



Financial Management Policy and Procedures

Approved by which committee:	Signature of Chair:	Name of Chair:	Date approved:
FINANCE			

Headteacher:	Date:
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Parsons Down Partnership of Schools
Financial Management Policy and Procedures
September 2019

AIMS

- This document has been adopted by the Governing Board, as the basis for the administration and management of finances in relation to all delegated and devolved funds received from the Local Authority (LA) and other direct government grants. The aim of the policy is to create a framework within which the school conducts its finances, the delegation of responsibility and the methods of operation, so that all parties concerned are aware of their duties and responsibilities and that efficient and effective internal and financial controls are maintained.
- The implementation of appropriate practice and procedures will ensure the best use of the limited funds available to enhance the education of the school's pupils.
- The operation of all other funds available to the are the subject of a separate policy

OVERALL MANAGEMENT RESPONSIBILITIES

- The Governing Board will manage it's affairs in accordance with the high standards of Public Sector administration, based on a distinct set of values, the fundamental principles of which are:
 - ❖ Openness – open approach to all interested parties in the disclosure of information, that lends itself to necessary scrutiny
 - ❖ Integrity – honesty and objectivity, and a high standard of propriety and probity in the stewardship of public funds and resources
 - ❖ Accountability – the process whereby individuals are responsible for their actions and decisions
- The Governing Board will adopt and comply with the following regulations and guidelines as published by the LA to the extent that such regulations and guidelines apply to schools, including:
 - ❖ West Berkshire Council Financial Rules of Procedure (last modified Nov 2015)
 - ❖ West Berkshire Council Contract Rules of Procedure (last modified July 2015)
 - ❖ West Berkshire Council Anti-Fraud and Corruption Policy (last version 2007)
 - ❖ Confidential Reporting Code (Whistleblowing Policy) (last modified 2017)
 - ❖ West Berkshire Council Scheme for Financing Schools (last modified 2018)

The above documents are available from the Finance Office

- The Governing Board will also comply with Department of Education (DfE) and Audit Commission regulations and guidelines for budget management, including 'Keeping your Balance' and the School Financial Value Standard, and the spending and receipt of monies, including School Formula Funding.
- The Governing Board must operate in accordance within the requirements and standards laid down by both the DfE and WBC Audit and Accountancy Departments.

FINANCIAL POLICIES AND PROCEDURES

Delegation

- The Governing Board has delegated certain functions and the making of certain decisions to its Finance Committee, in accordance with the terms of reference of that committee, set out in a separate document.
- It has also delegated to the Headteacher the management of the budget and the virement of funds details of which can be found in appendix A of this policy, and will take due account of the advice given by the Headteacher in respect of financial matters.
- The signing of cheques and other bank instructions is delegated to school staff in line with the table of responsibilities detailed in appendix C of this policy.
- The Governing Board will note and approve the Headteacher's allocation of financial duties to staff so as best to achieve separation to ensure probity, and that shadowing of duties occurs to provide continuity in the event of absence.
- It will monitor the competencies of school finance staff and its own members and make recommendations to the Headteacher as appropriate. A table of responsibilities is set out in the appendix C.

Budget Management

- The Governing Board will delegate to their Finance Committee the preparation of an annual budget for income and expenditure.
- When setting the budget the Governing Board shall consider the aims and objectives of the school and School Development Plan and ensure that the budget and financial processes of the school support and reflect these as far as possible.
- In setting the budget governors will take due account of the need to resource the management and administration of the school's finances and to ensure, through regular review, that staff resource and competence is sufficient, and is supported through appropriate development and training.
- All material budgetary decisions will be communicated between all relevant and interested school staff and the Governing Board on a regular and timely basis, to ensure that the financial context of the school is understood and that necessary actions are implemented. As required by the School Financial Value Standard, this financial management policy is available through the school website.

Purchasing

- Value for money: The school has in place rules for the procurement of goods and services to obtain best value from the resources available. An assessment of how the school obtains value for money will be made annually by the Finance Committee and this will include scrutinising best value comparisons along with contract renewal quotes/documentation.

Procedures

- Finance staff are given clear guidance to ensure that effective and robust financial and accounting procedures are adhered to. Details are provided in appendix C of this policy

Governor Reimbursements

- The payment of any allowance or reimbursement of costs incurred by the Chair of the Governing Board requires the approval of the Chair of the Governing Board's Finance Committee before payment. The payment of any allowance or reimbursement of costs incurred by any other Governor requires the approval of the Chair of the Governing Board before payment. Payments of allowances or costs to any Governor shall be

reported to the Governing Board on an annual basis. The Governor Allowances Policy is available to Staff and Governors.

- Governors may claim allowances in respect of actual expenditure incurred whilst attending meetings of the Governing Board and its Committees, undertaking Governor development and otherwise acting on behalf of the Governing Board. Governors may not claim for actual or potential loss of earnings or income
- All expenses or reimbursements claimed, by either Governors or staff, must be made within 3 months of being incurred. The maximum claimable is £50 per month unless otherwise authorised by the Headteacher. All claims must be made using the appropriate claims forms available from the finance office and must be supported by appropriate VAT receipts and/or VAT invoices.

Inventory and assets statement.

