



## Fazakerley High School



## Financial Regulations Manual

## FAZAKERLEY HIGH SCHOOL

### Section1.

#### INTRODUCTION

**The Schools Standards and Framework Act 1998 places upon Governors of schools with delegated budgets the responsibility for managing the school's finances. It must be stressed that this is public money and remains the responsibility of the LA until spent. Governing bodies are accountable to the Director of Resources and the District Auditor for the way in which these monies are used. The Act also absolves Governors of personal liability when acting in good faith.**

The purpose of producing a Financial Procedures Manual is to define clearly and document responsibilities and procedures within the financial management of Fazakerley High School.

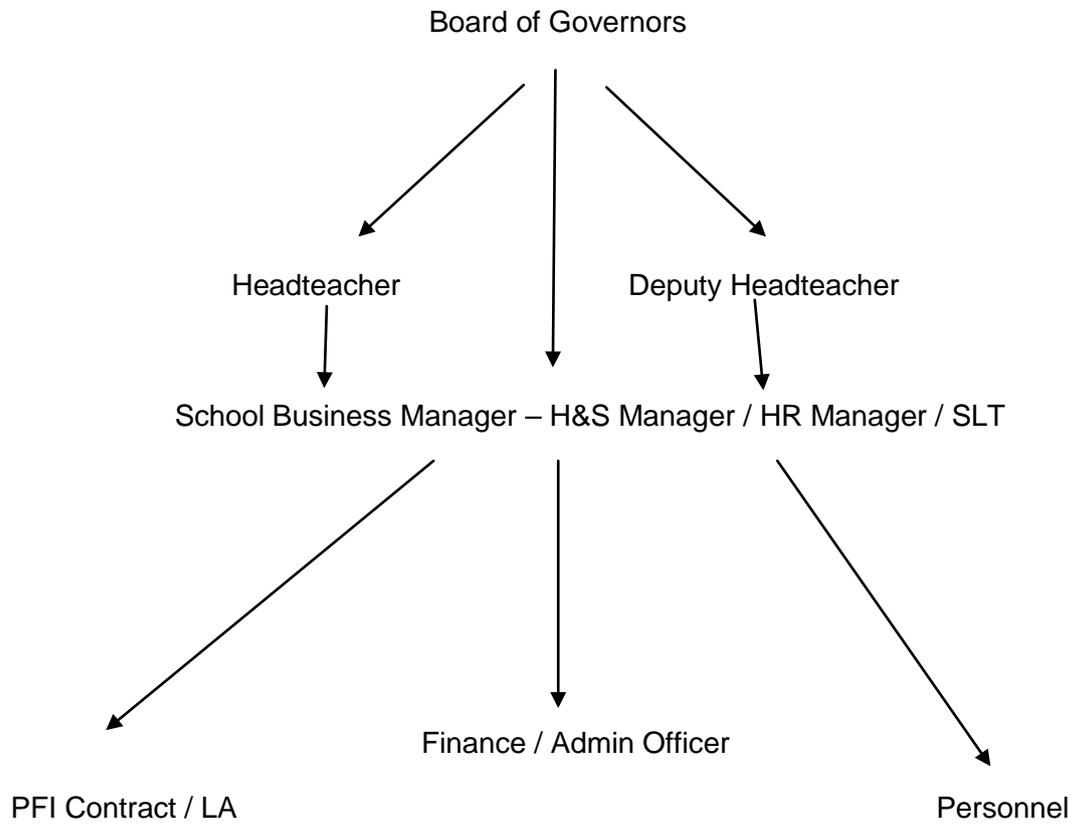
It is vital that all the financial procedures are clear and precise. The documentation recording the procedures is equally important, as it informs those involved in the financial aspects of running the school what is expected of them, thus reducing the risk of procedures not being properly implemented. This manual should be read in conjunction with the LA Scheme for Financing Schools.

