



# **AIRE VIEW INFANT SCHOOL**

## **Finance Management and Administration Policy**

Reviewed: Autumn 2016  
Next Review: Autumn 2017

Signed by Head Teacher ..... Dated.....

Signed by Chair of Governing Body..... Dated.....

Signed by Chair of Resources Committee: ..... Dated.....

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## Overview

The role of the Governing Body is as defined in “School Governors: A Guide to the Law”.

In accordance with the Guide to Financial Procedures (“the Guide”) and the Financial Regulations for maintained Schools (“the Regulations”) issued by Education Bradford (copies of which are retained in the School office) the financial objectives of the school are as follows:

- To establish proper financial management arrangements and accounting procedures and maintain a sound system of internal controls, including safeguards against fraud
- To ensure the delegated budget is used for the purposes intended
- To ensure that relevant financial returns are made as required under the terms of the Scheme for Financing School
- to ensure value for money is obtained through economy, efficiency and effectiveness (see Best Value Statement).
- School uses its best endeavours to secure the most effective provision for pupils with SEN in spending the delegated budget share and devolved SEN funding.

## Section 1: Budgets

### 1.1. Budget construction

The Head Teacher is responsible for the detailed preparation of an annual school budget which addresses the strategic aims and targets established by the Governing Body. In constructing the budget, the Head must take account of priorities identified in the School Development / Improvement Plan, incorporating specific costs as detailed in the plan. In producing the budget, the Head should consult with other members of staff and Governor committees, as appropriate to ascertain detailed requirements and cost pressures for the coming year.

The Resources Committee together with the Head should meet in the Spring term to consider a broad budget strategy. In order to determine appropriate expenditure levels, the committee should consider the overall level of income expected from local authority budget, grants and school generated income, together with any anticipated balance to be carried forward into the following financial year.

The detailed formulation of the budget then takes place following receipt of the final local authority budget allocation (Section 251), usually issued in March. The full Governing Body must subsequently approve the full year’s budget together with the 3 year Budget Plan, and minute this approval. The approved Governors Budget Plan spreadsheet templates must then be submitted to the Schools Finance Team, along with a signed statement by the Chair of Governors, by the 15<sup>th</sup> May deadline. School works very closely with SFT on all areas of the budget.

HCSS software is used to assist with Budget planning, pupil number projections, forecasting staffing costs and budget projections for three year budgets.

Total budgeted expenditure should not exceed the total anticipated in-year income plus or minus any balance brought forward from the previous year. The delegated budget should be spent for the purposes intended. If it appears that a deficit position cannot be avoided, the Head and Chair of Governors must inform the Schools Finance Team immediately as the local authority must approve a Deficit Repayment Agreement (DRA) involving an appropriate recovery plan.

In constructing the detailed budget, factors for consideration include:-

- current and previous year's expenditure levels on individual budget headings
- overall level of income expected from local authority budget
- changing School Improvement/Development Plan priorities
- curriculum spend designated to subject managers
- staff pay awards and increments, and known changes
- anticipated price inflation
- changes in the supply of services and contracts (traded services, utilities etc.).
- any anticipated changes in pupil numbers
- the resulting impact on staffing structures

## 1.2. Budgetary control and monitoring

The Head is responsible for regular, detailed control of the school budget and this role will require appropriate monthly reports from the school's accounting system. The Head may assign budgetary control of individual budget headings to other members of staff, however the Head remains ultimately accountable to the Governing Body for these budget headings. Financial reports to the Head and other budget holders, where applicable, should include the following information for each agreed budget heading:-

- total budget for year
- total expenditure and commitments to date
- projected variance

Payroll expenditure data, as notified by local authority payroll prints, must be entered promptly on to the school's accounting system each month by the appropriate finance officer, in this case the School's School Business Manager.).

Other, non-pay de-delegated expenditure, as notified by monthly on-line reports for central schools, must be reconciled promptly to the school's accounting system by the School Business Manager.

It may be appropriate to action adjustments to the original budget (virements) during the year, for example as a result of additional income, new costs or changing national priorities etc. The Head should therefore be empowered to respond to changes to address variances by effecting virements between individual budget headings.

The following individual virement authorisation limits are recommended:-

- up to £2,000 - Head (and subsequently reported to Resources Committee)
- £2,000 and over - Resources Committee (and subsequently reported to full Governing Body)
- 

Any such virements will be recorded and reported to the next meeting of the Governing Body. The Head has authority to expend monies allocated to individual specific items in the approved budgets to any sum above the lesser of 0.4% of the delegated budget and £4000 in each case per item or series of connected items without the consent of the Governing Body or, in an urgent case, the Chair of Governors..