- The Governing Board is responsible for the safe custody and physical control of stores and equipment and is required to monitor the inventory of moveable, non-capital assets above the value of £100.
- The Headteacher is responsible for ensuring that assets under their control are correctly recorded in the inventory (written and photographic) and will be available for inspection on an annual basis by the Governing Board.

Pecuniary business interests statement.

- All governors and those staff with financial responsibilities will declare any pecuniary or personal interest annually (or at such times as their interests change) through the Register of Business interests maintained by the school. Governors and other attendees will be required to declare any such interest relating to any Governing Board or committee meeting agenda item at the start of that meeting.

Indemnity statement

- No indemnity of any sort may be given to the benefit of a third party.

Insurance

- The Headteacher will review the insurance needs of the school annually and liaise with the LA to ensure that specific arrangements remain appropriate. Following the approval of the Governing Board, the Headteacher will ensure that agreed arrangements are in place and, if these are outside those placed by the LA, then full evidence of sums insured, limits and cover will be supplied for approval.
- The Headteacher will be responsible for ensuring that Governors are made aware of all new risks, and all incidents which may give rise to an insurance claim (eg accident, theft etc). These should be reported immediately to the LA (or insurers/brokers if the school opts out of LA cover). Any delay could prejudice the claim and lead to the insurers refusing cover.

Computer Systems

- The Governing Board recognises the importance of protecting the computerised financial management systems and the data therein. The Headteacher will ensure that the School and Governing Board are compliant with data protection legislation and controlling access to all data covered by such legislation.
- The Headteacher will ensure that effective backup procedures are in place.
- Access to school management computer systems will be limited to authorised staff. These staff will use passwords which should not be disclosed and should be changed

regularly. Only authorised software will be used to prevent the import of computer viruses. Staff will only have access to those modules appropriate to their duties.

Personnel and Payroll

- The Headteacher will, where possible, allocate duties to ensure that an appropriate division of duties exist in the area of completing, checking and authorising of all documents and claims relating to appointment and termination of employment and expenses/reimbursements.
- Payroll transactions will be processed only through the payroll system. Payment for employment will not be made to staff or visiting teachers etc. through any other mechanism. Payroll transactions relating to school employed staff will be processed against a fund provided by the LA and not a voluntary unofficial fund.

School Fund and Other non-government funds eg trusts

- The Governing Board is responsible for the school's voluntary unofficial fund. Although the voluntary unofficial fund is not public money, the principles of sound financial management outlined in this policy apply equally. This requires the proper minuting of all decisions taken by the Governing Board.
- The objectives of the school fund are to enable the School to function financially with funds not normally allocated by the LA. This includes income received from a variety of proper sources and payments made for the purchase of educational goods etc and the provision of services outside the scope of the budget share.

Petty Cash

- The Headteacher is responsible for the operation of the petty cash account which should be used for the purchase of postage stamps (if unable to purchase online) and small items of expenditure up to £20. Official receipts and VAT invoices must accompany any claim.
- Petty cash must not be used for expenses which should be paid via payroll (this includes items such as car parking tickets, mileage claims etc)

De Minimis level for Capitalisation

- Items of a capital nature (as defined by WBC) must be charged to the appropriate Capital Fund (generally fund 77). The Governing Board adopts the WBC de minimis level of £2000.00

MANAGEMENT OF POLICY

- **School:** This policy is implemented and managed by the Headteacher with reference to the Senior Leadership Team as necessary. It will be circulated to all staff with financial responsibility, on an annual basis, who will sign a checklist to confirm that they have read and understood the document and its appendices. This checklist should be presented to the Finance Committee and minuted.
- **Governing Board:** The Governors' Finance Committee reviews this policy on an annual basis and recommends amendments to the Governing Board for final decision.

ASSOCIATED POLICIES, DOCUMENTS AND REMITS

- Terms of reference of Governors' Finance Committee
- School Financial Value Standard

- Strategic School Development Plan
- School Fund policy
- Before and After School Club policy
- Charging and Remissions policy
- Governors Allowance policy
- Staff expenses policy
- Lettings policy
- Acceptable use of Laptops Policy
- Safer Recruitment Policy
- Procurement Card Policy
- BACS Policy to be agreed during Autumn term before BACS is introduced

PRACTICE AND PROCEDURES

This policy is to be read in conjunction with the Terms of Reference of the Governing Board's Finance Committee and the attached appendices.

Appendices:

- ❖ Appendix A ~ Delegation and the Management and Virement of Funds
- ❖ Appendix B ~ The Procurement of Goods and Services
- ❖ Appendix C ~ Instructions to Office Staff on Financial Procedures
- ❖ Appendix D ~ Register of Authorising Officers
- ❖ Appendix E ~ Schools' order form
- ❖ Appendix F ~ Procurement Card Register of Authorising Officers
- ❖ Appendix G ~ BACS Authorisation (as above)

Copies of all the above documents are available from the school finance office

APPENDIX A: DELEGATION AND THE MANAGEMENT AND VIREMENT OF FUNDS

Subject to the terms of this policy and its appendices, the Governing Board delegates to the Headteacher (or in their extended absence a nominated representative):

- make purchases
- decide upon quotations received and enter into financial commitments
- income-generating activity
- vire monies within the set annual budget.