There are also other benefits from producing such a document:

- It allows continuity and consistency in the absence or changes in key financial personnel
- It documents decisions of the Governing Body
- It reduces audit time on testing the systems, procedures and controls, if they are properly recorded
- It satisfies the requirements of the LA scheme for financing schools
- It allows an opportunity to consider whether existing systems at Fazakerley High School are the best way of meeting the schools financial control objectives and whether the procedures are, in fact, implemented in the way intended.

The next page illustrates the school's organisational structure in financial terms, which enables the reader to easily visualise the structure and lines of responsibilities and duties at Fazakerley High School.

## ORGANISATIONAL CHART



## **Section 2.**

### **FINANCIAL RESPONSIBILITIES**

This section looks in detail at the terms of reference for the Governors, committees and individuals with financial responsibilities.

- Governing Body
- Headteacher
- Deputy Head
- School Business Manager – H & S Manager
- Finance / Admin Officer
- HR Manager

## TERMS OF REFERENCE

### GOVERNING BODY

It is the interests of the Governing Body, Headteacher and other employees of the school that a clear set of financial procedures is laid down and understood by all. Part of the remit of OFSTED inspection procedures is that the efficiency of a school will be judged in terms of the quality of financial management and the efficiency of financial control.

The Governing Body shall consider the school development plan in its autumn cycle, approve the budget for the following financial year in the spring cycle and, review end of year performance and make any necessary budgetary amendments in the summer cycle.

The Governing Body shall ensure that the budget prepared, approved and submitted is within the limits of the financial resources available.

The Governing Body shall seek the approval of the City Council prior to entering into leasing credit arrangements, rental or other deferred payment agreements for equipment or land and property, or, for any expenditure included within the City Council's approved Capital Programme.

For a Governors' meeting to take place, a quorum is required. This comprises of at least 50% of those Governors in post. Therefore, if there are ten Governors in post the quorum would be 5. For a Committee meeting to take place 3 Governors' would normally be required. They would form a quorate.

A full report to Governing Body, with revised form 1, to include a full CFR report, with full explanations given at the meeting of the full governing body. Ensuring that any grant from the LA is only used for the purpose prescribed

- Satisfying the LA that the School's financial management and organisation are such as to enable it to fulfil its obligations under the regulations
- The Governing Body is required to provide such information, as the LA requires
- The Governing Body is responsible for appointing a Responsible Officer
- To ensure that all financial returns are submitted
  
- In consultation with the Headteacher, to draft / approve the first formal budget plan of the financial year
- To establish and maintain an up to date 3 year financial plan
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the governing body
- To ensure that the school operates within the financial regulations of the city council
- To monitor expenditure of all voluntary funds kept on behalf of the governing body
- To annually review charges, remissions and expense policies

- To make decisions in respect of service agreements
- To make decisions on expenditure following recommendations from other committees
- To prepare financial statements for inclusion in the governing body report
- To ensure, as far as is practical, that Health & Safety issues are appropriately prioritised
- To exercise virement between budget headings as necessary and up to an agreed maximum
- To prepare and review financial policy statements, including considering of long term planning and resourcing
- To agree the level of delegation to the Headteacher for the day to day financial management of the school
- To authorise staff to have responsibility for signing orders, invoices and petty cash claims
- To authorise the Headteacher to enter into contracts up to and agreed limit
- To liaise with those responsible for the school funds to ensure an overall policy on expenditure is agreed to the best advantage of the school
- To respond to any audit reports on the management of the budget and financial procedures
- To review the schools lettings policy
- To determine whether sufficient funds are available for pay increments as recommended by the Headteacher
- In light of the Headteacher Performance Management Group's recommendations, to determine whether sufficient funds are available for increments

Any additional items which individual governing bodies may wish to include

- To Draft and keep under review the staffing structure in consultation with the Headteacher and Finance Committee
- To establish and pay policy for support staff and to be responsible for its administration and review
- To oversee the process leading to staff reductions
- To keep under review staff work / life balance, working conditions and well being including the monitoring of absence
- To make recommendations on personnel related expenditure to the Finance Committee
- To consider any appeal against a decision on pay grading or pay awards
- To draft and keep under review Disciplinary and Grievance Procedures for approval by the governing body and to ensure that staff are kept well informed
- To agree recruitment and selection procedures and the level of involvement by governors in the appointment of staff

Any additional items which individual Governing Bodies may wish to included.