Where no such specific item exists in the budget he/she shall not enter into any financial commitment without the consent of the Governing Body or in an urgent case, the Chair of Governors.

Virements, once approved, must be promptly recorded in the school's accounting system to keep the approved budget up to date.

The Head/School Business Manager should present detailed budget monitoring statements to the Resources Committee on at least a termly basis. This Quarterly Budget Monitor document should be issued to the Resources Committee delegates prior to their meeting. The Resources Committee should then review and challenge these statements as necessary, with the Head/School Business Manager providing explanations for any significant variances identified and plans agreed for any further action required. The school FMS system is set to ensure that cost centres do not overspend and this is monitored monthly by the School Business Manager.

The Chair of the Resources Committee should then report termly to the full Governing Body, identifying any significant budgetary issues and any remedial action taken or needed, and any policy decisions needed.

When the accounts for each financial year are closed, a final statement of the end of year position and carry forward figure must be presented to the next meeting of both the Resources Committee and Full Governing Body.

Where possible duties are segregated between individuals as follows:

Procedures :	
Preparing orders	School Business Manager
Signing orders	Head and School Business Manager
Checking deliveries	School Business Manager, Administrator
Processing Invoices	School Business Manager
Writing cheques	School Business Manager
Signing cheques	any two of Head (V Bottomley) Deputy Head (T O'Connor) and (only in case of emergency) P Southgate (School Business Manager)
Processing income	School Business Manager (School Fund – Administrator)
Banking	School Business Manager and Administrator
Authorising Invoices	Any one of Head, Deputy Head

## Section 2: Payroll

Payroll of all staff is administrated by LA central payroll to ensure:

- Deductions for tax, NI and Superannuation are made in accordance with current legislation and paid over by the due dates
- Staff receive their pay on the due contractual dates

The Head and School Business Manager deal with day to day matters in accordance with LA guidelines within the Pay Policy, and if necessary, with reference to HR Department.

(Bradford Schools Online and PACT HR pages offer further general information and guidance.)

### 2.1. Starters/variations/leavers

The relevant forms for the following should be sourced from PACT HR (online support)

- setting up new employees on the payroll (starters)
- effecting variations to pay/changes in contract
- taking existing employees off the payroll (leavers)

The secure site is accessed by the School Business Manager (password protected, authorised access) and authorised by the Head.

## **2.2. Claim Forms**

For relevant staff, submitted claim forms (including Overtime) must be checked initially by the School Business Manager, and then a paper copy is authorised by the Head.

Attendance/Sickness records are maintained for all staff. These are also input into Sims.Net

Monthly variations are authorised by the Head and administered through the Postbox facility within BSO by the School Business Manager.

## **2.3. Checking of payroll data**

Payroll data received monthly from LA must be scrutinised by:

- the School Business Manager, to ensure all employees are recognised, and pay appears reasonable and to check in detail the accuracy of salary and expense payments.
- The checked Payroll data is signed and dated by the School Business Manager and processed by the School Business Manager and is then stored with all relevant documentation and calculations in locked filing cabinets (as per DPA 1998 guidelines).

## **2.4. Pay-related expenses**

All pay-related expenses must be processed through the payroll system. If any doubt exists about whether an item should be processed via the payroll system, the HR Department at the LA should be contacted for advice.

## **2.5. Supply teachers**

The Governing Body will decide, based on advice from the Head, whether supply insurance cover shall be taken out, and the extent of the cover. The Governing Body approve the annual supply cover insurance after reviewing several quotes and examining these. Quotes are obtained by the School Business Manager and reported to the Resources Committee.

# **Section 3: School Fund**

## **3.1 School Fund Remit**

School fund monies are income which is not part of the normal budgetary funding from the local authority. These could include:

- Income from fundraising
- Commissions (e.g. book people)
- Payments by parents for special events

The school fund monies can be used to:

- Provide additional curricular resources (e.g. chocolate for science etc.)
- Payment for special curricular enriching events (e.g. visiting speakers)

- School trips
- Resources for clubs
- Purchasing of gifts for staff or volunteers (at the discretion of the Head Teacher).

