

STANDARD 4: FINANCE, FACILITIES AND RESOURCES

1. Are there policies and procedures that ensure the school's financial management is carried out in accordance with internationally recognized norms and best practice?

During the process which led to the school's creation, the owners of Noguera y Valdés, S.L. studied various documents¹²³ that guided them in the development of business management procedures including issues related to the leadership structure, the financial management, and the commitment to good corporate practices with a view to guaranteeing the corporate social liability of the institution and its financial balance. The company issues an annual budget which is revised and checked every three months in order to include any deviations and take decisions to correct them.

As the school funds come entirely from the investment made by the parent firm Bateleiro, S.L., there is no actual mortgage or loan to pay back. Indeed, initial and subsequent amounts are considered an investment by the company; for this reason, financial operations are by and large subjected to the approval of Bateleiro in conjunction with the managers of Noguera y Valdés, S.L.

All major financial decisions are consulted with our financial consultant Segura y Crespán, S.L., who manages the school financial affairs in agreement with the current national and European regulations. The school does not have written policies per se regarding its financial management, with the exception of a few expenditure guidelines that are given to the Principal, and include the following:

- Within the scope of the yearly budget, the Principal has independence to decide on expenses for material resources and equipment, provided these expenses do not exceed the amount of €500 per item. Any expenses exceeding that amount have to be approved by the Governing Board.
- For renovations and structural changes, it is compulsory to obtain estimates from at least three different service providers.

2. Are there mechanisms through which the school assesses, manages, and minimizes potential financial risks? Is there a plan to secure its long-term sustainability and financial health?

- The school has a realistic "Feasibility Business Plan until 2024" (in Spanish "*Plan de Viabilidad Plurianual a 2024*", Annex 4.1), which was reviewed and approved by Bateleiro S.L.'s board of directors during their general meeting with Noguera y Valdés' Management Board on 27 September 2018.

1 Caribe CE para AL y el. Buenas prácticas internacionales en apoyo a PYMES: análisis de algunas experiencias recientes en Argentina [Internet]. 2014 [cited 2018 Sep 28]. Available from: <https://www.cepal.org/es/publicaciones/7790-buenas-practicas-internacionales-apoyo-pymes-analisis-algunas-experiencias>

2 G20/OECD Principles of Corporate Governance - OECD [Internet]. [cited 2018 Sep 28]. Available from: <http://www.oecd.org/corporate/principles-corporate-governance.htm>

3 OECD/INFE Guidelines for private and not-for-profit stakeholders in financial education - OECD [Internet]. [cited 2018 Sep 28]. Available from: <http://www.oecd.org/daf/fin/financial-education/guidelines-financial-education-private-not-for-profit.htm>

The Plan demonstrates the capacity of the school to operate adequately and provide quality educational services by means of the aforementioned funding.

Moreover, the Feasibility Plan sets the amount of €500,000 as the maximum investment necessary to balance income and expenses by the year 2024.

- The parent company, Bateleiro, S.L. is committed to providing any injections of funding necessary to meet the “Feasibility Plan for 2024” (see attachments), and to correct any possible deviations that may occur provided these deviations never go over 20% of the estimated value. The current equity of Noguera y Valdés is set at €300,000; new injections of funding are expected to reach up to €200,000.

These considerations should also be taken into account when considering the school’s financial stability:

- All of the resources of Noguera y Valdés, S.L. are employed to support the school’s educational program.
- NyV guarantees the administrative and financial management of the school through the employment of an office administrator. The position is still vacant at the time of writing, and the recruitment process is underway. This will result in greater professionalization of administrative and financial procedures.
- Good financial practices are guaranteed through cautious management and organization, including internal supervision and external monitoring by outsourced companies in the fields of accounting, tax and financial control, and auditing, all done by reputed financial consultants Segura y Crespán (see attachment).
- From its creation until now, Noguera y Valdés S.L. has always given an effective and prompt response when the school has faced financial emergencies and unexpected circumstances, when it has needed quick renovation of the facilities in order to comply with health and safety regulations and current access, and also when it has been necessary to employ more staff.
- The quality of the education services provided by the school is the result of the proven financial stability provided by Grupo Bateleiro, S.L. to Noguera y Valdés, S.L. (see attachment on “parent_company_Balance sheet _Bateleiro”) Thanks to the stability of the Group, the school’s current financial situation does not influence either the work or the mission of the school.

3. What principles govern the allocation of funds to salaries/benefits, educational resources (facilities, materials/equipment, resources), and professional development?