- To consider and advise the governing body on standards and other matters relating to the school's curriculum, including statutory requirements and the school's curriculum policy
- To provide and support curriculum development as set out in the school's Improvement Plan
- To monitor the implementation of the governing body's plans and report back to the full governing body
- To consider curricular issues which have implications for Finance and Personnel decisions and to make recommendations to the relevant committees or the governing body
- To oversee arrangements for individual governors to take a leading role in specific areas of provision, eg SEN, Literacy and Numeracy. To receive regular reports from them and advise the governing body
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator
- To review annually those curriculum policies/ provision which are required by law (sex education, RE and Collective Worship, Special Needs and complaints procedure).
- To review pastoral support systems within the school
- To review and advise the governing body on testing and assessment procedures and arrangement for reporting to parents
- To review the policy and provision for pupils with special needs ensuring that these are met

Any additional items which the individual Governing Bodies may wish to include

## Headteacher

It is the resolution of the Governing Body that the Headteacher should act in the role of Chief Executive. Accordingly the Governing Body will expect the Headteacher to take responsibility for making proposals for the school, the organisation, direction and management of the school and leadership of the staff and for the determination of the school's academic and other activities.

The Headteacher will forward details of the approved budget in the prescribed format to the Authority prior to 31<sup>st</sup> May each year and details of any subsequent budget changes affecting the balance of expenditure between employee and non-employee lines within two weeks of approval by the Governing Body. The Headteacher has delegated power to spend up to the limit of £10,000.00 in any single transaction.

The Headteacher has a key role in all financial matters. The specific controls she exercises are detailed elsewhere in the manual and together with the School Business Manager / Health & Safety Manager she will be aware of all financial transactions:

- Returns to the LA
- Authorisation of payroll and amendments thereto
- Authorising and countersigning certain orders
- Responsible with the Governing Body for appointment of staff.
- To implement the school staffing disciplinary procedures as appropriate.
- To keep under review and advise the Governing Body on the condition, use and adequacy of the buildings and grounds.
- To oversee the preparation of Capital Bids in accordance with the objectives set out by the Governing Body under the Development Plan.
- To review on a regular basis with the Site and Services Manager the Health and Safety Policy for the school and to implement the same within the budgets available.
- To prepare in conjunction with the School Business Manager / Health & Safety Manager the annual estimates of income & expenditure and cash flow forecasts, in line with the School improvement plan, etc.

## **School Business Manager / Health & Safety Manager**

### **Key Duties: Finance**

1. To have overall responsibility for the school budget in conjunction with the Headteacher, reporting directly to the Governing Body.
2. To monitor and manage all aspects of the school's financial planning in conjunction with the Headteacher.
3. To prepare all reports on financial matters for the Headteacher and Governing Body and to liaise closely with the Local Authority.
4. Have a lead role in ensuring senior team and Governors have a clear and precise understanding of all areas of finance and carry out training when required.
5. Manage and monitor all cash flow and income generation.
6. Inspect payroll monthly statements and query any anomalies
7. Complete bank reconciliation monthly
8. Prepare and ensure all paperwork and evidence can stand up to scrutiny for audit.
9. Responsible for SFVS
10. Carry out Control and Risk assessment annually and produce SIC statements
11. Complete Best Value Statement
12. Conduct benchmarking annually and report findings to GB
13. Write the school financial policy and ensure all staff adhere and follow guidelines and procedure in relation to school finance.
14. Implement new procedures in relation to good practice in all areas of finance.
15. Manage all school visits income and generate reports.
16. Bank all monies and ensure levels of cash held on school premises are at appropriate levels.