### 3.2 School Fund Accounts

School operates a school fund account in line with the Scheme for Financing Schools (LA guidelines). (Aire View Infant School Fund held at NatWest)

All monies relating to the school fund are kept and recorded, separately from monies relating to the enabling account and securely held. Occasionally donations received in school may be transferred from school fund to enabling account.

The accounts of the school fund are to be maintained on a day to day basis by the School Business Manager and Administrator.

All reimbursement income, within the School Fund account must be promptly recorded. Reimbursement should be claimed monthly. The Head must certify the reimbursement claim.

Each time a reimbursement claim is submitted, the School Business Manager must complete a reconciliation ensuring that cash expended, plus cash in hand or at bank, plus stamps held, equals the amount of the advance.

All members of staff who wish to purchase items from the School fund account must obtain prior approval from the Head. Vouchers (receipts, paid invoices etc.) to evidence the payment must be presented to the Financial School Business Manager by members of staff when reclaiming cash from the account. These vouchers must be retained by and returned with the reimbursement claim.

All income and expenditure will be entered promptly in the accounts. Payments out of the school fund will be registered and documented by the school and are accompanied by a receipt/invoice and attached to the relevant claim form and retained for auditing purposes.

Any School Fund monies (for photographs, book fair, fund-raising, sweatshirts etc) is banked regularly.

A bank reconciliation will be performed monthly when bank statements are received or accessed online between the balance as per the accounting record and the balance as per bank statements.

All cash and cheque books held must be retained securely.

### 3.3 Signatories

Two authorised signatories are required on each cheque from the school fund.

The authorised signatories are:

- Head – V Bottomley
- School Business Manager – P Southgate

*[requires another signatory following T Whitehead leaving but in view of merger probably better to wait and add someone from Hothfield next September]*

School Fund Cheques are drawn when possible by Jane Fowler (Administrator) to keep a segregation of duties. (The General School Business Manager and School Business Manager roles are 2 separate posts within School to assist with this)

### **3.4 Final accounts and audit [HJS use external auditor]**

Final accounts are prepared at the end of the School Fund financial year by the School Business Manager.

The accounts will be audited by auditors appointed by the full Governing Body. The Governing Body and Resources Committee acknowledge that Best Practice, is for an external party conduct this School Fund Audit, however due to current budgetary constraints this is not possible at this time. As such, where possible, 2 auditors, 1 Resource Committee nominated Governor and 1 external (if possible), non-Governor should undertake this audit.

The audited accounts should be presented to the Resources Committee and reported to the full Governing Body. Governors' approval must be recorded in the minutes of the meeting. Once approved, the School will return the appropriate form to the Schools Finance Team by the 31<sup>st</sup> December deadline.

## **Section 4: Assets**

### **4.1 Inventory**

The School Business Manager is responsible for maintaining an up to date inventory of school equipment and furniture and for adding any new items when they are received into school. The school uses the SIMS equipment register to ensure all relevant information is retained, such as make, model, serial number and approximate value.

An inventory is maintained for all non-consumable assets worth over £250 and covers all areas of the school, items with an insurable value over £100 and other attractive and portable items.

Electrical items such as computers, TVs, videos are itemised on the inventory. Where possible they are security marked with Watermark and this is attended to by Nigel Reynolds of Memchip Computers. Electrical equipment is not generally taken off the school site unless a "Loans" book is filled in. **[clarify with VB/NR – not sure of current procedure]**

All curriculum computer equipment and administrative computer equipment is insured through balance of risks insurance and Technology Services require annual inventory checks.

The Governing Body oversee the disposal of surplus stocks and equipment if appropriate and a disposal record is kept. Where items of no value are disposed of to school staff a nominal charge is made to avoid any possibility of allegations, however unfounded, being made of misuse of school property. Such items are recorded and available to the Governing Body. The inventory is checked annually against actual assets, and the check evidenced by the checker signing and dating the inventory. Any discrepancies shall be investigated immediately, and if necessary the Governors, Police and the authority's auditors shall be informed.

### **4.2 Off-site register**

Any inventory items taken off-site by members of staff for official purposes must be recorded in a register (Loans book). The date borrowed, and the signature of the borrower, must be recorded. On the return of the item the date of return will be recorded.

## **Section 5: Income**

Income is reported to the Governing Body within the budget reports and coded to the correct financial code.

Any cash received in school is dealt with immediately, locked in the filing cabinet until banked. Receipts issued on request.

Filing cabinets are kept locked and the keys removed. Key holders – office staff.

