The policies and procedures set out below provide guidance to facilitate the effective management of the responsibilities of the **KSB** within the New South Wales education context.

- A. Korowal School Board Charter**
- B. Code of Conduct**
- C. Confidentiality**
- D. Management of Conflicts of Interest**
- E. Management of Related Party Transactions**
- F. Commitment to Professional Learning**
- G. Board Induction**
- H. Responsible Persons Procedures**
- I. Legal Compliance Framework**
- J. Risk Management Framework**
- K. Independent Audit Policy**
- L. Notifications to NESAP Policy**
- M. Financial Viability Policy**
- N. Delegations Policy and Procedure**

# 12. A. Korowal School Board Charter

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## 1. PURPOSE

1.1 This KSB Charter (**Charter**) sets out the role, composition and responsibilities of the **Board of Directors** of Korowal School Limited (**KSB**).

1.2 Korowal School Limited (**Company**) is established for the object of operating a co-educational school for children, irrespective of their social, religious or cultural background (**the School**), the education at Korowal is inspired by the following principles:

- i. The quality of human relationships is the heart of the educational process. Committed, mutually respectful relationships between students, teachers and parents are crucial to educational happiness and success.
- ii. The student is educated in a balanced and integrated way: intellectually, creatively, socially, physically, emotionally, ethically and spiritually.
- iii. The aim of education is to develop full human potential.
- iv. The values of compassion, tolerance, equity, respect, empathy, commitment, resilience, and critical thinking are consciously fostered.
- v. The value of the individual is found within the context of the group.

## 2. ROLES AND RESPONSIBILITIES

### 2.1 KSB

2.1.1 The role of the **KSB** is to provide leadership and strategic guidance for the **Company** and its associated work. In performing its role, the **KSB** aspires to excellence in governance standards.

2.1.2 The key responsibilities of the **KSB** are:

- i. ensuring the **Company** meets its fiduciary and legal obligations;
- ii. approving the strategic direction of the **Company's** work
- iii. appointing the **Principal** and establishing clear parameters around their level of authority and delegations;
- iv. ensuring adequate reporting is undertaken by management to maintain compliance standards; and
- v. determining appropriate organisational and governance policies to advance the overall strategic objects of the **Company**.

### 2.2 PRINCIPAL

2.2.1 The role of the **Principal** is to:

- vi. report and be accountable to the **KSB** for the performance of the **Company**;
- vii. support operations and administration of the **KSB** by advising and informing **KSB** members, interfacing between the **KSB** and staff, and supporting the **KSB's** evaluation of the **Principal**;
- viii. oversee the design, marketing, promotion, delivery and quality of programs, products and services;
- ix. advise the **KSB** with the **Company's** strategy and annual business plan;

- x. recommend an annual budget for the **KSB's** approval and prudently manage the **Company's** resources within those budget guidelines in line with current legislation and regulations;
- xi. effectively manage the human resources of the **Company** according to policies and procedures in line with current legislation and regulations; and
- xii. maintain a register of all declarations of interests by **Directors** for reporting to the **KSB** as necessary.

## 2.3 DIRECTORS

2.3.1 The role of **Directors** is to:

- i. understand the business of the **Company** and monitor key developments in furthering the strategic objectives of the **Company**;
- ii. attend and participate in **KSB** meetings;
- iii. be active in the **Company** such as through attendance at any functions or events as a representative of the **Company** as required by the **KSB** from time to time;
- iv. provide independent advice and judgement to inform **KSB** decisions; and
- v. oversee governance and procedures relating to the **Company's** operations and performance.

2.3.2 Subject to the *Corporations Act 2001 (Cth) (Act)* and the Constitution of Korowal School Limited (**Constitution**), the appointment of each **Director** will be for a term of two years or until the **Director** is removed or the **Director's** office is vacated in accordance with the **Constitution**, and in any event for no more than four consecutive terms.

2.3.3 **Directors** are required to exercise their powers and discharge their duties with care and diligence. Under the Act, this duty requires **Directors** making business judgments to:

- i. make the judgment in good faith and for a proper purpose;
- ii. not to have a material personal interest in the subject matter of the judgment;
- iii. inform themselves about the subject matter of the judgment to the extent they reasonably believe to be appropriate; and
- iv. rationally believe the judgment is in the best interests of the corporation.

2.3.4 **Directors** have a duty to make full and frank disclosure to the **KSB** as soon as practicable of:

- i. information within their knowledge, involving any material personal interest, that they or any associate may have in a matter that relates to the business of the **Company**; and
- ii. any other interest or relationship that may affect their independence in discharging their role as **Director**.

2.3.5 **Directors** must not improperly use information obtained through their position to gain an advantage for themselves or someone else, or to cause detriment to the **Company**.