### **Key Duties: Health and Safety**

17. Carry out training and induction with all staff to ensure all areas of health and safety are met.
18. Responsible for writing the school's health and safety policy and appendices.
19. Training of staff to ensure departmental risk assessments are produced to a high standard.
20. Prepare and carry out whole school risk assessments and produce action plans.
21. Ensure action plans in relation to health and safety are followed and actions completed in a timely manner.
22. Ensure the school meets all health and safety legislation and is prepared for audit requirement.

## **Key Duties: PFI Contract**

23. Manage building and premises in relation to health and safety and report directly to the Headteacher.
24. Manage and liaise with Caretakers to ensure work orders and any open jobs are completed and carried out in a timely manner.
25. Attend all PFI meetings on behalf of the Head Teacher
  - PFI Sub-Group
  - PFI Benchmarking
  - Health and Safety Forum
  - Energy Forum
  - KIT (Keep in Touch) Meetings
  - Pre-start Meetings
26. Have a clear understanding of how the PFI contract works and ensure high standards are met by Facilities Management, Catering and Grounds maintenance contracts.
27. Monitor all open jobs and ensure standards meet with the output spec XJ4 contract.
28. Project manages all school variations with regards to all building and minor works.
29. Ensure lifecycle is met in relation to the building.
30. Take a lead role and initiate new projects which meet the demands of the curriculum and ensure all are delivered and meet a high standard.

## **DEPUTY HEADTEACHER**

To work as a Deputy Headteacher as defined in the 'Teachers Pay and Conditions Document'

- a. To manage all aspects of the day to day running of school
- b. To support the strategic planning of the future running of the school
- c. To have an overview of all external links
- d. Support Faculty Head's and Chair the SLT meeting
- e. To lead on KS4 target setting and 5+ A\*-C target groups
- f. To cover any responsibility reasonably requested by the Headteacher

Non-specific

- To lead any short term initiative that may occur from time to time
- To assist in the leadership of other areas of the school's development that is managed by other members of the Leadership Group.

Review

Job descriptions will be reviewed annually

## HR Manager

### Key Duties: Human Resources:

1. Provide advice to staff, senior leadership team and governing body on HR matters including Employment Law, pay and conditions.
2. Manage the school non-teaching staff performance management system.
3. Track and monitor staff absence and service Governors Personnel Committee with reports.
4. Ensure good absence management control including the setting up of Occupational Health interviews and return to work interviews for persistent/long term absentees.
5. Manage the school's recruitment process and the preparation of effective materials including job description, person specifications, advertisements and information packs for candidates.
6. Initial shortlisting for all roles against the person specification.
7. To lead and manage the interview process ensuring interview records are kept in line with regulations, including being trained in Safer Recruitment in Education (CWDC)
8. Ensure effective communication with candidates throughout the interview process. Upon appointment arrange for the appropriate documentation to be completed and statutory requirements (including safeguarding checks) are met.
9. Ensure all staffing appointments are communicated to the school payroll provider and that the School Business Manager is notified for budgetary purposes.
10. In conjunction with the School Business Manager, manage the induction process for all new staff at all levels to ensure all regulations are met.
11. Develop and ensure compliance with HR policies for the school, including disciplinary rules and capability procedures, grievance procedures and equal opportunities procedures.
12. Maintaining confidentiality when dealing with matters of a sensitive nature including disciplinary, grievance, allegations against staff and absences. Dealing with such sensitive situations in a diplomatic and professional manner.
13. Managing the Leave of Absence procedures, authorising/declining requests and the admin team annual leave procedures also authorising/declining requests.
14. Manage the Job Evaluation process for all non-teaching roles other than the jobholder's own post. To include matching of roles, communicating with the JE team and supplying additional information/answering queries. Dealing with staff enquiries and assisting with re-grading/appeals paperwork.
15. Collating and entering additional duty payments for staff into the LA ORACLE system.
16. Update school policies in line with local and national statutory guidance. Ensure the safer recruitment policies and absence policies are reviewed annually.
17. Create and update school specific policies including appraisal procedures for non-teaching staff, children in the workplace policy, visitors to school policy.
18. Ensuring all staff complete the online Safeguarding training licenced by the school.
19. Managing and maintaining the Disclosure and Barring Service Procedures to include the Single Central Record ensuring safeguarding best practice.
20. Produce a termly report for Governors on Safeguarding.
21. Completion of the annual S175 Safeguarding Audit.