### **5.1 Credit income**

Where payment for goods/services provided by the school is made after the provision takes place.e.g. Head mentoring other schools.

An official invoice must be raised by the School Business Manager in all cases and sent to the debtor as soon as possible after the provision of the goods/service, and no later than one month after the provision.

A file of copy invoices will be maintained by the School Business Manager; The copies of unpaid invoices will act as a control record for the sending of reminders and the chasing of unpaid debts.

Reminders will be sent after the following periods if the debt remains outstanding:-

1st reminder 28 days  
2nd reminder 56 days

If after 84 days the debt remains unpaid, consideration will be given by the Head and/or Governors to writing the debt off in accordance with the following limits:-

- up to £50      - Head may authorise write-off
- up to £100    - Chair of Governors may authorise write-off
- £100 and over - full Governing Body may authorise write-off.

In each case, the possibility of taking legal action to recover the debt must be considered by Head, Chair, and Governors as appropriate.

As well as sending formal reminders, efforts must be made by the school to contact the debtor in order to secure recovery of the debt. If payment has not been received after 28 days of raising the invoice, no further goods or services must be provided until the outstanding debt is settled.

When an invoice is paid, details of the payment must be written on the copy invoice, and this transferred to the 'paid' section of the file. An official receipt should be issued to the debtor and the receipt number written on the copy invoice; a duplicate copy of the receipt must be retained at school.

### **5.3 Banking**

Aire View Infant School Enabling Account is held at the NatWest, Keighley branch.

All income received (cash or cheque) must be banked promptly and intact. No payments may be made out of income collected. A record to evidence the banking must be kept (e.g. stamped paying-in slip).

All cash, chequebooks and paying-in- books are locked away.

### **5.4 Charging policy**

The full Governing Body has an agreed Charging policy, for the supply of goods and services, which has been formulated in line with LA guidelines and has been checked by LA Legal Services and includes: -

- lettings charges
- visits within school hours
- visits outside school hours

The charging policy will be reviewed annually by the Governing Body. Charges levied by the school will be in line with this policy.

### **5.5 Donations**

Donations from any sources must be acknowledged by the issue of an official receipt to the payer. All donations must be banked promptly and intact.

### **5.6 Cash received from pupils**

Cash received into school is collected in the classroom and brought every morning to the office. Receipts are issued on request.

Dinner money is administered by Education Contract Services.

## **Section 6: Purchasing**

### **6.1 Ordering**

School procedures for purchasing should ensure that purchases are as required and are for bone-fide purposes.

Official orders must not be used to procure goods for private purposes and official order stationery must be held in a secure location.

The Head is responsible and authorises all ordering and maintaining general school stock. All orders are approved by the Head and managed by the School Business Manager.

Orders should be processed by the School Business Manager, All orders, delivery notes, invoices and receipts and LA monthly SAP reports are kept in order and up to date in the office.

Purchase invoices are entered into the FMS system. An authorisation slip is attached to the invoice and the various checks made in accordance with the slip. Invoices are first passed for payment and initialled by Head. Wherever possible, written pre-numbered orders are issued for all goods and services (except utilities). If an order has been placed over the telephone an official confirmatory order must be raised.

Paid invoices are stored with payment authorisation slips in the office. Where a purchase requires Governing Body approval (single item over £4000) the appropriate minute is made.

Copies of all official orders placed must be retained on file at the school by the School Business Manager together with all out of date documentation, in accordance with the LA recommended retention periods.

School operates FMS6 Accounting package to ensure transactions are accurately recorded, reported and monitored. The support package is bought in from EB-ICT.

Access to accounting records on SIMS is limited to the Head Teacher and the School Business Manager. A list of passwords is kept securely in the office.

Leasing – School reports to School Funding Team annually any operating leases on equipment e.g. photocopiers.

## **6.2 Banking arrangements**

Aire View Infant School Enabling Account is held at the NatWest.

Investments – School does not currently have any investments.

The Head Teacher is authorised by the Governing Body to issue cheques for day-to-day expenditure. Two authorised signatures are required on cheques. There are 3 authorised signatories to the account (V Bottomley, T O'Connor and P Southgate (P Southgate (SBM) only signs cheques in case of emergency to maintain adequate division of duty)

Cheques for signature are accompanied by the appropriate invoice and authorisation slip. Cheques are crossed "A/C Payee Only". Cheques are never pre-signed and all chequebooks are recorded on SIMS and are kept locked away. School does not go overdrawn or negotiate overdraft facilities. (Pre-printed cheque station

Bank statements are received monthly (or accessed online monthly) and these are reconciled with the ledger and on SIMS by the School Business Manager and Head Teacher.