2.3.6 **Directors** have a duty to disclose any conflict or potential **Conflict of Interest** to the **KSB** as soon as practicable.

2.3.7 The **KSB** will manage conflict or potential **Conflict of Interest** in accordance with the **Constitution** (Clauses 35).

2.3.8 **Directors** must take steps to ensure they are properly informed about the financial position of the **Company**, that adequate financial records are kept which accurately detail this financial position, and ensure that the **Company** does not trade if it is insolvent.

## 2.4 CHAIR

2.4.1 The role of the **Chair** is to provide leadership to the **KSB**, including promoting a culture of openness and continual dialogue to nurture an effective and collegial group of **Directors** who progress the **Company's** business strategically and efficiently.

2.4.2 The **Chair's** key responsibilities include:

- i. facilitating the relationship and communication between the **KSB** and management through the **Principal** ;
- ii. managing the efficient organisation and conduct of the **KSB's** functions;
- iii. overseeing regular and effective evaluations of the **KSB's** performance;
- iv. overseeing the induction and continuing education programs for the **KSB**; and
- v. exercising such specific and express powers as delegated to the **Chair** by the **KSB** from time to time.

2.4.3 The **Chair**, in consultation with the **Principal** and the **Company Secretary**, is also responsible for the conduct of all **KSB** meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the strategic direction set by the **KSB**.

## 2.5 COMPANY SECRETARY

2.5.1 The role of the **Company Secretary** is to coordinate all of the **KSB's** business, including agendas, board papers, minutes, communication with regulatory bodies and all statutory and other filings.

2.5.2 The **Company Secretary** is to maintain a register of all dealings in the **Company's** securities, by **Directors** for reporting to the **KSB** as necessary.

2.5.3 Appointment and removal of the **Company Secretary** will be subject to **KSB** approval.

2.5.4 All **Directors** shall have direct access to the **Company Secretary**.

## 3. BOARD COMMITTEES

3.1 The **KSB** may, from time to time, establish committees (**Board Committees**) to assist the **KSB** in exercising its authority and meeting its responsibilities as set out in Paragraph 2.1. Committees will be established in accordance with section 38 of the **Constitution**.

3.2 The standing **Board Committee** is the **Finance and Resources Committee**.

3.2.1 The **Finance and Resources Committee** consists of one **Director**, the **Business Manager**, the **Principal**, the **Deputy Principal High** and **Deputy Principal Primary**.

3.2.2 The **Finance and Resources Committee's** role is to:

- i. oversee the financial management of the **Company**;
- ii. liaise with **Auditors**;
- iii. oversee and prepare financial statements on behalf of the **KSB**;
- iv. meet as required; and
- v. report to the **KSB** regarding the financial status of the **Company**.

3.3 The **KSB** will determine the membership and composition of **Board Committees**, having regard to skills, experience, and any regulatory requirements.

#### 4. BOARD MEETINGS

4.1 A meeting of **Directors** will be held as required. In general the **Directors** will meet not less than five times in total in each calendar year.

#### 5. BOARD PERFORMANCE

5.1 The **KSB** will undertake ongoing assessment and review of performance of the **KSB**, **Board Committees**, and individual **Directors** annually.

#### 6. DELEGATIONS

6.1 The **KSB** retains all powers conferred upon it by the **Constitution**, the **Charter**, and the **Act** which cannot be delegated.

6.2 The **KSB** may, from time to time, and subject to the **Act**, delegate their powers where they consider it to be appropriate to do so.

#### 7. MATTERS RESERVED FOR THE KSB

7.1 The following matters are specifically reserved for the **KSB**:

- 7.1.1 appointment and removal of the **Chair**;
- 7.1.2 appointment and removal of the **Principal**;
- 7.1.3 appointment of **Directors** to fill a vacancy or as additional **Directors**;
- 7.1.4 establishment of **Board Committees**, their membership, charters and delegated authorities;
- 7.1.5 review of corporate governance principles, policies and related public documents;
- 7.1.6 approval of expenditure in excess of the monetary authority levels delegated to the **Principal** (maybe delegated to the **Finance and Resources Committee**);
- 7.1.7 operation and management of the **Korowal School Building Fund**;
- 7.1.8 disclosure and publication of information (statutory obligations) relating to the **Company**;
- 7.1.9 any changes to the authority delegated to the **Principal** by the **KSB**; and
- 7.1.10 any other specific matters nominated by the **KSB** from time to time.

#### 8. REVIEW OF CHARTER

8.1 The Charter is to be reviewed annually by the **KSB** to ensure its relevance and effectiveness.

#### 9. ASSOCIATED POLICIES

9.1 To give effectiveness to this **Charter** and meet statutory requirements, the following policies are to read in conjunction with this **Charter**.

