



Katikati College

Sensitive Expenditure Policy

Rationale:

The board carefully monitors any sensitive expenditure at Katikati College, ensuring that school funds are not spent inappropriately. Sensitive expenditure is considered a type of expenditure that may give (or could appear to give) unreasonable personal benefit to an individual or group. Areas of potentially sensitive expenditure include gifts, koha, hospitality, and travel. See information about hospitality expenditure below.

Guidelines:

The board authorises and carefully manages any expenditure that could appear to provide benefits to an individual or a small group of individuals. The board aims to be impartial and transparent when making decisions about sensitive expenditure.

The board follows principles set out by the Office of the Auditor-General and considers:

- if the expenditure would further the aims of the school
- if the expenditure would support student outcomes
- if the expenditure is within the school budget
- if the proposed outcome could be achieved at a lower cost
- who is receiving benefits from this expenditure and if they have previously received benefits
- how the expenditure could be publicly justified.

If funds are raised for sensitive expenditure, we ensure that anyone contributing to those funds is aware of the purpose and recipient(s) of the fundraising. The board fully accounts for any funds raised or income put towards sensitive expenditure, and the actual expenditure incurred.

Benefits relating to school expenditure (e.g. loyalty scheme points) may only be used on behalf of the school and should not provide unreasonable personal benefit to individuals.

Hospitality expenditure

Hospitality expenditure (e.g. providing food and drinks or hiring a venue for an event) is usually considered sensitive expenditure due to the potential for it to be considered an unjustified expense. This may be because it does not benefit all staff equally or has minimal benefit on educational outcomes. The board may approve hospitality expenditure if it they can demonstrate that it is:

- linked to the business of the school
- appropriate to the situation
- a moderate and conservative use of funds.

The board is transparent with expenditure amounts. If alcohol is provided as part of hospitality expenditure, the board must have a clear justification for approving this.

Concurrence

If the board wants to provide additional pay, allowances, or benefits to the principal (outside the terms of their employment agreement), the board must apply for concurrence (approval) from the Ministry of Education. The additional payment or benefit cannot be worth more than 20% of the U-grade base

salary of the principal. The Ministry considers applications and may approve or deny individual applications based on merit.

Related links:

See [Controlling sensitive expenditure: Guide for public organisations](#) (Office of the Auditor-General).

See [Special terms or conditions for principals](#) (Ministry of Education).

Implemented and Approved - September 2026

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