See appendix C which includes a table of responsibilities for absence cover

The Governing Board's Finance Committee will review the school budget [*and longer term forecasts*] at least *once a term*, in line with its remit, and agree any action where appropriate in relation to (a) budget variances, anticipated expenditure and income, and (b) any significant virements made or anticipated where, in both cases, the amount is greater than either 20% of any budget line in excess of £5000. Below this level the Headteacher has full authority to agree budget variances and virements without reference to governors. Virements will be subject to any 'ring-fencing' restrictions and other restrictions as defined by WBC Schools Accountancy. *The Headteacher has overall management responsibility of the school's financial position at a strategic and operational level, ensuring effective systems of internal control are in place. In practice, the Headteacher may delegate much of the financial and budget management and monitoring to the School Business Manager, as appropriate, whilst retaining ultimate responsibility for it.*

Authorisation is given for the Headteacher, Deputy Headteacher and School Business Manager to sign cheques and other instructions to the bank against the school's LA bank account. Two signatories shall always be required. *Where a school operates a local cheque book account strict adherence to the applicable procedures must be applied in accordance with the delegation of duties. This means that the persons placing and authorising the purchase orders are not the same as those receiving the goods and signing the cheques*

Financial Planning

Schools' budgets are to be spent in the best educational interests of the pupils. In defining the purposes of the school, governors must have regard to the need to provide a broad and balanced education for the pupils to the benefit of the individuals and the community.

In budgeting, the Governing Board and its Finance Committee should bear in mind that appropriate action may need to be taken during the year to deal with variations between actual and budgeted income and expenditure. The budget should, therefore, be based on a hierarchy of assumptions and priorities, aiding swift changes of plan in reaction to changes of circumstances.

The process of setting the school budget will involve the balancing of expenditure against income. The following steps should be taken to ensure all information has been considered:

- *Ensure everyone involved in the process is aware of the assumptions, constraints and targets, which have been determined by reference to the school's development plan.*
- *Estimate the costs of each element in the overall plan, over at least a three year period.*
- *Estimate future years delegated budgets. Uncertainty about funding is inevitable, therefore budgets are based on fluctuations in pupil numbers. The Local Authority will provide indicative three/five year budgets to assist in this process.*

- Compare income and expenditure to identify the potential surplus or shortfall in funding required to meet the financial objectives in the school development plan.
- Identify savings in expenditure against budget allocation to areas of need identified in the school development plan
- Use the Government benchmarking website to compare the school with statistically similar schools.
- The budget set should follow the CFR headings. A pro-forma budget plan is issued by the LA Schools Accountancy team and presented to governors for approval in May. Following recommendations from the LA, the governing Board shall approve each year, for submission no later than 1st May, the budget plan for the current financial year. Details of the budget will be minuted and a copy of the final budget retained on file with the governors' minutes.
- The school shall submit to the LA with the approved budget together with a copy of the signed Governing Board minutes relating to their approval.
- Inform members of the senior leadership and management teams as well as staff with financial responsibilities what their budgets are, together with any constraints imposed
- Inform all school staff of the financial aims of the school through the SDP.

The steps involved in arriving at an approved budget may require a number of attempts to balance income and expenditure. Once the budget has been set it should be fixed in the Schools financial and management accounting system (FMS) as this will provide the baseline for budget reporting and variance reporting. The budget fixed should be the exact budget approved by the Governing Board. Adjustments or budget virements should only be entered onto FMS – SIMS.net after the budget has been fixed.

If a deficit budget is foreseen it will be discussed with and approved in advance by the LA in line with their Scheme for Financing Schools, together with submission of a Licence Deficit Agreement and Balance Control Mechanism, to be submitted to the LA.

Particularly for employees and governors with financial responsibilities, the Governing Board will keep under review any training needs and opportunities, actively encouraging personal growth and sharing of good practice. In order to determine their needs all staff and governors with financial responsibility must complete a 'Financial Skills audit'

APPENDIX B: THE PROCUREMENT OF GOODS AND SERVICES

Placement of orders

A formal numbered order on paper shall be sent to procure all supplies and services in each case except in certain specific circumstances. These are stated in The Instructions to office staff on financial procedures, Appendix C

Choice of supplier

- In all cases any purchase or service contract must comply with current Legislation, including Health & Safety and EC regulations where applicable.
- The principles of obtaining 'best value' will apply. The School will operate within the limits defined by the LA's Contract Rules of Procedure and in particular:
 - ❖ *For supplies and services with a total contractual value below £3000* the school may select one supplier without obtaining competitive quotations. Where a sequence of small orders is likely to be placed with one supplier [i.e. a preferred supplier] a check of their pricing against competitors should be made at least annually. Schools should also be careful that repeat orders for a product or service from the same supplier may take the total over the figure at which three quotations should be obtained. In these circumstances the clauses below should apply.*
 - ❖ For supplies and services with a total contractual value between £3000* and £10000* a minimum of three quotations shall be obtained, except where the nature of the purchase and/or the range of suppliers and/or the timescale precludes this, in which case this will be brought to the attention of the Governing Board and or Governors' Finance Committee for consideration and approval and the reason for this shall be documented with the order. Quotations will be reviewed by and a decision to order made by the Headteacher or a member of staff with their delegated authority. Internet and catalogue quotations should be suitably documented for future reference [e.g. photocopies, screen print-offs].
 - ❖ Subject to point below, for supplies and services with a total contractual value of over £10000* the nature of the contract may require additional procedures, including the receiving of quotations from more than three suppliers and a formal tender mechanism. A procurement mechanism will be approved in advance in each case by the Governing Board and/or Governors' Finance Committee, with appropriate specialist professional advice sought as necessary before commitment.
 - ❖ For supplies and services where the total contractual value is £50,000 or above a formal tender process is required in line with the LA's Contract Rules of Procedure. The school will seek appropriate advice from the LA regarding this and relevant EU and UK legislation. The Governing Board will be advised in each case and have oversight of the procurement process.
 - ❖ The most cost beneficial quotation will normally be accepted and if not, best value reasons for accepting a more expensive quote will be documented with the order.