Management and Operation of the School – Policy and Procedure Handbook which includes relevant

policies:

- i. **Responsible Persons Policy**
- ii. **Conflict of Interest Policy**
- iii. **Professional Learning Policy**
- iv. **Independent Audit Policy**
- v. **Induction Policy**
- vi. **Notification of Matters Policy**
- vii. **Notifications to NESAs Policy, Refusal of Registration – Disclosure**
- viii. **Financial Viability Policy**
- ix. **Related Party Transactions Policy**

# 13. B. Code of Conduct

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**Board Directors** and officers must:

1. Act honestly, in good faith and in the best interests of **the School**.
2. Use care, skill and diligence in fulfilling their duties.
3. Use the power of their position for a proper purpose.
4. Not make improper use of information acquired by their position.
5. Not allow personal interests or those of associates, to conflict with the interests of **the School**.
6. Exercise independent judgement in decision making. .
7. Maintain confidentiality and commit to the confidentiality agreement (a copy of which is set out below).

The following procedures apply:

## **Non-compliance**

### *Reporting*

- I. Any alleged or perceived breach of the **Code of Conduct** must be reported to the **Chair** immediately. The details of the breach should be provided but no attempt should be made by the reporter to gather information in respect of the concern raised.
- II. The communication by the reporter shall be kept confidential, however the **Chair** reserves the right to confer with delegates appointed by her / him.

### *Investigation*

- III. The **Chair** will cause an **investigation** to occur in manner commensurate with the nature of the alleged breach. The person who is the subject of the alleged breach will be afforded procedural fairness and natural justice which includes:
  - i. Being provided with the particulars of the alleged breach
  - ii. Being afforded an opportunity to respond
  - iii. Confidentiality of the allegation
  - iv. Opportunity to obtain external legal and other related advice
- IV. Depending on the seriousness of the allegation, the **Chair** may determine that it is appropriate for the person subject of the alleged breach be stood down from their duties pending the outcome of the **investigation** into the matter.

## 14. C. Confidentiality

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All **Board Directors** are required to submit a duly executed copy of the **KSB** Confidentiality Agreement at the beginning of each calendar year for the duration of their term of appointment. These agreements will be securely stored by the **Principal** on behalf of the **KSB**.

# 15. Sample: Confidentiality Agreement

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## **Korowal School Board (“KSB”)** CONFIDENTIALITY AGREEMENT

I \_\_\_\_\_ (name) understand, as a member of the KSB and in the course of undertaking my duties as a member of the KSB, that information may be disclosed that must be kept confidential. It is agreed that:

1. The confidential information which may be disclosed can be described and may include:
  - a. Technical and business information relating to operations
  - b. Existing and/or contemplated services, income, costs, surplus and margin information
  - c. Finances and financial projections
  - d. Staff, Parents, Carers, Students – past, present and future
  - e. Marketing & Development plans and projections
  - f. Current or future School business and facility plans and models, regardless of whether such information is designated as “Confidential Information” at the time of its disclosure.
  
2. Confidential information obtained from the Discloser will not be shared with anyone unless required to do so by law.

I acknowledge that I have read and understand the above and voluntarily accept the duties and responsibilities as a member of the KSB to respect such confidential matters, both during my membership of the KSB and after I have ceased to be a member.

### **Board Director**

### **Korowal School**

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# 16. D. Management of Conflict of Interest

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## Disclosure Statement

All **Responsible Persons** are required to:

- complete a **Conflict of Interest Disclosure Statement** at the time they take up their role with the **KSB** whether or not they have material conflicts to disclose; and
- update this Statement annually at the first **KSB** meeting for the year; and
- where their circumstances have changed since the existing disclosure was submitted, complete an updated statement.

Other members of staff and other persons working for **the School**, such as volunteers, are required to complete a **Conflict of Interest Disclosure Statement** if they have a material conflict.

## Register of Interests

The Disclosure Statements will be used by **the Principal** to update the Register of Interests. This Register will formally be tabled at every meeting of the **KSB**. **The School** will ensure that declarations of **Conflict of Interest** are retained for a period of seven years then archived for a period of twenty-five years.

# 17. Checklist to Help Identify Conflict of Interest

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In assessing whether you have a Conflict of Interest it may be helpful to ask the following questions. The test when assessing the situation is to ask: "Could this conflict with my duties at the School?" If you answer YES to any of the questions below, you may have an actual, reasonably perceived or potential Conflict of Interest.