A Bank Reconciliation return is prepared by the School Business Manager and signed by the School Business Manager and Head Teacher and forwarded to School Funding Team monthly together with the VAT claim and unreconciled transactions listing.

### 6.3 School Credit and Debit Card

[Not in HJS policy as not used]

#### Background

- a. Under the Scheme for Financing Schools, schools are permitted to use both debit and credit cards provided that the balance is cleared each month.
- b. Credit cards can offer a more controlled method of purchasing since a purchasing limit will be placed on the credit card account, and credit cards also include purchase insurance. Arranging for payment of the balance by direct debit would ensure that no interest is incurred.
- c. **The Governing Body**, guided by the head teacher, will determine whether it is appropriate for school to operate a credit or debit card facility.
- d. Although it would be usual for a school to take out a credit card with its current bankers, other providers can be used. The decision as to which provider to use should be **approved by the Governing Body**.
- e. The method of card provision will vary between card providers, however in most cases schools will have one account but can have more than one card per school. It will be the Head teacher's responsibility to identify which members of staff need a credit or debit card and present a case to the **Governing Body for agreement**. The number of cardholders should be kept to a workable minimum. It may be possible to arrange a temporary credit card e.g. for use by teaching staff operating a summer scheme, or by staff on residential visits where access to normal financial arrangements is not possible. This card would then need to be cancelled at the end of a specified period.
- f. **The Governing Body** will need to determine an upper (borrowing) limit for the credit card account (bearing in mind that this will be a monthly limit, and taking into consideration anticipated usage and cash flow), plus limits for the individual cardholders, and transaction limits.
- g. All decisions of the **Governing Body** relating to the operation of a Credit/Debit Card should be minuted at the Resource Committee meetings.

#### **Opening a Credit Card Account or Debit Card**

- a. The application must be completed by two signatories. These will usually be in line with the signatures on the current bank mandate but may need to vary in accordance with the card provider (e.g. they may require Chair of Governor's signature).
- b. In order to ensure an appropriate division of duty the school bursar (or other member of staff responsible for administering the account) should not be one of the signatories on the application form or a cardholder.

#### **Operation/Administration of the Credit Card or Debit Card**

- a. Cardholders sign for the receipt of their cards and sign an agreement to use cards appropriately (see Appendix document). If the card is only used occasionally it may be more secure to keep it in a locked drawer, or preferably a safe, and issue it only as it is required.
- b. Debit or Credit cards should not be used except in situations where standard purchasing procedures (i.e. ordering or petty cash) cannot be used.

- c. When the debit or credit card is used a VAT receipt needs to be obtained and passed to the school bursar to enable them to monitor the account. Similarly if an order is placed on the Internet, the order needs to be printed off and filed. If a telephone order is placed, a VAT receipt must be requested and a record made of the transaction until the receipt arrives.
- d. When making internet purchases the e-mail address of the Bursar should be provided, allowing for early identification of internet purchases to be made.
- e. Cardholders should always give the school as a delivery address, and not their personal address.
- f. Due to the charge incurred the credit card should not be used for cash withdrawals except under exceptional circumstances (e.g. school trips abroad).
- g. Ideally commitments should be raised against the appropriate cost centres for each purchase made with the debit or credit card as they occur (or as soon as the Bursar becomes aware of them). As payment will be a single payment/direct debit to the credit card provider the use of journals within the accounting system will be required to ensure that costs are correctly apportioned and that commitments are subsequently cancelled as the actual cost is incurred.
- h. The entries on credit card statements should be reconciled to the supporting documentation as they are received and any queries recorded and resolved. This will be undertaken on receipt of the Credit card statements by the Financial School Business Manager and a member of the **Governing Body**, preferably the Resources Committee chair will check the reconciliation on a regular basis – not less than quarterly.
- i. A transaction record is held to facilitate the reconciliation process.
- j. Debit or Credit card purchases should be supported by evidence of delivery, and invoice checks, as with any other purchase.
- k. All purchase documentation relating to debit or credit card purchases should be filed securely in a logical manner (which identifies purchases to cardholders) and retained for six financial years.
- l. Debit or Credit card commitments should be appropriately accounted for at the year end.
- m. If a member of staff leaves the schools employment the card needs to be cut up and returned to the bank. A new additional application will need to be submitted if it is deemed necessary to issue a card to an alternative member of staff.
- n. Approval from the appropriate budget holder and completion of any relevant forms, is required for each purchase in accordance with the school's scheme of delegation and that there is sufficient budget available before making any purchase.
- o. To ensure segregation of duties, any debit card transactions requested by the Head teacher will be countersigned by the Deputy Head teacher (Theresa O'Connor).

