

PARKINSON LANE COMMUNITY PRIMARY SCHOOL

Staffing & Finance Policies

Financial Procedures

The following statements are in line with the suggested procedures as published in Keeping Your Balance produced jointly by Ofsted and the Audit Commission, 1st publication in 1993, latest edition 2000. The Education Act 1988 and DFE circular 7/88 requires regular internal and external audit by officers of the local authority. Delegated budgets are public funds and auditors will assess the adequacy of school's stewardship and proper arrangements to secure value for money. The school will produce a written statement to the authority explaining how the school has applied best value principles.

The efficiency of the school will be judged in terms of:

- The quality of financial management
- The soundness of financial decisions
- The efficiency and effectiveness with which resources are deployed to achieve the schools aims and objectives and to match its priorities
- The efficiency of financial control
- The assessment of any steps taken by the school to evaluate its cost effectiveness.

1. Organisation of School Finance.

The Headteacher will be responsible to the Governors for ensuring that LEA regulations of DFE requirements are implemented and for ensuring that sound systems of internal control are in place and followed.

The school will apply the four best value principles in its management and allocation of resources as follows: **Compare, Challenge, Compete** and **Consult**.

The Governors will allow the Headteacher to order and discharge services up to the value of £5,000 before consultation must take place. The Headteacher will give a report on any major items of expenditure relating to purchases or repairs and also a general update on all financial issues at each meeting of the Finance Committee who will oversee all spending. The Headteacher (and deputy if appropriate) will oversee 'capitation' spending. Class teachers and those personnel with specific responsibility will oversee their specific budgets but the final decision regarding allocations and spending rests with the Headteacher. The Finance committee will make a report to the full Governing Body. The Governors will be made aware of any fellow Governors and staff who may have a pecuniary interest in the supply and order of goods and services.

2. **Budgets**

The budget has a controlling influence over the school and its management. The allocation of the budget will reflect the schools aims and the priorities identified on the school development plans. Individual staff will have responsibility for managing any budget allocated to them and being accountable to the Headteacher. They will also share in decisions as far as practicable regarding the distribution of funds. The Headteacher will be expected to keep staff aware of funding issues at the beginning/end of each financial year and during that period if necessary.

The Headteacher, (with the Bursar), will prepare estimates of expenditure and income prior to the start of a new financial year in order for the Governing Body to decide and approve a budget. This approved budget will be sent to the LA. Termly financial monitoring reports will be sent to the LA and reports made to Governors as stated in 1.

3. **Internal Financial Control – Roles, Responsibilities and Accountability**

The Governing Body will:

Hold a strategic role in the financial management of the school. This includes setting, approving and monitoring the annual budget.

The Headteacher will:

Have the overall responsibility for the school's activities and is accountable to the Governing Body.

Be responsible for deciding on the internal controls to be established, these will be approved by the Staffing and Finance Committee.

The Headteacher will liaise with the Bursar and ensure that spending in any budget heading is in line with the agreed budget and the schools priorities.

The Administrator/Office Manager will:

Check invoices for accuracy in calculation etc., process through the FMS package, producing a cheque for posting. Two signatures out of five are required on any cheque, one of which must be the Headteacher, Deputy or a member of the Senior Management.

Pass invoice, payment authorisation slip and cheque to Headteacher for checking and signing.

File invoice and payment authorisation together in cheque number order.

Process orders in the FMS package. These will be signed by the Headteacher, deputy headteacher or a member of the Senior Management.

Prepare monies for payment into bank account which will be collected and banked by Securicor, ensuring records are properly kept.

The Clerical assistant will:

Count and check dinner monies received and enter onto SIMS dinnermoney. Teachers generally collect in such monies and forward to the office on the day of collection.

The bursar will:

Liaise with the Headteacher regarding preparation of new budgets, including projections of staffing costs etc., preparing model budgets for Governors to consider.

Allocate monies from the delegated budget as Governors decide.