(Source: ICAC 1)

- Would I or anyone associated with me benefit from or be detrimentally affected by my proposed decision or action?
- Could there be benefits for me that could cast doubt on my objectivity?
- Do I have a current or previous personal, professional or financial relationship or association of any significance with an interested party?
- Would my reputation or that of a relative, friend or associate stand to be enhanced or damaged because of the proposed decision or action?
- Do I or a relative, friend or associate of theirs stand to gain or lose financially in some covert or unexpected way?
- Do I hold any personal or professional views or biases that may lead others to reasonably conclude that I am not an appropriate person to deal with the matter?
- Have I contributed in a private capacity in any way to the matter my Department/the School is dealing with?
- Have I made any promises or commitments in relation to the matter?
- Have I received a benefit or hospitality from someone who stands to gain or lose from my proposed decision or action?
- Am I a member of an association, club or professional organisation or do I have particular ties and affiliations with organisations or individuals who stand to gain or lose by my proposed decision or action?
- Could this situation have an influence on any future employment opportunities outside my current Board duties?
- Could there be any other benefits or factors that could cast doubts on my objectivity?

If the answer to any of these questions is yes or if you still have any doubts about your proposed decision or action, you should seek direction from the Board Chair or **Principal**.

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1 ICAC Toolkit, *Managing Conflicts of Interest in the Public Sector*, 2004.

# 18. Sample: Conflict of Interest Disclosure Statement

This form is to be completed by any **Board Director** who has a real or perceived conflict of interest or a potential conflict of interest in undertaking their duties. A copy of the completed and signed form is to be retained by the **Principal** on behalf of the **KSB**.

I, *(Insert full name)* \_\_\_\_\_ of *(Insert address)*

hereby declare I have no conflicts of interest to declare or a conflict of interest considered to be:

**Nil**

**Conflict** Real  Potential  Perceived

Please provide a brief outline of the nature of the conflict if applicable (details may be included privately in a separate confidential envelope if appropriate).

Please detail the arrangements proposed to resolve/manage the conflict if noted above (attach separately if appropriate).

I, *(insert full name)*..... hereby agree to:

- update this disclosure throughout the period of my tenure as a Responsible Person on an annual basis or until such time as the conflict ceases to exist, or at such a time a conflict arises;
- comply with any conditions or restrictions imposed by the School to manage, mitigate or eliminate any actual, potential or perceived conflict of interest and/or commitment.

Signed: .....

Date: .....

**REVIEW BY CHAIR OF BOARD**

I, (insert full name) ..... have reviewed the conflict of interest disclosure (and plan) and have taken the following action in relation to this matter:

*Signature* .....

*Date*.....

# 19. E. Management of Related Party Transactions

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## PROCEDURES

### Overview

The procedures related to the management of related party transactions for Korowal School are set out below:

- i. all related party transactions and payments will be conducted on an arm's length basis to ensure that a financial benefit is not given to a related party;
- ii. the process surrounding those transactions must be transparent and fully documented including the maintenance and audit of a register of related party transactions; and
- iii. **KSB** approval must be obtained for all related party transactions and payments recognising that the **KSB** can delegate this approval in respect of a class of transactions and on such terms and conditions as the **KSB** sees fit.

## GUIDANCE NOTES IN RESPECT OF RELATED PARTY TRANSACTIONS

### Who is a related party?

For the purposes of these procedures, the following persons are considered related parties of **the School**:

- i. all **KSB** Members and all members of the School Leadership Team, including their spouses, partners, parents and children; and
- ii. entities controlled by these persons.

A person or entity is also a related party of **the School** at a particular time if the person or entity:

- i. was a related party at any time within the previous 6 months; or
- ii. the entity believes or has reasonable grounds to believe that it is likely to become a related party of the at any time in the future.

A full definition is set out in Accounting Standard AASB 124.

### What is a financial benefit?

The legal definition of the term 'financial benefit' is broad. A non-exhaustive list of examples includes:

- i. providing finance or property to a related party;
- ii. buying or leasing an asset from or selling an asset to a related party;
- iii. supplying or receiving services from the related party;
- iv. issuing securities or granting options to the related party; and
- v. taking up or releasing an obligation of the related party.

A financial benefit includes giving a financial benefit indirectly through an interposed entity and does not require the payment of money. For the purposes of this Policy, reasonable remuneration within parameters approved by **the KSB** is excluded from the definition of "financial benefit".

### What makes a transaction "at arm's length"?

A transaction is at arm's length if the relevant parties have dealt with each other as parties normally do when they are not related, so that the outcome of their dealing is a matter of genuine bargaining, and although not necessarily technically an open market price, the terms are those that might reasonably have been agreed between arm's length parties.