**The Governing Body has currently approved the following for the Debit Card:**

- **The Debit card issuer is NatWest.**

- **The monthly limit per card will be £1000 and the transaction limit will be £500.(this is a monthly limit, and takes into consideration anticipated usage and cash flow, plus limits for the individual cardholders, and transaction limits.)**
- **The number of cardholders - Debit Card : 2 people – Head teacher (V Bottomley) and the Financial School Business Manager (P Southgate)**
- Currently School does not hold a Credit card however if one was to be required the following would apply:
  - The Credit card issuer will be **agreed by the Governing Body.**
  - Payment of any Credit card balance would be made by direct debit to ensure that no interest is incurred
  - an upper (borrowing) limit for the credit card account will be determined by the **Governing Body**
  - the number of cardholders would be approved by the **Governing Body**

## **Appendix:**

### **. Debit and Credit Cards for Schools**

#### **Guidance for Cardholders**

##### **Issue of cards**

1. Before being issued with this card you must return a signed copy of this guidance to the Office.
2. You will be personally responsible for the card and for reporting it lost or stolen.
3. On receipt of the card, you must sign for receipt and undertake to comply with the conditions of use.
4. You must comply with the Bank's instructions on what procedures to follow if their card should be lost or stolen.
5. If you leave the school, you must return your card together with all supporting documentation to the Head or his/her nominee
6. If you fail to comply with this guidance may be required to surrender your card.

##### **Approved transactions**

- You will be required to reimburse the school for any transactions which are not approved.
- The monthly limit per card will be £1000 and the transaction limit will be £500.
- You must not make cash withdrawals.
- You must not use the card for personal purchases.
- You must ensure that you have approval from the appropriate budget holder in accordance with the school's scheme of delegation and that there is sufficient budget available before making any purchase.
- You must ensure that contract standing orders, procurement rules and regulations are being followed.
- Debit or Credit cards can only be used where it is not possible to make normal commercial credit arrangements i.e. order – goods received – invoice.
- Debit or Credit cards may be used to make purchases from the internet or from high street suppliers but not for building works or utility bills.
- Payment in advance of receipt for goods and services with the credit card is permitted provided schools can demonstrate that by doing so they obtained best value.
- You must ensure that you obtain full VAT receipts for all relevant purchases.
- When making purchases from internet suppliers;
  - You should provide the e-mail address of the Bursar;

- Goods and services must be delivered to the school not to your private address;
- You should always check that you are not being overlooked when using a debit or credit card online. Many secure Websites use password access to authenticate cardholders and passwords must remain confidential;
- On-line purchases should only be made on a secured web page. A secured page should have a little padlock (that is locked) displayed in the lower right corner of your browser. The web address will start “**https**” (other Web sites normally start “http”). Cardholders can check the level of security that the site has in place by moving your mouse pointer onto the padlock to see what number is displayed. If the number is less than 40 the site should not be used for on-line purchases because this does not give a sufficiently secure connection to protect sensitive, financial or personal information;
- You should never give personal details that are commonly used for identity verification (e.g. mother's maiden name) over an insecure internet connection. Even over the telephone, this information should only be given if the company ABSOLUTELY requires it.

**Record keeping**

1. All receipts and delivery notes should be handed to the Bursar at the earliest possible opportunity
2. You must keep a transaction log which you should retain in case of queries.
3. You should hand a copy of the transaction log to the Bursar at the end of each statement period.
4. The Bursar will be responsible for reconciling the individual transactions with the statement
5. Payment of the credit card statement will be by direct debit from the schools own bank account

**Undertaking by the cardholder**

School name.....

Card holders name.....

I confirm that I have received

Credit card number.....

For use with bank account number.....

I confirm that I have read and understood the guidance for cardholders and the Bank’s Credit Card Terms and conditions and I undertake to comply with these conditions

I hereby authorise the Head teacher /Governing Body to deduct from my salary or any other amounts due to me the value of any unauthorised transactions incurred

I recognise that the Head /Governing Body reserves the right to withdraw the card at any time

Signed..... Date.....

