



Finance Policy

1. Principles

All money coming into school should be accounted for and systems set in place to ensure that it is safely and carefully stored and used strictly according to the rules and to the benefit of pupils.

2. Guidelines

Organisation

- The terms of reference for the committees of the Governing Body (namely Staffing, Finance, Enjoy and Achieve, Positive Contribution and Economic Well being and Be Safe and Stay Healthy) are written down and agreed annually. The role of the Head Teacher and the extent of her powers are laid down in the Management Policy.
- A register of pecuniary interests has been established and is available for inspection, if necessary. This register is updated annually at the first Autumn Termly meeting of Governors and is a standing agenda item on all future meetings.
- The Head Teacher is responsible for ensuring that the Local Authority's Financial Regulations and Standing Orders are implemented.
- Minutes are made of all governors meetings and are appropriately stored for reference.

3. Budgets

- The school has a written statement of its aims. All its policies and improvement planning are done with these in mind. The aims are posted in every class in the school and re-evaluated every four years.
- The School Progress Plan lays out targets for the next five years.
- Budgets are prepared by the Head Teacher and the Governing Body each year and are forwarded to the Local Authority
- The Governing Body delegated responsibility to its Staffing and Finance Committees to monitor the budget. As part of the school Gold Service Level Agreement with Finance two financial monitoring statements are provided to ensure that expenditure for the financial year does not exceed the budget agreed. The School Business Manager also gives Governors regular updates.
- Any agreed changes to the budget are forwarded to the Local Authority
- Virement of funds - the Head Teacher is authorised to transfer funds between costs centres up to the value of £1,000. Governor agreement to be sought for any monies in excess of this amount.

4. Internal Financial Control

- A system of separation of financial duties is in place (located in the office Finance file). The procedures for the ordering of goods, delivering being checked and invoices processed is set out as in the Finance file.

- The authorised signatory list is agreed every year and forwarded to the Local Authority if any changes are made. A copy is held in the main office.

5. Insurance

- Insurance is reviewed annually as part of the budget setting process. Currently the school buys the full Balance of Risks cover organised through the Local Authority.
- The school has Employers Public Liability through the Local Authority

6. Computers

- The school and the Governors are registered with the Data Protection Act
- The Citrix system ensures back up of information and is maintained (i.e. virus scans, accessing of legal sites) via the Local Authority. All staff are aware of there compliance with Council procedures when accessing computers.

7. Purchasing

- The school applies the principles of best value as set out in the school's Best Value Statement.
- Quotations will be sought under the Local Authority's Financial Regulations where the goods are between £1,000 and £5,000, three or more quotes shall, where practical, be obtained. In cases of urgency these may initially be oral quotes but, if so, they must be confirmed in writing within seven days. The governors have delegated responsibility to the Finance Committee who will consider items under £1,000 and if other than the cheapest quote is selected the reasons for that will be minuted.
- An inventory/asset register is kept of all equipment which is updated regularly.
- Where a member of staff borrows an item of school equipment for use at home this must be cleared in the first instance with the Head Teacher and then recorded in a book which will be kept by the Technicians.

8. Personnel

- The Governors Staffing Sub-Committee has established procedures for dealing with appointment, promotions etc. These are in line with the school Equality and Safer Recruitment policies and are open and safe. Governors and personnel staff based in school have attended the Authority's training on Safer Recruitment and school has a Recruitment and Selection Policy Statement.
- All personnel records are secured in the filing cabinet to which there is only one key.
- All staffing payments are processed through the Authority's Payroll System for which the school has a Service Level Agreement.
- The Finance Clerk, Mrs Anne Berry, is responsible for checking the salaries sheets from the Local Authority on a monthly basis. Any variances such as error suspense amounts are checked. Reconciliations are undertaken monthly to ensure that the school's records and LA details match.
- Changes to individual circumstances will be recorded at the appropriate sub-committee and change of circumstances forms are forwarded to Business

Support Services in order for them to make the necessary adjustments/amendments with payroll.

9. Security

- The Head Teacher is responsible to the Governing Body for safe custody and control of cash and other property belonging to the school.
- An inventory is kept of all items over £50 with a note of the make, model number and serial number where applicable. Such items are identified with a security pen as belonging to the school.
- Inventories are checked on an annual basis in February. The equipment inventory is linked to the FMS module and is updated on a monthly basis.
- The Governing Body will authorise the disposal of surplus stock and this will be minuted.
- The safe is kept locked at all times and a limited number of people have keys.

10. Income

- The Head Teacher is responsible to the Governing Body for accounting for all income due and cash collected as set out in the LA's Financial Regulations. The financial procedures which school follows is as set out the Finance file in the School office.
- Governors Finance Sub -Committee will agree the charges for lettings.
- Invoices for the hire of school premises will be issued termly by the Finance Clerk.
- Cash and cheques are kept in the safe and the keys are kept in the office.
- Cash is banked promptly.
- Income collections are not used for cashing personal cheques. No personal cheques are cashed under any circumstances.
- Debts are written off after discussion with the LA. A record is kept of all sums written off with proof of authorisation. Every effort will be made to get payment for dinner money promptly, and regular reminders are sent to parents who owe money. It is not possible to refuse a lunch to a child in school whose parents owe money.

11. Banking Arrangements

- The cheque book is stored in the safe and is only used to pay bills from the budget. The cheque book has two signatories one of which is the Head Teacher.
- The school will not negotiate overdraft facilities.
- Individuals will not use their private bank accounts for any payment or receipts relating to the school's budget.
- The school will not go overdrawn except for an agreed deficit with the LA.
- The school has a credit card through the LA and staff are aware of the accounting procedures.

12. Petty Cash

- The Governing Body has agreed a withdrawal limit of £350 as an appropriate level for Petty Cash to be held in school
- Personal cheques will not be cashed from petty cash.
- The money in the petty cash funds will be checked monthly to ensure it is complete. Only the School Business Manager and Finance Clerk will have keys to the Petty Cash box.

13. Voluntary Funds

- School fund accounts are independently audited and these accounts are presented to trustees.
- Expenditure by school fund is agreed by the trustees in agreed areas which usually follow the School Progress Plan and are agreed with Governors annually in advance.
- School funds are held in the school's name and cheques require two signatories one of which is the Head Teacher.
- A list of donations to school is added to the Head Teacher's report to governors.
- School funds are kept in the safe and are separate from the school's budget unless they are used to buy items. In this case a cheque is made out and the income is added to the school's budget through the parental contributions section.

A more detailed account of the financial procedures can be found in the Financial Procedures Manual.