### ***New transactions***

Where Korowal School proposes to enter into a related party transaction, the following procedure applies:

- i. the relevant responsible officer must inform the **Principal** about the proposed transaction, including the proposed parties and how they are related, details of the proposed transaction and where arm's length terms may be evidenced;
- ii. the **Principal** will review the transaction, and consider external legal or other independent advice where appropriate having regard to the nature, context and objective(s) of the relevant transaction;
- iii. the **Principal** will inform and advise the **KSB** of the proposed transaction and obtain the **KSB's** approval to undertake the transaction or approval in respect of a class of transactions;
- iv. a register of all **KSB** approvals in respect of related party transactions shall be maintained under the supervision of the **Principal** and it shall include details of the nature of the transaction, the date of the approval and any key conditions to which the approval is subject; and
- v. when **KSB** approval is obtained, the transaction must proceed in accordance with any procedures and conditions outlined by the **KSB**.

### ***Annual review***

At the beginning of each year, the register of related party transactions will be updated to reflect these disclosures and submitted for audit by the School's auditor.

### ***Retention of records***

**The School** will ensure that records of related party transactions, including the registers and audit reports thereon, are retained for at least seven years and archived for 25 years.

## 20. Related Party Transactions Register

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Name of Responsible Person: Board Director

Item	Name of transacting party (if different from above)	Relationship between Responsible Person and transacting party	Description of transaction	Amount of transaction and of any outstanding balances	Date transaction approved by the KSB and basis for approval
1.					
2.					
3.					

## 21. F. Commitment to Professional Learning

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The **KSB** is committed to ongoing professional development. The procedures for the professional learning of **Directors** includes the following:

1. At the commencement of each year the **KSB** will determine which areas of professional learning are relevant to the needs, skills and experience of its **Directors**, especially in relation to formation in purpose, compliance, risk management, finance, legal obligations, **Conflict of Interest**, related parties and education.
2. **The School** will approve the costs for attendance at professional learning for each **Director** that is a minimum of twelve hours over a three-year period being approximately four hours duration annually and delivered by a **NESA** approved training provider.
3. **The Company Secretary** will maintain a register of each **Responsible Person's** professional learning annually. This register will record the names, role, date, nature and hours of professional learning.
4. The **Company Secretary** will retain the **Directors** and **Responsible Persons** Professional Learning Register for a period of seven years and archive for a period of twenty-five years.

## 22. Professional Learning Register

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Korowal School Responsible Persons  
PROFESSIONAL LEARNING REGISTER

Year: 2019

NAME	RECORD OF PROFESSIONAL LEARNING			
	DATE	NATURE OF PL	PROVIDER	HOURS

## 23. G. Board Induction

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The procedures for inducting each new **Board Director** at Korowal School includes the following:

- i. completes an online program delivered by a **NESA** approved provider, and approved by **the School** 's governing body;
- ii. meets the **Principal** and the **Chair**;
- iii. receives a tour of the **School** to see its buildings and facilities;
- iv. receives a copy of the key governance documents. These include the constitution, governance policies, code of conduct, recent meeting minutes and audited financial statements; and
- v. is made aware of the primary governance responsibilities of acting in the interest of **the School** , including confidentiality and conflicts of interests.

**The Principal** will maintain a register of the induction program for each new **Responsible Person** recording their name, the date of becoming a **Board Director** role, qualifications, receipt of induction documents and the date, provider and nature of **NESA** approved induction training. **The Principal** will maintain this register for seven years from the year of induction.

**Approval Date**

**By Whom**

Next Review Date:



## 25. K. Independent Audit Policy

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Korowal School is concerned to ensure transparent and responsible management of financial accounts. This is achieved through an annual audit conducted by an external, independent auditor who is a member of a recognised accounting body approved by **NESA**.

The **Chair** will certify that the audit report and accompanying certificate:

1. have been completed by an auditor recognised by CPA Australia, Chartered Accountants Australia, the Institute of Public Accountants or another recognised accounting body approved by **NESA**.
2. comply with any other requirements imposed by Commonwealth or NSW Government agencies providing funding to the school.
3. have not been completed by a person or body with whom the **School** has another business relationship in addition to audit services or with whom any of Korowal's **Responsible Persons** has a **Conflict of Interest**.
4. Korowal School's **Principal** will notify **NESA** on behalf of the **Chair** if the contract with **the School's** external auditor is terminated by the **School** or the auditor prior to the expiry of the term of the current audit contract and identify the reason(s) for the termination.
5. Korowal School's audited and certified annual financial statements are kept and retained for a minimum of seven years after the date of each year's audit before archiving for a period of twenty-five years.
6. The **Business Manager** and the **Company Secretary** will oversight the annual process including the retention of all audit records.

### Records

All Financial records and audited accounts are stored on **the School's** electronic drive and in **QuickBooks** Cloud.