Retain a copy for yourself and return a copy to the School Office

## 6.4 Quotations/tenders

The Governing Body abides by the Financial Regulations for Locally Managed Schools in all purchasing and tendering and contracting matters.

An internal system of requisitioning goods exists and all orders are processed by the School Business Manager and authorised by the Head teacher or in their absence, the Deputy Head. For purchases under £4000 additional quotes will be sought on a case by case basis to ensure best value for quality, cost and delivery of goods and services

Three written quotations must be obtained for any work/orders of more than £4000. The SBM is responsible for obtaining written quotes for goods between £4000 and £60,000.

For orders/works estimated above £60,000 the tendering process will follow which will include members of the Governing Body.

The Head Teacher and Chair of Governors are authorised by the Governing Body to liaise and agree on acceptance of quotations.

Invitations to tender will be undertaken by the Head teacher. All quotes, accepted or not, will be retained.

There may be occasions where the required number of quotes cannot be obtained e.g. either due to lack of suppliers or work of an emergency nature.

We may not always opt for the cheapest quote. Principles of value for money will be considered on individual cases and notes recorded where this has not been followed.

If Contracting arrangements will exceed £60,000 advice should be sought from the LEA in accordance with Section 20 of the Regulations.

## 6.5 Financial Delegation (Approved by FGB)

The full Governing Body has approved the following financial delegation:

- Authority for Resources (formerly Finance & Buildings) Committee to commit to spend and vire monies up to the School's budget limit.
- Head Teacher to authorise day-to-day expenditure and to have delegated powers to spend up to £5,000 at any one time, on non-recurring items without any prior reference to the Committee.
- Chair of Governors (or in their absence Vice-Chair of Governors or Chair of Resources Committee) and Head Teacher to authorise emergency expenditure with reference to sub-committee.
- Any spend over £5,000 on single non-recurring items must be referred to the Resources Committee and approved in writing by Chair of Resources Committee or Chair of Governors.
- Individual items exceeding £60,000 should be put to formal tender and requires a minimum of three quotations in accordance with the Guide for Financial Regulations SF001p for schools.
- Where major building works are required the Head Teacher consults the appropriate LA Clerk of Works and competitive tendering is operated.
- Curriculum orders are to be placed after comparisons between YPO and two other recognised educational suppliers.
- Where services (coaches etc.) are required (<£10,000) then more than one supplier is to

be contacted for prices. Comparison of prices to be kept in a notebook. Orders are placed on official order forms purchased from Bradford Council and are accessible only to the School Business Manager.

- Head Teacher from a personnel perspective has delegated powers to;
  - authorise any leave of absence for staff within any scheme adopted by the governing body;
  - appoint temporary supply staff
  - to make all necessary arrangements for the appointment of staff which have been agreed by the committee or governing body;
  - to approve the working of overtime;
  - to take necessary urgent action on staffing issues in consultation with the chair of the Resources committee.
  - Resources Committee to ensure that finance for staffing levels are adequate.
  - All staff appointments are dealt in accordance with LEA procedures, Gender and Race Relations Education Act.

The governing body retains its powers to make decisions on:

- consideration and approval of the school's annual budget plan.
- consideration of any received audit reports.
- approving the school staff establishment.

## **6.6 Receipt of goods**

Once items ordered have been received, the office staff must ensure that items delivered correspond to details contained in the delivery note. Upon examination of goods the office staff must ensure that both quality and quantity are appropriate.

## **6.7 Invoice check and authorisation**

Invoices received must be checked to both copy orders and delivery notes to ensure that invoices relate to goods ordered and delivered. Invoices should also be checked for arithmetical correctness. All invoices must be certified for payment by the head teacher before being passed for payment.

Invoices passed for payment must be recorded promptly in the school's accounting system by the School Business Manager.

In addition, VAT is to be paid and reclaimed and correctly recorded on the computer system. A monthly VAT analysis report is produced by the FMS system which is signed by the School Business Manager and forwarded to the SFT within 10 days of the end of the month. All invoices are retained to comply with VAT regulations

## **6.8 Enabling Account Petty Cash [HJS have a petty cash system]**

No petty cash is kept in the school

## **Section 7: Insurance**

The LA insurance scheme is adopted by the School. This covers pupil accidents, buildings, theft and insurance cover for absences.

Insurance is taken out through Bradford Council.

Records are kept of all claims.

## **Section 8: Technology**

Aire View Infant School adopts the Data Protection Principles which are set out in the Data Protection Act 1998.