22. To ensure confidentiality of the details of all members of staff and any ongoing procedures relating to them.
23. Create, manage and maintain staff contracts.
24. Maintain staff records on the school database (SIMS) including the recording of CPD for all staff.
25. Produce the Annual Staff Workforce Census.
26. Ensure all teaching staff receives an annual pay statement.
27. Respond to requests for service/salary information from letting agents, banks and building societies where there is a signed declaration from the member of staff.
28. Liaise with HR & Payroll, legal departments and SEAT as and when required.
29. Clerk to Governors Personnel & Curriculum Committee and Governors Pupil, Parent and Community Committee.
30. Photograph all staff and produce staff ID badges.
31. Registering NQTs on the NQT Manager database and manage the deadlines for the completion of the termly reviews.
32. System Manager for internal and external databases, assigning staff usernames and passwords on our SIMS system, EdNet, Raise Online, FFT Live and ensuring the relevant user permissions are given so that only the relevant level of information can be accessed.
33. Responsibility for all own correspondence, prioritising work, working to deadlines when necessary in relation to payroll, absence reporting, report writing.

**Key Duties: Headteacher's PA**

34. Deal with correspondence and production of documents for all Governors meetings.
35. Organise Headteacher's diary including making internal/external appointments.
36. Prompt and accurate production of school information i.e. Staff Handbook, school calendar.
37. Provide a point of contact for parents / carers and external agencies wishing to speak with the Head teacher

Liaise with external agencies (e.g. Local Authority, multi-agency teams) on behalf of the Headteacher

**SECTION 3**

To plan, develop and implement administrative, financial and organisational processes within the school under the general direction or guidance of senior staff.

### **Core responsibilities and tasks**

1. Organise administration arrangements for school trips and events ensuring staff complete relevant documentation in good time as required by the Local Authority.
2. Input pupil data for all new starters in a timely manner.
3. Update free school meal/Pupil Premium information including notifying the dining room of any changes to free school mean allocations...
4. Collation of school reports upon completion by staff.
5. Undertake typing and word-processing and complex IT based tasks including operation of relevant equipment and complex ICT packages.
6. Provide administrative and organisational support to the school and staff including exclusion paperwork in-year transfer information.
7. Undertake complex procedures including processing of complex forms, returns etc., including those to outside agencies e.g. DfE, LA.
8. Administer the school finance system for ordering, invoicing, income, journals and payments (including cheque and BACS runs).
9. Assist in the monitoring of the school's budget and financial procedures.
10. Monitor and manage stock within an agreed budget, assist with procurement, catalogue resources and undertake audits as required.
11. Assist in the operation of the ParentPay system: inputting pupil data and setting up trips etc. Dealing with parental enquiries.
12. Work towards a paperless pupil records system.
13. Handle complex reception and visitor enquiries (in the absence of the Front Office Administrator)
14. Assist with marketing and promotion of the school.
15. To contribute to the good order and running of the school by doing any task which is deemed reasonable by the Headteacher

## **ACCOUNTING SYSTEMS AND CONTROLS**

This section looks in detail at the financial systems as operated by Fazakerley High School and also the controls within each of the systems.

- a. School Budget Share
- b. Internal Financial Control
- c. Accountability
- d. Cover in absence
- e. Purchasing
- f. Credit Card Policy
- g. Bank details & reconciliation
- h. Income

### **a. School budget Share**

The School shall have an improvement plan outlining its aims and objectives as the basis for constructing the budget.

The school improvement plan shall indicate the intended use of resources to achieve its objectives including costed, planned developments in priority order for the immediate year ahead and in the context of the medium term covering at least two further years.

The Headteacher shall prepare estimates of income and expenditure and details of other relevant information to inform the decisions to be made at each stage of the budget cycle.