**The KSB** is to certify or is to provide other evidence that the audit and accompanying certificate:

- i. have been completed by an auditor recognised by CPA Australia, Chartered Accountants Australia, the Institute of Public Accountants or another recognised accounting body approved by **NESA**.
- ii. comply with any other requirements imposed by Commonwealth or NSW Government agencies providing funding to the school
- iii. have not been completed by a person or body with whom the school has another business relationship in addition to audit services or with whom any of the '**Responsible Persons**' of the school has a **Conflict of Interest**.

### Evidence of Compliance

- i. **The School** has a policy and procedure for notifying **NESA** if the contract or arrangement with **the School's** external auditor is terminated by the school or external auditor prior to the expiry of the term of the contract or arrangement and the reason(s) for that termination.
- ii. **The School's** audited and certified annual financial statements in relation to any period on and from 1 September 2014 are available for inspection and are retained for a minimum period of seven (7) years after the end of the period to which the annual financial statements pertain before archiving for a period of twenty-five years.

## 26. L. Notifications to NESAs Policy

### Refusal of Registration Disclosure

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Korowal School has a responsibility to provide information to **NESA** regarding the actions of **Responsible Persons** in respect of their ongoing engagement with the school. This policy outlines the notification process to inform **NESA** that any refusal or cancellation of registration of the **School** under section 56 or 59 of the *Education Act*, occurring five years before an application for registration is made, is not largely attributable to the actions of:

- i. A **Responsible Person** for **the School** , or
- ii. Any other person or body exercising similar functions in relation to the management or operation of the **School** to those of a **Responsible Person**.

Korowal School will notify NESAs via RANGS Online if any of its Responsible Persons have acted in ways which have contributed to a school having its registration cancelled or refused.

- I. Notifiable actions must have occurred in a 5-year period immediately before an application for registration is made.
- II. **The Principal** will retain notification documents which will be archived for a minimum of seven (7) years and access/store them on **the School** online drive in a restricted access locked file
- III. **The Principal** delegates to the **Company Secretary** responsibility for notifying **NESA** via RANGS Online, as well as ASIC, of any changes to **Responsible Persons** within 28 days

Notification documents will be retained for a period of seven years and then archived for a period of twenty-five years.

# 27. M. Financial Viability Policy

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**Korowal** is committed to maintaining financial viability, which allows it to achieve its core purpose of education whilst remaining financially sustainable.

Korowal School **Responsible Persons** will:

- 1.1 when required by **NESA**, provide relevant financial data to **NESA** in the prescribed form of a certification or warrant. This may take the form of certification from the principal of the school as required in the online application form for renewal of registration, or Certification of Financial Viability from a **NESA** approved body or person assessed against the **NESA** Financial Viability Framework, or a Financial Viability Warrant from a **NESA** approved body or person providing assurance of financial viability.
- 1.2 notify **NESA** if the contract or arrangement with the school's external auditor is terminated by the school or external auditor prior to the expiry of the term of the contract or arrangement and providing the reason(s) for the termination.
- 1.3 monitor key financial accounts and relevant financial management reports at each formal meeting of KSB to assess financial viability.
- 1.4 maintain **the School's** audited and certified financial statements for seven years before archiving. These are accessible in a locked cabinet in the **Business Manager's** Office, plus on QuickBooks Cloud, and managed by the **Business Manager**.
- 1.5 retain a copy of the financial viability certification/warrant for seven years before archiving. These are accessible in a locked cabinet in the **Business Manager's** Office, plus on QuickBooks Cloud, managed by the **Business Manager**.
- 1.6 notify **NESA** if the **School** is under any form of external control. The **Principal** is responsible for making the notification.
- 1.7 have available and provide to a **NESA** inspector all financial documentation that a **NESA** inspector may require. This may include:
  - i. audited annual financial statements, an independent audit report and independent auditor's management letter,
  - ii. compliance with any requirements imposed by state or Commonwealth agencies providing funding to the school,
  - iii. recent Commonwealth Financial Questionnaire completed by the school,
  - iv. current school year operating financials (management accounts),
  - v. schedule of loan agreements,
  - vi. information about any remuneration paid to members of the governing body and the award or agreement under which staff salaries are being paid,
  - vii. current school business plan or current year's budget and forecast budgets for three to five years,
  - viii. insurance policies covering risk areas for the school,
  - ix. any other relevant materials.

***As an incorporated Company limited by guarantee, Korowal School Limited also have a duty to prevent insolvent trading under section 588G of the Corporations Act.***

All financial records are accessible and stored in a locked cabinet in the **Business Manager's** office, plus on **QuickBooks** Cloud hosted software. Records are maintained for the required seven-year period and archived for twenty-five years.