APPENDIX C: INSTRUCTIONS TO OFFICE STAFF ON FINANCIAL PROCEDURES

Table of responsibilities for authorisation of financial documentation

A register of staff/governors authorised to raise orders/certify invoices for payment and sign cheques specifying the limit of the value up to which a person may certify

- (1) Main Signatory (2) Second Signatory (3) Second Signatory if over the limit for signatory 1
(4) Back-up Signatory in case of absence

Purchase Orders	Name	Title	Maximum amount
	Georgina Perry (3)	Chair of Governors	Unlimited
	Catherine Bull (1)	Headteacher	£20000.00
	Clair Lloyd-Butler (2)	School Business Manager	£10000.00
	Julie Lewry (4)	Acting Deputy Head (KS2)	£10000.00

National Westminster IMPREST accounts (including Before and After School Club)

Invoices/ Cheques	Name	Title	Maximum amount
	Georgina Perry (3)	Chair of Governors	Unlimited (invoices only)
	Catherine Bull (1)	Headteacher	£20000.00
	Clair Lloyd-Butler (2)	School Business Manager	£10000.00
	Julie Lewry (4)	Acting Deputy Head (KS2)	£10000.00

National Westminster SCHOOL FUND bank accounts

Invoices/ Cheques	Name	Title	Maximum amount
	Catherine Bull (1)	Headteacher	Unlimited invoices. Invoices to be authorised by CB before payment is made. (cannot exceed balance in the account)
	Mrs Clair Lloyd-Butler (2)	School Business Manager	Unlimited as 2 nd signatory (cannot exceed balance in the account)

Title	Cheque	Orders	Payroll	Inventory	Journals	Imprest	BACS
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Chair of Governors		Authorise					
Headteacher	Sign	Authorise	Authorise	Authorise	Authorise	Authorise	Authorise
Deputy Head	Sign	Authorise	Authorise	Authorise		Authorise	
School Business Manager	Sign	Authorise	Authorise	Oversee	Authorise	Authorise	Authorise & Process
Finance Assistants	Process	Process	Process		Process	Process	Process
Administration Assistants				Day to day admin			

Table of responsibilities for short term absence cover

Long term absence cover (LA to be advised of any amendments to the Register of Authorising Officers)

- Deputy Head is expected to cover the Headteacher
- Finance Assistants are expected to cover the School Business Manager for general duties
- School Business Manager is expected to cover the Finance Assistants

Shadowing of the majority of administration duties occurs to provide continuity in the event of absence and for personal development.

The schools buy in to the LA Accountancy, Human Resources and Payroll services. You must use these services for support and guidance when necessary.

Recording of transactions and accounting

All financial transactions, journals and virements must be properly recorded without undue delay on FMS. Backups are carried out remotely by West Berkshire Council for both Schools.

Budget management and monitoring

- The School Business Manager will monitor the budget and on a monthly basis, oversee the reconciliation of Agresso with FMS, perform period closes in FMS and annually closedown FMS on a timely basis ensuring that carry forward figures correctly match Agresso.
- Meetings to review, at account code level, the budget and forecast position will take place with the Headteacher and SBM on a monthly basis along with the completion of the 'Headteacher's Monthly Checklist'.
- The SBM will produce reports as required by the Headteacher and Governors' Finance Committee, including FMS reports, Agresso reports, explanation of variances, reconciliation report, budget monitoring report (with forecast figures after period 3), Capital Expenditure Plan report and Asset Plan. Reports for the Finance and Staffing

Committee should be prepared, to be sent with each meeting's agenda at least a week in advance. The Committee will need to be informed of the expectation of the school's outturn positions for the financial year, robustly based on information held to date, in order to make any necessary consequent strategic budget management decisions. The Chair of the Finance Committee will present, to the Governing Board, all necessary reports from the latest Finance Committee meeting in order to maintain transparency across the Board ensuring that any strategic decision making is in line with up to date financial figures.

- The current SBM is a member of the SLT and will be expected to attend all meetings of the school's SLT/SMT whenever financial considerations are relevant. Any meetings of this nature must be minuted to reflect discussions and the SBM's attendance.
- School budget holders should receive up-to-date printouts from FMS of their budget position on a termly basis. Instruction in budget management and report interpretation will be the responsibility of the Finance Assistants with direction from the School Business Manager.