The Governing Body shall ensure that the budget prepared, approved and submitted is within the limits of the financial resources available.

The Headteacher will forward details of the approved budget in the prescribed format to the authority prior to 31<sup>st</sup> May each year and details of any subsequent budget changes affecting the balance of expenditure between employee and non-employee lines within two weeks of approval by the Governing Body.

The Headteacher shall profile the budget and forecast cash flow to take account of monthly spending patterns.

The Headteacher shall have the power of virement between budget accounts to the limit of **£10,000** without reference to the finance committee insofar that the virement is consistent with the achievement of the overall aims and objectives of the school as stated in the School Development Plan.

The Headteacher shall consult the Governing Body regarding any proposed policy change, which would significantly affect the income or expenditure budgets.

Budget managers shall monitor their expenditure regularly and provide the Headteacher with a written report highlighting details of any significant variations and proposed action to deal with them a week in advance of each regular Finance Committee Meeting.

The Headteacher shall monitor actual income and expenditure to the prepared profile and provide a statement of account to members of the finance committee and the chairperson of the Governing Body at their termly meeting. The statement will include a reconciled account of actual and committed income and expenditure and details of any virement.

## **b. Internal Financial control**

The handling of all public funds which, includes all monies that are made available to the Governing Body by the Authority. Income, which is credited to the budget, shall be accounted for, through the financial systems laid down in the appropriate sections of the Authority guidance manual on "Cheque Book Management" and recorded through Sims or other local resource management systems.

All staff concerned with financial transactions shall have detailed description of their duties and how the systems operate.

Only authorised staff listed on the financial register shall be permitted access to the accounting records which shall be securely stored at all times.

The Headteacher shall ensure that financial control is maintained in the absence of key staff by establishing appropriate support arrangements.

Alterations to any original documents shall be made clearly in ink. There shall be no erasure of information or use of correction fluid.

The Headteacher will ensure that the requirements relating to the storage of documentation for external and internal audit as prescribed by statute and the City Council are complied with.

### **c. Accountability**

The Governing Body of Fazakerley High School shall have overall responsibility for the management of public and voluntary funds within the school.

The Governing Body will establish a Finance Committee, which will meet on a regular basis and not less than once a term. The Finance Committee will report to the main Governing Body at least once a term.

The Headteacher may be a member of the Finance Committee.

The day-to-day management of the budget shall be delegated to the Headteacher who will be responsible to the Governing Body for ensuring that authority financial regulations as laid out are observed.

The Headteacher may delegate responsibility for financial control of elements of the budget to the School Business Manager / Health & Safety Manager, Faculty Head's and other budget holders in accordance with their managerial positions.

Either the full governing body or the Chair of Governors must approve any single item in excess of **£10,000**.

Three quotations shall be obtained in respect of any single purchase or contract being placed in excess of **£3,000**.

Any major works, which are to be undertaken in excess of **£30,000**, shall be subject to public tender and advice sought by the Governing Body from the Authority relating to the procedures to be followed.

If a quotation other than the lowest is accepted the reasons shall be recorded in the minutes of the appropriate Governing Body meeting.

No purchase shall be made through the school budget share in respect of items, which are to be used personally by individuals even if they reimburse the school budget share for the appropriate amount.

Only contractors registered with their professional or trade association will be employed to undertake major work at the school.

Only travel agents who are members of ABTA, or have equivalent bonding arrangements, shall be used for arranging trips abroad.

The procedures for ordering goods and services shall be in accordance with those laid out in the Authority's handbook of 'Cheque Book Management'.

**d. Cover in the absence of key financial personnel**

In the absence of any personnel detailed in this manual, the following positions would cover for the responsibility of authorising payments, orders, tenders, etc. They would not be employed to fulfil the duties of that position on a daily basis.