## 28. N. Financial Delegations

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**The KSB** is responsible for the governance and management of **the School**. **The KSB**, while retaining ultimate responsibility, may delegate responsibilities to **the Principal**, **the Business Manager**, **KSB** sub-committees or another person or persons as it sees fit. Attached to the right to delegate, **the KSB** has a responsibility to ensure that delegations are being carried out within the requirements of statute and common law and **the School's** own policies.

**The KSB** must ensure that adequate risk management processes and internal controls are in place. Appropriate supervision of management by **the KSB** can be exercised through a number of mechanisms. **The KSB** should receive operational and compliance reports from and through **the Principal** at its regular meetings. In some cases **an Audit (Compliance and Risk) Committee** may be established to report to **the KSB** in specific areas of school operations and at particular times. This policy is based on a principle of delegation by exception. Matters not delegated to **the Principal** or delegated jointly to **the Principal** and, say, a **KSB sub-committee** need to be separately identified, documented and the policy framework underlying the delegation clearly articulated.

Financial delegation is assigned to the position held by a staff member, rather than to the individual who occupies that organisational position. Delegations are hierarchical by design throughout the lines of authority, so that a designated supervisor of a staff member with delegated financial authority must hold at least the equivalent level of financial delegation as the supervised staff member.

Financial delegations under authority empower members of **the School's** management and other staff to act autonomously in approving expenditure, and represent a significant responsibility in allocation of **the School's** financial resources. **Staff** who accept this responsibility are required to sign a formal delegation authority form, and acknowledge that they have the skill and judgement required to exercise their financial delegation with respect to accountability, care and diligence. These forms are officially recorded and retained during the staff member's term of employment in a position of delegated authority, and cease immediately when the staff member ceases to act in that position or terminates their employment with **the School**.

Delegations relating to expenditure can only be exercised within approved budgets. A staff member who incurs expenditure which exceeds the designated budget limit is personally accountable for that expenditure.

Where a **Staff Member** with delegated financial authority has a **Conflict of Interest** in respect of an item or area of expenditure, they should decline approving such expenditure, and instead refer the expenditure to their immediate supervisor for approval and authorisation.

Any breach of the financial delegations limits must be reported in the first instance to **the School's Finance and Resources Committee**.

Delegation limits apply to the position even if it is being occupied by a staff member in an acting capacity.

All records related to financial delegations are to be kept for a period of seven years and then archived for a period of twenty five years.

### **Financial Delegation**

The **Business Manager** via delegation is responsible for the proper financial management of the school within budget and the **Principal** is closely associated.

The **Principal** prepares the budget with the **Business Manager** as well as with the **Finance and Resources Committee's** input.

This budget is presented by the **Business Manager** to the **KSB** who votes on it.

The **Principal** and the **Business Manager** can commit to expenses within the budget or re-allocate up to the limit of \$10,000.

The **Principal** manages the entire staff of the school as well as determines and controls all their tasks within

their contracts.

The **Business Manager** is to confirm all positions put forwards are within the budget and to confirm the appropriate band and classification based on credentials.

The staff contracts are signed by **the Principal**.

All payments arising within the limit of the financial delegation to the **Principal** and **Business Manager** can be processed by any 2 authorised persons.

Payments over the specified \$10,000 delegation must be authorised by a co-chair.

**The Business Manager has a duty to alert the Board on any significant financial matter or of any expenses that would result in exceeding provisions of any individual budget item.**

### Delegated Responsibilities

Items	Board	Finance and resources committee	Principal	Business Manager
Budget proposition		X	X	X
Vote on the budget	X			
Entering into contractual agreements (services and supplies)	X*		X	X*
Committing to <u>and</u> Renewing employment contracts			X	X*
Determination of appropriate teacher band**				X*
Contract renewal (services and supplies) within the budget's framework				X*
Commitment of expenses within the budget's framework <u>and</u> the threshold indicated in the <b>Charter</b>			X	X*
Commitment of expenses over the threshold indicated in the <b>Charter</b> , budgeted and non-recurring	X		X	
Payment for expenses under the threshold specified in the <b>Charter</b>				X
Payment for expenses over the threshold specified in the <b>Charter</b>		X		X
Commitment and payment of exceptional non-budgeted expenses	X			
Preparation of the financial accounts				X
Financial accounts' statement	X			
Presentation of the financial accounts to the AGM				X

\* For Budget Validation purposes only

\*\* Conditional and Provisional accreditation to proficiency remains the sole responsibility of the teacher