Orders for goods and services

Requests to order goods and services must be made using the schools' own internal order form (appendix E) and signed by the school budget holder (who must ensure they have sufficient funds in their budget before submitting the order). In the case of any more complex transaction the advice of suitably qualified persons must be obtained in order that all considerations regarding pricing, specification, health and safety, etc can be taken into account.

Copies of all orders and supporting documentation shall be kept and recorded promptly in the school's accounts. A monthly check of outstanding orders shall be made and long outstanding orders that haven't been received will be removed if appropriate (some orders are raised up to 12 months in advance so will appear on the 'outstanding' list for nearly 12 months).

An FMS purchase order, signed by an authorised signatory as defined in the register of authorising officers (appendix D), must always be posted/emailed/faxed to procure supplies and services in each case. A signed copy of this order is retained in the finance office with the original request form and copies of relevant documentation, including quotations. The only exceptions are when:

- The payment for supplies or services represents one of a sequence of transactions as a result of an agreed contractual obligation.
- Telephoned orders ~ the school is discouraged from using telephone orders but sometimes this is not possible. In this case FMS should be updated as soon as possible to ensure that the value of the commitment is recorded. Any confirmation sent must be clearly marked 'Confirmation of telephone order'.
- For amounts up to £150, expenditure claims may be made by staff with prior authority from the Headteacher and or School Business Manager. They should be limited to those occasions when direct staff purchase is the only practical option. Where goods are delivered they must be delivered to the school. Related staff expense claims must be authorised by the Headteacher and or School Business Manager and be presented for payment and dealt with within 14 working days of receipt. Reimbursements under £20 will normally be in cash, amounts over £20 will be via cheque. All expense claims must have full appropriate invoices or receipts attached evidencing the purchase so that VAT can be reclaimed whenever possible. These must also be made within 14 days of being incurred and must not be more than £150 per month. Staff or pupil personal

purchases cannot be processed through the school's accounts nor can personal cheques be encashed. Should the reimbursement value be exceeded for value for money reasons then the nature of the purchase and total value will be reported at the next Finance Committee meeting for their information.

- In cases of emergency a supplier may be called to the school to undertake work. The commitment must then be ascertained and recorded as soon as possible.
- No leasing agreements will be entered into unless approved by the Local Authority.

All order requests for individual items of £3,000 or more require at least three quotations appended or a written statement on the order as to why this was not possible.

Invoices and payment

All deliveries will be checked on receipt, against the copy order and delivery note for quality and quantity. The delivery/dispatch note must then be signed and dated by someone other than the person who has signed the order or will be signing the invoice. This person does not have to be an authorised signatory to ensure compliance with the segregation of duties. The delivery/dispatch note will then be filed with the relevant invoice. If a delivery note is not supplied then the invoice should be annotated to show receipt of goods accordingly.

Certification for payment of invoices should ideally be by a person other than the one who authorised the original order or receipted the goods.

When a person certifies an invoice they are assuring that they have checked that:

- The invoice is an original or certified copy
- Fulfils VAT requirements
- Price details have been checked and are correct
- Invoice has not previously been passed for payment
- Invoices have been checked against the order and this documentation is marked to indicate the payment has been made
- Goods or services have been satisfactorily delivered and confirmed by a responsible person
- Expenditure is coded to the correct account code and within approved budget provision
- Expenditure is within approved delegated authority limits laid down by the Governing Board

Invoices should be checked for arithmetic accuracy. No invoice should be paid whose value exceeds 5% more than the original order price without reference to the School Business Manager. Service, contract and utility invoices should be checked against preceding payments to ensure periodic continuity without overlap.

Paid invoices must all be filed in alphabetical/date order.

Invoices paid for by direct-debit are filed as above. All invoices paid for using the schools' Procurement Card are filled in a separate file for ease of reconciliation.

The payment of invoices will be made at least fortnightly and imprest returns to reclaim the principle sum (less any income received) and net VAT paid/received made accurately and promptly in line with WBC requirements at least once a month. The imprest account should not be allowed to overdraw and its level reviewed regularly to ensure that it meets the school's cash

flow needs. Any exceptional overdraft request and WBC confirmation must be properly recorded.

Regular meter readings should be provided to ensure accurate services bills where applicable.

Under no circumstances will any private purchases be made through the main school budget/IMPREST account. This is regardless of whether the individual intends to reimburse the main school budget.

Procurement Card

Requests can be made to the Finance Office by completing an order form that must be authorised by the School Business Manager and/or Headteacher. This method of procurement is to enable purchases from companies over the internet/telephone and directly via retail companies to secure best value.

The order must be placed by the Finance Assistant or by designated card holders only. Copies of all purchases shall be kept and noted in the school's accounts via a requisitions spreadsheet.

Every request must be counter signed by the School Business Manager, Deputy Headteacher or Headteacher (please refer to Register of Authorising Officers for monetary limits for authorisation).