Member of Staff	Deputy
Chair of Governors	Vice Chair of Governors
Headteacher	Deputy Head
School Business Manager / Health & Safety Manager	Finance / Admin Officer / LA Budget Officer
HR Manager	Headteacher / Business Manager
Deputy Headteacher	Headteacher
Finance / Admin Officer	School Business Manager / Health & Safety Manager

## e. Purchasing

Order request forms are completed and signed by the budget holder, who is normally the budget holder/head of department, for the required levels of delegated authority and approval. The school does not maintain an approved list of suppliers, as each purchase is negotiated for the Best Value. The School Business Manager / Health & Safety Manager / Finance Officer holds a list of suppliers used for commonly used supplies. Suppliers are selected on their capacity to provide quality, quantity, timely delivery and value for money. Volume discounts and credit terms are also taken into account. Faculty Head's / budget holders are continually looking for Best Value for money on all purchases of goods and services.

The School Business Manager / Health & Safety Manager is responsible for ensuring the School complies with current taxation regulations, VAT, etc.

When the requisition has been authorised by the budget holder it is passed to the Finance / Admin Officer who checks that it is correctly completed. The Finance Officer enters the details into FMS and produces an official order. The School Business Manager / Health & Safety Manager also authorises the order when the Finance Officer has printed it. Orders are produced on a daily basis or as and when required.

When goods or services are required urgently, an order is produced and faxed to the supplier, and the original order posted as confirmation. **All telephone orders are prohibited, unless authorised by the School Business Manager / Health & Safety Manager.**

An arithmetic check of the details and a check against budget available are automatically carried out by FMS. The system is set not to allow budgets overspend. If an order would exceed the budget, the School Business Manager / Health & Safety Manager who discusses the situation with the Budget Holder returns the internal order form to the budget holder. The Headteacher must agree any increase by the School Business Manager / Health & Safety Manager who then vires the allocation from an agreed budget heading and enters details of the virement into FMS.

Orders are automatically sequentially numbered on FMS. Two copies of the official order are produced. The original is sent to the supplier, the second copy is retained by the School Business Manager / Health & Safety Manager and attached to the requisition, and filed in number order and placed on file (orders awaiting delivery/invoice). The School Business Manager / Health & Safety Manager reviews all official orders. The original order, which is sent to the supplier, is authorised by the School Business Manager / Health & Safety Manager. No unauthorised orders can be processed. The Headteacher/School Business Manager / Health & Safety Manager (in her absence the Finance Officer are the only individuals authorised to sign orders.

When goods are delivered to the school they are usually received at the reception desk, where the number of parcels is checked and the delivery note signed. (Where the goods are not checked they should be signed for as unexamined). The Finance Admin Officer telephones the relevant budget holder and asks them to collect the goods or places them on

the goods delivered area marked with the name of the department. The budget holder, who checks the quality and quantity of the goods, signs the supplier's delivery note and passes it to the finance office, takes the goods. The Finance / Admin Officer who matches them to the requisition and copy no. 2 of the order retain the signed delivery notes.

When invoices are received the Finance / Admin Officer completes the relevant sections, and then files them on the awaiting to be paid invoices file. Purchase invoices are entered onto the computerised accounting system on a regular basis and filed with the second copy of the order, i.e. internal order form, copy order and delivery note. The finance office retains the files, and no invoice will be paid until the correct authorisation has been obtained.

The budget holder notifies the Finance / Admin Officer if there is a discrepancy between the order and delivery. The Finance / Admin Officer investigate any discrepancies between the order and the goods received.

The Finance / Admin Officer inputs the invoice details into FMS where they are matched to the order and delivery. Any price differences are checked with the budget holder, and, if necessary, The Finance / Admin Officer contact the supplier.

The invoice is then filed in cheque number order or BAC's dated. As and when necessary (or as determined by the suppliers terms), cheques are prepared in payment of authorised invoices. Cheque runs are usually carried out as and when required but a general rule would be at least twice per month.