## Delegation Protocol

Item		Activity	Authority
Banking	Accounts	Opening and closing bank accounts	<b>KSB</b>
		Authorised signatories to bank accounts	Any 2 signatories as per financial delegation
	Cheques	Cheque signing (dual)	Any 2 signatories as per financial delegation
		Holder of cheques	<b>Business Manager</b>
	Credit cards	Usage of cards	<b>KSB</b>
		Card limits	As per financial delegation
	Online	Administrator of online access	Any two administrators
		Administrator access authority and limits	<b>KSB</b>
		Setting EFT transfer limits	<b>Business Manager</b>
		EFT transfers to creditors	As per financial delegation
	Payroll authorisation	<b>Business Manager</b>	
Loans and investments		Loans to related parties	<b>KSB</b>
		Loans to non-authorised organisations	<b>KSB</b>
		Entering into borrowing/ overdraft facilities	<b>KSB</b>
		Investment of Funds – approved policy	<b>KSB</b>
		Investment placement including rate and term	<b>Business Manager</b>
Information Technology		Allocation of access	<b>IT Manager</b>
Budget	Approval	Annual recurrent budget	<b>KSB</b>
		Annual capital budget	<b>KSB</b>
		Re-allocation- up to \$10,000	<b>Principal and Business Manager</b>
		Re-allocation - \$10,000 and over	<b>Finance and Resources committee</b>
Fixed Assets	Purchase (capital expenditure)	Within budget- \$10,000 and over	As per financial delegation
		Outside budget	<b>KSB</b>
	Sale/ Disposal	\$50,000 or more	<b>KSB</b>
		Less than \$50,000	<b>Business Manager</b>
Operating/ Recurrent Expenditure within Approved budget and cash flow			<b>Business Manager</b>
Fees	Setting	Annual fees	<b>KSB</b>
		Discounts	<b>KSB</b>
		Special fee allowances	<b>KSB</b>
	Bad Debts	Overdue school fees	<b>Business Manager</b>
		Write off recommendation	<b>Business Manager</b>
		Write off endorsed and approved	<b>Finance and Resources committee</b>
Students	Scholarships	Policy setting with regards to type, value and selection	<b>KSB</b>
		Awarding	<b>Principal</b>
	Bursaries/ Hardship	Policy setting with regards to type, value and selection	<b>KSB</b>
		Awarding	<b>KSB</b>
Staffing	Employment	Senior positions	<b>Principal</b> , selection panel to include at

Item		Activity	Authority
			least one <b>Director</b>
		Employment of other staff aligned to MEA	<b>Principal</b>
		Employment of other staff on-aligned to MEA- within budget FTE	<b>Principal</b>
	Remuneration	<b>Principal</b>	<b>KSB</b>
		<b>Business Manager</b>	<b>Principal</b>
		Other Senior Staff- non MEA aligned	<b>KSB and Principal</b>
		Other staff – MEA aligned	<b>Principal</b>
Leasing	Capital assets	Capital cost greater than \$50,000 and period more than 4 years	<b>KSB</b>
		Amount and period less than the above	As per financial delegation
Hire of Premises		Associated organisations	<b>Principal and Business Manager</b>
		Non-associated organisations	<b>Principal and Business Manager</b>

The delegation limits apply to the gross cost including GST, but excluding trade-ins, allowances etc. The transaction should be considered in its entirety, not by part payments or instalments falling under the delegation limit

This policy does not apply to controlled or related entities, and they must develop and maintain their own approval of delegations under authority consistent with their own constitution.

Delegation operates under approved operating budget. If management determines that overall budget needs to be exceeded, then a justification submission must be provided to the **KSB** prior to expenditure taking place in line with authority approval limits.

### Expenditure approval authorities

Expenditure included in annual recurrent budget approved by the **KSB**:

Staff position	Area of expenditure	\$ Limit
<b>Chair</b>	Capital expenditure >\$10,000 within approved budget Ex gratia payments to staff	Subject to approval at <b>KSB</b> meeting
Directors- teaching staff	Fortnightly payroll	Within approved budget
<b>Principal</b>	All recurrent expenditure Teaching staff appointments Non-teaching staff appointments Casual staff contract approvals Payroll and salary rates All recurrent expenditure Capital expenditure or equipment up to \$10,000 Approval of leases for IT equipment up to 4- year term and \$40,000 total least contract cost Purchase of IT equipment up to \$10,000	Within approved budget
<b>Deputy Principal</b>	Payroll and salary rates All recurrent expenditure Capital expenditure up to \$5,000	At the direction of Principal
<b>Business Manager</b>	All recurrent expenditure up to limit of \$10,000 excluding payroll and staff costs	Within approved budget
<b>Finance Officer</b>	Approval of payments up to \$2,000	Within approved budget at direction of Principal , Deputy Principal or Director-teachers

	Implement salary rates and pay adjustments Process fortnightly payroll for permanent, temporary and casual staff	
<b>Purchasing Officer</b>	Approval of purchase orders up to \$500	Within approved budget
<b>Front office staff/ Business Manager Principal</b>	Approval of payments in case, via petty cash float amount, up to a maximum of \$50 per individual	Within approved budget