- ❖ This method is for purchases where it is deemed best value to obtain via the internet or a retail shop where there is no other payment alternative.
- ❖ The overall card limit for the school will be set at £3,000 for any single purchase and a monthly limit of £6,000.
- ❖ Individual cardholders overall and single purchase limits will be agreed by the Headteacher and School Business Manager on a business basis. There are 3 card holders, each with differing limits for purchasing (See Procurement Card Register of Authorising Officers for staff members and limits)
- ❖ No cash withdrawals will be permitted.
- ❖ Access to the cards will be restricted and PIN(s) will be kept secure.
- ❖ Only the main contact – Headteacher, along with the School Business Manager and Finance Assistant have access to information on the account via the use of passwords.
- ❖ Purchase must relate to official funds for school activities only and must be supplied and delivered to the school. Personal items must not be purchased using these cards.
- ❖ A valid invoice/receipt from each supplier with VAT details is required for each purchase.
- ❖ Upon receipt of the monthly card statement it will be checked and reconciled against the requisitions/goods received spreadsheet by the Finance Assistant. There is a period of 7 days before the payment date to raise any queries with the bank (and to notify any fraudulent activity).
- ❖ The full outstanding balance will be paid, by direct debit, on or before 20th of each month and the cashbook journal will be posted on FMS on or before the monthly payment date to ensure it is included in that month's Imprest claim.
- ❖ Where the SBM/Finance Assistant has a Procurement Card and is also responsible for reconciliation and payment the Headteacher or Deputy

Headteacher should check and sign the statement to approve all purchases made by the SBM/Finance Assistant.

- ❖ If the purchase of theatre tickets is required (ie for Year 6 trip) they can only be purchased using the SBM's card. The merchant type '32' is enabled on this card which allows such purchases classed as 'leisure'

Cost Centres for use with Procurement Card Ledger Code P0001:-

Fund 22 is linked to C/C PDP502 Fund 99 is linked to C/C PDP503

Fund 13 is linked to C/C PDP504 Fund 08 is linked to C/C PDP505

Fund 77 is linked to C/C PDP506

BACS

- Any requests for payments to be made by BACS should be made to the SBM and BACS details should be supplied on an official letterhead from the supplier.
- A paper record must be kept of all suppliers BACS details and these details should be thoroughly checked before the details are entered into FMS. These should be entered by one member of staff and verified by another member of staff, each will initial and date the document after entering the details. These details will then be used to pay the supplier.
- Any changes to suppliers BACS details should be received on an official letterhead from the supplier. When these changes have been made in FMS, the document should be initialled and dated.
- School staff may only log into Bankline from within the school and not from remote locations (e.g. home) and this access must be made using school owned PCs or laptops.
- Only payments which have been generated through FMS can be made on Bankline.
- An authorised signatory must compare and sign the FMS payment schedule with the Bankline payment schedule.
- Bankline users must not share user names or PIN numbers to ensure that no one individual can both make a payment and approve a payment in the Bankline system.
- All Bankline cards must be kept securely locked away except when in immediate use.
- Any member of staff who leaves the employment of the school should have their Bankline access removed immediately and must return all cards to the school for destroying prior to their last day on site.
- Only Bankline roles defined by the central West Berkshire administrator may be used by the school.
- All Bankline payments reflected on the bank statements must be reconciled to the invoices received and any receipts obtained.
- The Headteacher or SBM will undertake a random check of these procedures on a termly basis.

Payroll, Supply & Travel Expenses

Payroll services are provided by the LA in accordance with the Service Level Agreement (SLA). On receipt of the monthly Agresso report, the SBM manually enters all required transactions onto FMS. Any variances in salaries are first checked before being entered on to the schools FMS system.

Having first checked the payroll report for accuracy, the SBM reports any errors to payroll for correction.

The Headteacher, Deputy Headteacher or SBM authorise/verify the original supply claim. Line Managers must authorise overtime requests from staff, which are then authorised by the Headteacher or in their absence the Deputy Headteacher on a summary sheet before being submitted electronically to payroll. On receipt of the Agresso report, the SBM cross-references the salary payments against the original overtime sheets retained in school. Any discrepancies are reported to payroll for correction the following month. Staff are asked to submit overtime promptly, ideally monthly in arrears and NO MORE than 2 months in arrears

Supply cover is verified by the Headteacher, or a designated teacher in the absence of the Headteacher for recording;

- Who supply cover was for
- Why supply cover was required
- On which day and relevant number or hours, i.e. half-day/full day

Travel expenses, including car parking, are to be reimbursed through payroll by completion of a WBC Travel & subsistence Expenses Claim form only. Reimbursements paid will be no older than 2 months.

Security

No more than a combined total of £250 (cash) public funds, private funds and petty cash shall be held in the safe or locked cash box without approval of the Headteacher. There are occasions where this cannot be adhered to ie. During receipt of residential trips, day trips, swimming lessons etc. The petty cash float should be checked when the imprest claim is submitted and cross checked by the member of staff not responsible for its day to day maintenance.

All petty cash, cheque books and secure boxes must be stored in the safe at PDJ and the Finance Office locked drawer at PDI, which must be kept locked except when in immediate use. Hard copy financial records and vouchers should be kept in the Finance Offices and be clearly identifiable, the office being fully secured when not in use.

Safe key holders are the Headteacher and School Business Manager. Keys can be left with the Deputy Head or Finance Assistant if the Headteacher or SBM are offsite.

All portable and valuable items over the value of £100 must be security coded using the 'smart water' system.

All cash received must be counted and confirmed by two people and initialled accordingly.

Access to computers/FMS/Sim.net etc will be by password only. If an employee is aware that another person has obtained knowledge of their passwords then it must be changed immediately.