- The basic principles of budgetary allocation are two:
 - Firstly, to provide a fair salary to the members of the staff in compliance with the relevant labor regulations (the latest Collective Wage Agreement for the sector was passed in August 2018). For the time being, the salary budget is not influenced by the company's profits or losses.
 - Secondly, to distribute the budget according to the real needs of the school, always taking into consideration that the school should:
 - make rational use of the existing resources,
 - avoid over-expenditure, and
 - promote a culture of ecology and sustainable growth.
- At the beginning of the school year, the school management – Principal and Governing Board – identifies the educational resources necessary for the new school year, making sure they adjust to the school's budgetary criteria.
- Budgetary allocations for educational resources have been studied and outlined aiming to provide quality education services, but at the same time, trying to balance expenses at a time when the school is starting up, and considering growth expectations.
- Part of the budget was invested in the renovation and structural adaptation of the premises, resulting in spacious, safe learning environments perfectly adapted to the kind of teaching and learning practices we carry out at Gándara.
- The budget for educational materials and equipment is intended to cover the basic educational needs of a new school. In the future, we expect to increase this budgetary allocation in order to improve the quality and range of the education services provided.
- The salary budget has been outlined taking into account the development of the following tasks:
 - designing the school project and the learning environments
 - preparing educational resources that can adapt to our learning methodology
 - working on the leadership and organizational structure of the school
 - creating a quality educational environment

4. How does the school ensure resources are sufficient and ample to support the school's educational programs?

Material Resources / Equipment

- At the beginning of the school year, all students have to make a single yearly payment as "school resources fee" ("matrícula para materiales") is used to acquire new educational resources. These resources include reading materials, reference books, school consumable goods (stationery, crafts & arts materials, equipment for experiments), and the like.
- The pre-school and the elementary school have their own separate budgets.

- For the selection of material resources, the school management takes into account the students' needs and interests as well as the curricular objectives, which are all integrated into the yearly and three-monthly classroom planning.
- Regarding the facilities, there is an ongoing process of evaluation of the functionality and performance of furniture distribution and equipment in order to adapt it to the methodology and work dynamics.
- Finally, one of the teachers is in charge of supervising the consumable school supplies and replaces them when needed.

Human Resources

- At the end of the school year, the Governing Board evaluates the performance of the staff members and the school's functional needs. This includes an assessment of the assigned tasks and the efficiency of each employee, and a revision of roles within the school in order to guarantee that the staff structure can adequately meet the school's needs.
- The recruitment of new personnel is done through open procedures, including proper advertising of the position offered with a view to recruiting the best candidate.
- Contracts are made within the framework of the current collective agreement for private schools offering compulsory education services. This guarantees a fair treatment of workers, and results in greater staff stability.

A thorough assessment process takes place at the end of the school year to evaluate resources and personnel, and to propose necessary changes (intended to improve school performance the following year). This assessment is taken into account when reviewing the Financial Plan and drawing up the budget for the following school year.

5. Does the school benchmark its financial practices and priorities against other, similar organizations?

The only field where there has been some research done has been school fees and additional services. We have studied the fees of "competitor" schools from the area, and by competitor we mean schools with a methodology differing from the norm, or with bilingual/international programs. These have included the closest private Montessori school, in Vigo, and two other international schools in the area (Los Sauces and O Castro International School), but also the two NEASC candidate schools in Santiago, Montessori Santiago and Trisquel. We have also compared the range of services offered when considering their fees.

In this respect, our vision of Gándara is that of a private school that can be financially stable without having to be restricted to a wealthy elite. This is indeed a fine equilibrium that we are striving to maintain.

6. What factors are taken into account to assess whether the school's facilities are suited to the purpose for which they are intended? What is the process for remedying identified deficiencies?

The facilities meet the legal requirements guaranteeing access to disabled people, as well as safety and security in a healthy environment. Other aspects considered are environmental and ecological factors, as well as the students' profiles and the school's methodology. That is the main reason why the school has already undergone three major renovations – one in the pres-school hall and two in the elementary school –, which were designed to improve learning areas and adapt them to the students and the methodology.

Both the indoor premises and the large garden areas offer suitable learning environments that can cater to the developing needs of our young students. And, although we are aware there is still room for improvement – the school is only 4 years old – we firmly believe that the premises will continue to improve to satisfy the needs of the growing school community.

Minor deficiencies are managed when detected. Major ones that require greater investment have to be reviewed and approved by the company managers. Except for changes affecting the safety of the school members, most other major deficiencies are remedied during the summer vacation by our usual contractor.

SELF-ASSESSMENT

Standard is fully met and implemented