Back up procedures on the Administration computer are carried out by EB-ICT.

The Head Teacher, School Business Manager and General School Business Manager have access to computer hardware and software and the relevant passwords. Only LA authorised software is used.

## **Section 9: Register of Pecuniary and Other Interests**

It is a requirement for all schools to maintain such a Register.

- Declarations of interest are signed annually by all governors (in September) and any staff with financial responsibility (leadership team, School Business Manager, General School Business Manager) in April.
- In addition, each FGB and Governing Committee meeting includes a standing item for any Declaration of Interest on it's Agenda and records any interest within its minutes.

### **9.1 Persons to be included:-**

1. All Governors
2. Headteacher
3. Senior Leadership Team

The basic principle to be followed is that any interest should be recorded which could be seen to improperly influence any decisions taken, pecuniary or otherwise, regarding the operation of the school.

Examples of such improper influence might be:-

- to purchase goods or materials from a company in which a Governor/senior member of staff has a financial interest without going through the correct procedures re. obtaining competitive prices;
- promoting member of staff who has close personal relationship (spouse, partner, son, daughter etc.) with Governor/senior member of staff, without going through correct procedures re. recruitment and selection.

There can never be a definitive, comprehensive list of the interests which should be recorded, but the following is intended to give some guidance:

- having a financial, or other, interest in an organisation which could feasibly be in a position to supply goods/services to the school e.g.

- building contractors
- plumbing contractors
- electrical contractors
- audio/visual goods suppliers (e.g. T.V.s, video recorders, hi-fi etc.)
- repair/maintenance of equipment (electrical and other)
- suppliers of computer hardware and software
- suppliers of stationery
- suppliers of educational equipment (e.g. P.E. equipment)
- suppliers of furniture, fittings, carpets, curtains etc.
- decorating contractors
- catering contractors
- suppliers of provisions
- suppliers of clothing
- suppliers of building materials
- suppliers of catering equipment
- suppliers of fuel
- suppliers of vehicles
- suppliers of books
- grounds maintenance contractors
- gardening contractors
- suppliers of grounds/garden maintenance equipment
- suppliers of plants, trees, seeds etc.
- suppliers of heating equipment
- suppliers of lighting equipment
- suppliers of musical instruments
- suppliers of insurance
- consultants (e.g. legal, financial, training, property)
- suppliers of security services and supplies
- suppliers of art materials
- suppliers of telecommunications equipment
- suppliers of photographic equipment
- transport contractors (e.g. coaches, taxis etc.)
- holiday/travel operators
- suppliers of supply teaching cover
- suppliers of peripatetic teaching
- suppliers of banking services
- suppliers of workshops etc. (e.g. drama, music)
- the interest in the above 'supplying organisations' may, for example, be: -
- as a director
- as an employee
- as a major shareholder
- as a major investor
- as a major debtor/creditor
- having a close personal relationship (spouse, partner, son, daughter, parent etc.) with a person in the above categories
- being in a position to potentially influence decisions made about the school, e.g. as:-
- member of local council (County Council, District Council, Parish Council)
- officer of Local Education Authority in a senior capacity
- Member of Parliament
- OFSTED Inspector
- officer of local council (District Council, Parish Council) in a senior capacity
- having a close personal relationship (as described above) with any person falling into the above categories

- having a close personal relationship with a Governor or member of staff (employed on a full-time, part-time, permanent, or temporary basis).

## **FINANCIAL BENCHMARKING**

The Head teacher, together with the Business Manager will prepare for consideration by the Resources Committee financial benchmarking comparisons on an annual basis each Autumn Term. The benchmarking data will be extracted for similar schools from either the local financial benchmarking database for schools within BMDC or the national DfES financial benchmarking database. The conclusions and recommendations resulting from this process will be used to inform the financial planning and resource allocation process.

## **REVIEW OF CONTRACTS FOR SERVICING**

The Resources Committee will review the quality, cost and impact of services purchased from outside providers (including the LA) on an on-going basis and before contracts are renewed. To assist in this process the Head teacher will prepare a schedule detailing the service contracts, together with values and renewal dates in order that priorities for review can be determined. After each review the Resources Committee will make recommendations to the Governing Body.

Review undertaken with the assistance of:

Jane Ogston	– Chair of Resources Committee
Alison Teasdale	– Vice-Chair of Resources Committee
Vicky Bottomley	– Head Teacher
Penny Southgate	– School Business Manager