Passwords for the network, FMS and Sims.net should be changed regularly and at least once a term.

Bank Accounts, authorisations, income and banking

Copies of all bank mandates, Direct Debits, BACs and Register of Authorising Officers are held, in the Finance office with easy access for reference.

Bank accounts will be reconciled at least once a month, and on the final day of the financial year, and petty cash held similarly agreed monthly. Reconciliations will be approved by the Headteacher.

All collections of income by cheque, petty cash or otherwise shall be evidenced by a suitable voucher signed by the member of staff paying in, properly and individually annotated on bank pay in slips and be immediately receipted and lodged in the safe or locked draw pending processing.

Receipts are not issued for small amounts of money received ie swimming hats, water bottles, house badges, charity donations etc unless a request is received.

Payment books are distributed to parents/carers for all residential trips. This ensures that all monies received is recorded without the need for separate receipts.

Receipts are issued, if requested, for any other income that is received

Invoices, including those for lettings and other claims for funding will be issued/raised promptly and payment chased effectively after 14 days (after one month if relating to an internal transfer). If payment is not received within 60 days then the SBM will arrange for WBC legal department to send a letter on the school's behalf. Non-payment or late payment of invoices relate mainly to Twilight Club. Some parents are given payment plans in order to reduce their debt over a longer period of time. Each case is reviewed separately by the SBM and must be reported to the Finance Committee.

All cheques and cash must be banked within 10 working days of receipt and before the end of each term. No monies due to the main school budget (including lettings income) may be banked into staff or other third party (including school fund) bank accounts under any circumstances.

Cheque payments and other instructions to the bank must be signed and the cheque counterfoil initialled by two of the authorised signatories. Cheque signatories will scrutinise and confirm relevant voucher documentation before signing cheques. Only manuscript signatures are allowed.

The writing off of any amounts due to the school and unpaid items shall only be made with the formal consent of the Finance Committee and in line with WBC regulations.

A copy of each contract relating to lettings income is available from the Finance Office.

Parental income for school trips and extra curricular activities will be paid in to the Schools' Imprest bank account apart from swimming contributions. As from 2020 swimming will be accounted for via Imprest.

Any account, letter or statement requesting payment to the school must state that cheques are to be made payable to **Parsons Down School**.

Overspends

The approval of overspends by a budget holder can only be given by the Headteacher, or the Chair of Governors where the Headteacher is the budget holder.

Inventories- the recording of assets

A member of the Governing Board must undertake an inventory check, annually, and report findings to the Governing Board.

Any unaccounted items will be referred to them for appropriate action.

The taking of any school property, recorded on inventories, off site must be approved by the Headteacher and noted, along with its return, on a permanent record.

Laptop computers on loan to teaching staff must be appropriately recorded and supported by a loan agreement letter signed by the member of staff.

The disposal of any assets must be authorised by the Headteacher in accordance with LA regulations. Any disposals must be logged in the inventory (date of disposal) along with the Headteacher's initials against each item.

The inventory must be updated with the acquisition of new items and will comprise of all ICT and electrical equipment of value over £100 along with any portable and desirable items. The inventory will contain the following data: make, model, serial number, date acquired, date disposed of, purchase cost, location, reference to security marking (Smartwater system) and for the overall inventory – who checked, when and any double check signature and date of authoriser. It is best practice for the Full Governing Board to note the inventory annually –this having been checked and signed off by the Headteacher or a Governor. The school should maintain a register of items taken off site and returned by staff, e.g. cameras. This would normally exclude staff loan laptops, which would be covered by the loan agreement.

The inventory is maintained by an Administration Assistant who records location, date acquired, make, model, serial number. Disposals are presented to the Finance Committee for approval. An annual PAT safety test is undertaken by a third party and records are filed in 'service records' file.

No 3rd party item will be disposed of without express permission of the 3rd party company. This includes sale, part exchange, scrapping, writing off, donating, re-leasing, sub-letting or any other form of 'give away'.

Consistent Financial Reporting (CFR)

The School Business Manager is responsible for checking that the end of year Consistent Financial Report (CFR) submitted to the DfE by the LA in June is a true reflection of the end of year accounts as prepared by the school. The CFR report submitted by the LA must also be presented to the Finance Committee.

Staff Insurance Cover

All teaching staff, along with the School Business Manager, Higher Level Teaching Assistants Site Manager, Twilight Club Manager and Family Support Workers are insured to cover

absence due to sickness (including up to 30 days stress cover). Insurance can be claimed after an initial 5 day excess period.

Retention of Financial Records

All records are retained in line with the 'Management of Record Retention' guide. This guide and record sheets are located in the Finance Office.

Dealing with a Suspected Financial Irregularity

Any employee who suspects, with good reason, that a financial irregularity has occurred shall follow the recommended LA guidelines in the confidential reporting policy (Whistle Blowing) that has been adopted by the school. All staff are made aware of this policy via the school's website.

Gifts

Governors, the Headteacher or any member of staff should treat gifts offering financial gains with caution and are advised that they are to be put forward for use that will be of benefit to the school.