Reconcile tabs and bank statements monthly as received and prepare the enabling account statement for the LEA.

Liaise regularly with the Headteacher reporting on whether spending is inline with projections and expectations.

Oversee use of LRM in the FMS package and financial accuracy e.g. commitments, reconciliations.

The budget holders will:

Be responsible for monitoring their budgets and spending in accordance with the School Improvement Plan.

4. Insurance

The LA insurance section provides cover for equipment and internal damage etc., which is funded from the delegated budget and reviewed annually.

Supply insurance for staff sickness is taken from the delegated budget.

The Office manager is responsible for making claims and checking receipt of such monies.

5. Computer Systems

The Headteacher and Governing body are registered in accordance with the Data Protection Act 1984. Information re students is kept in SIMS.net.

Only authorised staff have access to passwords etc., to ensure confidentiality. The server completes an automatic backup.

6. Purchasing

We will endeavour to get best value for money from all purchases, which may mean not accepting the cheapest.

For any job other than a small repair three quotes will be requested. Advice will be sought from the LA buildings section and help sought with specification if appropriate and tenders invited.

Orders will be on official stationary on the schools computerised system, except for utilities, rent, rates and petty cash payments. If the matter is urgent a verbal order will be followed up with a written confirmation. Copy orders are filed numerically in order number, when goods are delivered the orders are marked to that effect.

Goods received are checked against the order and delivery note. Payment will not be made other than against an original invoice except in exceptional circumstances and only then with the authority of the Headteacher. Invoices should be marked paid and initialled by the person processing them and also signed by the Headteacher. Cheques should then be written for signing by two authorised signatories. Paid invoices are filed in cheque number order together with the payment authorisation. The person checking the order must not be an authorised signatory.

7. Personnel

Payment will be administered by the LA. The school will send specimen signatures of all those authorised to sign documents and claims related to pay.

The Governing Body will elect a staffing committee and this is responsible for overseeing appointments, terminations, promotions and determining scale points over and above those statutorily earned in line with pay policy set by the school Governors. Staff expenditure is checked monthly and entered onto the FMS computer system by the Bursar.

8. The Security of Stocks and other Property

School has attractive and portable items e.g. books, computers, videos etc., as well as stocks of stationery, cleaning materials, sports equipment etc. The security of these is the responsibility of all staff under the supervision of the Headteacher. General school security is also the responsibility of the Caretaker. Goods should be marked with the school name using a method recommended by the LEA/Police etc., where appropriate e.g. computers, videos, etc. An inventory should be maintained of all equipment of this nature, with make, model number and serial number.

Goods should be adequately insured, including for use off-site. When goods are used off-site a register should be signed.

Key holders must keep keys securely and report any loss to the Headteacher and LEA.

Banking Arrangements

Funds from the LA delegated through the formula are kept in a current account called the 'enabling account'. All service and goods are paid for from this account in line with regulations from the LA and any government orders. Cheques require two signatures out of five from staff authorised to sign. The cheque books are kept in a locked cabinet for security. Bank statements arrive monthly and are reconciled regularly by the Bursar. If a large amount is accrued in the current account a transfer to a higher interest bearing account may be instigated.

Petty Cash

Cash is drawn from the 'enabling account' and kept securely in school to allow small purchases locally to be made with proper receipts kept. Records are kept and regular checks made to match record to actual cash by the Headteacher. Amounts of no more than £400 are encashed at any one time so that we do not exceed any insured cash limit (at present £500).

Voluntary Funds

Such funds called 'school fund' are kept under the same secure system as other monies but completely separate. Records are kept and cash checked regularly. These funds are kept in a Yorkshire Bank account. All cheques are signed by two people. An annual audit is done and a record of this is available to parents, usually at the Governors Annual report to Parents. These accounts are audited and checked independently. A copy of these are sent to the LA. Any suspected irregularities will be reported to the LA auditors.

Headteacher	Date taken to Staff	Chair of Governors
Date		Date 22/11/10
Review Date:		