

**New Zealand Society for Music Education Inc. (MENZA)**

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## **Financial Management Policy**

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### **People**

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Board Members

Workshop Facilitators and other Board Contractors

People as deemed acceptable by the MENZA Board

The Board and Administrator are responsible for the day-to-day financial management of MENZA. In carrying out this duty they must ensure that nothing is done, or authorised to be done, that could in any way cause financial harm or threaten the organisation's financial integrity.

### **Rationale**

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MENZA is committed to having sound financial practices and to providing clarity to the Administrator in regard to their limitations and authorities in the day-to-day financial management of The NZ Society for Music Education Inc (Music Education New Zealand Aotearoa - MENZA).

### **Policy Statement**

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Without limiting the scope of the foregoing, the Board and Administrator must not:

1. Operate the business of MENZA outside of the financial parameters of any Board-approved strategic plan and strategic dashboard, annual business plan, financial budget, policy or prior decision.
2. Use any organisation funds, or enter into any contracts or accept other liabilities, other than for the furtherance of Board-approved purposes and priorities.
3. Approve operating expenditure that is inconsistent with the achievement of a Board-approved end of year financial result.
4. Approve capital expenditure that is inconsistent with the Board-approved capital expenditure.
5. Expend more funds than have been received in the financial year unless offset by approved borrowings or approved withdrawals from reserves.

6. Allow undisputed invoices from suppliers of goods and services to remain unpaid beyond trade credit terms agreed with those suppliers.
7. Approve or pay any legal settlements or ex gratia payments without approval of the Board.
8. Allow non-compliance with requirements agreed with lenders and other creditors.
9. Allow any one person alone to have complete authority over any of MENZA's financial transactions.
10. Allow the allocation of credit cards or other purchase cards without adequate controls on their use by card-holding staff.

The Chair shall institute procedures pursuant to this policy.

On behalf of MENZA:

Date:

This policy will be next reviewed at the Annual General Meeting