BLACK = has been updated in line with LA policy
GREEN = not included in LA policy but appears as additional information in our policy

APPENDIX D

V3

WEST BERKSHIRE COUNCIL - REGISTER OF AUTHORISING OFFICERS - SCHOOLS

SCHOOL NAME: Parsons Down Partnership

COST CENTRES: 94622/06/13/77/99

This register records each member of staff and school governor who is authorised to sign instructions to West Berkshire Council for school financial (non payroll and HR) transactions

SURNAME	INITIALS	POSITION	SIGNATURE	INVOICES	VIREMENTS	INTERNAL TRANSFERS	JOURNALS	OVERDRAFT	IMPREST CLAIMS
				<small>(Claims supported from 2015/16 onwards. Please refer to the relevant guidance on the website of the Chair of Governors and the Chair of Finance Committee)</small>	<small>(Changes to signatories to be processed by WBC Schools Accountancy)</small>	<small>Expenditure owed to another WBC School/centre to be processed by WBC Schools Accountancy</small>	<small>Conditions to issuing of orders to be processed by WBC Schools Accountancy</small>	<small>Maximum value of overdraw on school's imprest fund (should not exceed nil request)</small>	<small>Please enter a tick against each individual who is authorised to sign for the school. This information is for the Council's records only. It is not intended to be used as a basis for any legal action.</small>
				£*	£*	£*	£*	£*	✓
Bull	C	Headteacher		20000.00	20% of Budget Line or £5000	20000.00	UNLIMITED	15000.00	✓
Lloyd-Butler	C	SBM		10000.00	N/A	10000.00	UNLIMITED	N/A	✓
Perry	G	Chair of Governors		UNLIMITED#	UNLIMITED#	N/A	N/A	UNLIMITED#	N/A
Lewry	J	Acting Deputy Headteacher		10000.00	N/A	10000.00	N/A	N/A	✓
Fright	L	Acting Deputy Headteacher		10000.00	N/A	10000.00	N/A	N/A	✓

Discussed and agreed at Full Governors Meeting held on 20/5/19

Confirmed by		<u>20.5.19</u>		<u>20.5.19</u>
	Headteacher	Date	Chair of Governors	Date

Please scan and email to both accounts@westberks.gov.uk and schoolsaccountancy@westberks.gov.uk

* Authorisation is acceptable above the limits stated, subject to specific documented governing body approval. For example minutes recording approval of an order being placed for goods/services for EX with Y supplier, a copy of the minutes should be attached to the payment request
 or
 #Chair of Governors is a signatory with unlimited authority as long as any instruction is counter signed by the Headteacher.

Notes - before completion the Good Practice Guide 25 Register of Authorising Officers should be read
 Assistance in its completion can be obtained from WBC Schools Accountancy
 Any change to staff, staff roles or financial limits/imprest account must also be notified through the submission of a new form.
 The responsibility for the form's management can rest with the Headteacher
 Limits should reflect the practice and procedures stated in the school's Financial Management Policy. N/A should be written in as y but not applicable to that person.

Parsons Down Partnership Order Form

Staff Name **Date** **Deliver to** **School**

Subject / Year Group Topic Budget

In order to process orders more efficiently onto our computer system and subsequently to the correct supplier, I would be obliged if you could fill in all the information required on this sheet before giving it to the office for processing.

Thank you for your assistance.

Name of Supplier(s)

Name of Catalogue	Catalogue Page Number	Catalogue Reference Number	Description	Quantity Required	Cost per Unit	Total Cost	Office Use Only	

Please check and add any delivery charges if applicable

If ordering from a leaflet please attach a copy to this order form

Subject Leader Signature if required

APPENDIX F **WEST BERKSHIRE COUNCIL – PROCUREMENT CARD REGISTER OF AUTHORISING OFFICERS**

School: PARSONS DOWN PARTNERSHIP OF SCHOOLS

Cost Centre 94822/08/13/77/99

This register records each member of staff and school governor who is authorised to use a procurement card for purchases. The card is issued by Nat West for use through the school's IMPREST Account. It is subject to West Berkshire Council and the banks terms and conditions and code of conduct. Its use should be approved by the governing Board. The responsibility for its management rests with the Executive Headteacher. Limits should reflect the practice and procedures stated in the school's Financial Management Policy. N/A should be written in any cell not applicable to that person.

Surname	Initials	Position	Signature	Monthly Orders limit *(£)	Single Transaction Limit (£)	Merchant/Retailer Type (BLOCKED)	Account Administrators
LLOYD-BUTLER	C	SCHOOL BUSINESS MANAGER		2000.00	N/A	10,13,14,18,33, 34	YES
LEWIS	K	FINANCE ASSISTANT		3000.00	N/A	10,13,14,18,32,33, 34	YES
UPHILL	D	TWILIGHT MANAGER		1000.00	N/A	10,13,14,18,32,33, 34	N/A

* Authorisation by the Chair of Governors/Finance Committee is acceptable above the limit stated and would be communicated by means of a letter signed by the Chairman and Headteacher submitted together with supporting evidence noting the appropriate minute number referencing full Governing Board approval.

Confirmed by _____ **(Executive Headteacher)** _____ **(Chair of Governors)** **Date:**

A copy of this form should be sent to Schools Accountancy.

Any change to personnel or financial limits of the procurement card must also be notified through the submission of a revised form alongside Bank Form 8 to make the amendment.