



# Management of Educational Finances

**South American Division**

I wish that I could command language to express clearly the importance of the proper management of our schools. All should feel that our schools are the Lord's instrumentalities, through which He would make Himself known to man. Everywhere men and women are needed to act as channels of light. The truth of God is to be carried to all lands, that men may be enlightened by it.

*Testimony Treasures, vol. 2 pg. 465*

Wherever schools are established, wise managers must be provided, “able men, such as fear God, men of truth, hating covetousness,” men who will do their very best in the various responsibilities of their position.

Business ability they should have, but it is of still greater importance that they walk humbly with God and are guided by the Holy Spirit. Such men will be taught of God, and they will seek counsel of their brethren who are men of prayer.

*Testimony Treasures, vol. 2 pg. 473-4*

What a solemn, sacred, important work is the endeavor to represent Christ's character and His Spirit to our world! This is the privilege of every principal and of every teacher connected with him in the work of educating, training, and disciplining the minds of youth. All need to be under the inspiring, assuring conviction that they are indeed wearing the yoke of Christ and carrying His burden.

*Testimonies for the church, vol. 6, Pg. 156*

*Our institutions were established to serve as an effectual means of advancing the work of soulsaving. Those connected with them are to study how they can help the institution, not how they can take the most out of the treasury.*

*Selected Messages, vol. 2, pg. 183*

*Not only for the financial welfare of the schools,  
but also as an education to the students, economy  
should be faithfully studied and conscientiously  
and diligently practiced.*

*Testimonies for the Church, vol. 6, pg. 208*



*Those entrusted with the financial management of our educational institutions, must allow no carelessness in the expenditure of means. Everything connected with the finances of our schools should be perfectly straight. The Lord's way must be strictly followed, though this may not be in harmony with the ways of man.*

*Fundamentals of Christian Education, pg. 510*

*The financial management in some of our schools can be greatly improved. More wisdom, more brain power, must be brought to bear upon the work. More practical methods must be brought in to stop the increase of expenditure, which would result in indebtedness....*

*When the managers of a school find that it is not meeting running expenses, and debts are heaping up, they should act like levelheaded businessmen and change their methods and plans. When one year has proved that the financial management has been wrong, let wisdom's voice be heard. Let there be a decided reformation.*

*Testimony Treasures, vol. 2 pg. 468, 469*



## *The Responsibility of the Treasurer:*

- *It is the responsibility of the field treasurer to make the annual budget of each school unit as well as the education department. This work should be done focusing on the self sustainability of the school units.*
- *It is the responsibility of the field treasurer, together with the assistant treasurer of the department and the school finance assistants, to follow daily the implementation and the monitoring of the department budget and each school unit.*

## *The responsibility of the treasurer/assistant treasurer is:*

- *To participate actively as member of the department internal committee and the budget and finance committee of the school units.*
- *To follow the implementation of operational budgets, cash and investments of the department and units.*
- *To physically and financially continue constructions, reformations and acquisitions.*

*The responsibility of the treasurer/assistant treasurer is:*

- *To regularly visit the units to verify needs, give support to school administrators, implementation of new methods, give guidance and training.*
- *Train and motivate the unit treasurers through training, guidance and collection of results.*
- *Keep constantly up-to-date on denominational, financial, accounting, administrative and legal matters.*

*The responsibility of the treasurer/assistant treasurer is:*

- *Maintain the function of the resources of the Education Fund and ensure its proper implementation.*

*The Education Fund will be composed of resources from the following sources:*

*a) Fields/Missions:*

- *From 3% to 8% of the total monthly income of each school unit*
- *100% of the collection.*
- *100% of profit resulting from the sale of uniforms and books.*

*The responsibility of the treasurer/assistant treasurer is:*

*b) In the Unions*

- From 1% to 4% of the total monthly income of the field education departments within the territory of the Union.*

*The responsibility of the treasurer/assistant treasurer is:*

- *Follow the operation of the cafeterias, taking care that the food served is of high quality and within the health principles of the church.*
- *Work as assistant to the Conference/Mission treasurer and as department advisor.*



*The responsibility of the treasurer/assistant treasurer is:*

- *Conduct the following items for the approval of the Internal Commission of the department and the executive commission of the field.*

### *Internal Commission*

- Department and unit budgets*
- Analysis of free and discounted rates*
- Bank accounts used*
- Analysis of default rates*
- Investment plan*
- Staff turnover*
- Fixed value of the register of each school unit, value of the payments.*
- Asset management*
- Operational results of the units*
- Help the workers*
- Derecognition of non collectible accounts*
- Staff vacations*
- Funds*
- Value of insurance*
- Audit report*
- Staff evaluations*

*The responsibility of the treasurer/assistant treasurer is:*

*Executive Commission*

- Department and unit budgets*
- Value of insurance*
- Bank accounts used*
- Audit report*
- Investment plan*
- Staff turnover*
- Staff evaluation*
- Value of monthly payments*
- Asset management*
- Derecognition of non collectible accounts*

*The responsibility of the treasurer/assistant treasurer is:*

- *Verify and authorize every department and unit payment which falls outside of the budget.*
- *Manage all department bank movements, including financial applications.*
- *Prepare monthly, economic and financial analyses for the administration, the educational department and school units.*
- *Send all financial transactions not covered in the budget for review and approval by the internal committee.*

*The responsibility of the treasurer/assistant treasurer is:*

- *To know, in depth, corporative systems: Comptroller, School Finance Control and School Secretary*
- *Track and approve the cash flow of the school units.*
- *Track and approve the accounting of the frozen accounts.*
- *Track the balance and monthly balance development.*

*The responsibility of the treasurer/assistant treasurer is:*

- *Control the payment incompleteness through efficient and legal measurements and strategies.*
- *Follow and guide the process of recruitment and staff selection.*
- *Analyze and approve monthly expense reimbursement reports.*

*The responsibility of the treasurer/assistant treasurer is:*

- *Maintain the PHILANTHROPY CERTIFICATE.*
  - *Seek legal assistance in the preparation of the Annual Report on Philanthropy;*
  - *Have a professional social assistance for the service of the entity; this qualified professional will analyze the socioeconomic record of the scholarship candidate;*
  - *Every gift should be rigorously registered in the school and accounting system;*



*The workers in the school should receive according to the hours they give to the school in honest, hard labor. Injustice must not be done to any worker.*

*Selected Messages, vol. 2, pg. 181*

*Our conferences look to the schools for educated and well-trained laborers, and they should give the schools a most hearty and intelligent support.*

*Testimonies for the Church, vol. 6, pg. 215*

*Lay these responsibilities upon men who have business tact, men who can give themselves to business, who can visit the schools and keep an account of the financial condition, and who can also give instruction regarding the keeping of the accounts. The work of the school should be inspected several times each year.*

*Testimonies, vol. 6, pg. 216*

*More and more shall we be obliged to plan, and devise, and economize. We cannot manage as if we had a bank on which to draw in case of emergency; therefore we must not get into straitened places. As individuals and as managers of the Lord's institutions we shall necessarily have to cut away everything intended for display and bring our expenses within the narrow compass of our income.*

*Testimonies, vol. 6, pg. 209*

*Those entrusted with the financial management of our educational institutions, must allow no carelessness in the expenditure of means. Everything connected with the finances of our schools should be perfectly straight. The Lord's way must be strictly followed, though this may not be in harmony with the ways of man.*

*Fundamentals of Christian Education, pg. 510*

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