The invoices are filed in a paid invoice file in numerical cheque number order or BAC's date order. The purchase invoice, cheque and the remittance advice details are passed to the cheque signatories for them to sign the cheque and confirm that the details are correct. The BAC's process is slightly different whereby the Finance Officer / Business Manager will generate the BAC's run then one of the four signatories will check all invoices generated against the backs run on the Lloyd slink website. All paperwork has to be signed by the signatories to ensure all checks have been made on payments prior to the School Business Manager / Health & Safety Manager submits the backs run.

The cheque signatories will normally be two of four - one of which must be the Headteacher / Deputy Headteacher who confirms that all payments are supported by the relevant authorised documentation, by initialling our copy of the cheque.

The documentation is returned to the Finance / Admin Officer, who sends both the cheque and remittance advice to the supplier. The invoices are filed in numerical cheque number in an 'Invoices Paid File'.

### **Non-order invoices**

Non-order invoices are checked for reasonableness by the School Business Manager / Health & Safety Manager and are authorised for payment by the relevant budget holder. School Business Manager / Health & Safety Manager/ Finance Admin Officer should ensure that all the relevant documentation is attached to the cheque before signing. The Finance / Admin Officer enter non-order invoices into the FMS accounting system.

## Petty cash

The petty cash at the School is operated through FMS. The current limits of cash are **£500** cash balance and £50 per transaction, which must not be exceeded. Any payment which exceeds this must be authorised by LA prior to the transaction.

The Finance / Admin Officer are responsible for administering the petty cash system. The cash is kept in a lockable cash box in the safe.

All claims are only reimbursed on production of a valid receipt. The limit for an individual claim is £50.00 unless authorised by the School Business Manager / Health & Safety Manager. The Finance /Admin Officer complete a petty cash request form, which is attached to the receipt the claimant signs and dates the form to show receipts of cash. The form is allocated a sequential number to correspond with FMS petty cash numbering through Cash Book.

The Finance Officer enters the details of the petty cash voucher into FMS. Petty cash vouchers are kept in the cash box until petty cash is appropriately reimbursed. In this way the total value of the cash and the vouchers in the cash box at any point in time is always equal to the £500 balance.

As and when required the Finance / Admin Officer raises a cheque to reimburse the float up to the original balance of **£500**.

The balance in the cash float is regularly checked to the petty cash balance on FMS. The printouts, vouchers and receipts are filed in numerical order in a separate file, which is kept in the Finance Office.

## Credit Card Policy

This policy is set out to advise how cardholders will operate a school credit card. The use of school credit card has been introduced for schools to leverage savings when purchasing goods of relatively low value, infrequently supplied goods and for the booking of services which require secure prepayment. The card will look, and be used, like any normal credit card and will be widely accepted within the United Kingdom and abroad. The card will bear the name of '**Fazakerley High School**' and the cardholder's name of **Mr James H Beaton**. Fazakerley High School only operate one credit card which is controlled at all times by the Business Manager / Finance Officer.

### **NB In no circumstances may the school use a debit card.**

#### Card Usage.

A card can only be used by the member of staff authorised to hold it as named on the card. It should be used to purchase goods or services which reflect educational values. Use of the card should not replace normal tendering/ordering procedures and should demonstrate "Best Value".

No personal purchases are to be made on the card. This may be deemed to constitute fraud and render the user liable to disciplinary action or prosecution. The card must also not be used for purchases on behalf of a third party.

The card must not be used to withdraw cash.

A cardholder will not be allowed to breach the rules regarding the use of the card contained within this policy. Each cardholder will be notified of the credit limits applicable to the card under their responsibility.

Each card has a credit limit which is inclusive of VAT and carriage charges. The credit limit of each card is determined by the Governors and Headteacher and shall be subject to review by members of the Finance Committee as and when required. However, the recommended maximum credit limit is **£10,000** for a secondary school.

The card may be used for the purchase of goods and services by internet or telephone. To place an order using the card, the card holder must ensure that the purchase is within the credit limit on the card (including VAT/carriage charges) and that there is budgetary provision. Where a telephone order is made the card signatory will authorise the transaction with the supplier. When an internet purchase is made the signatory will, where applicable, append an electronic signature. The supplier should send the VAT invoice and goods advice note directly to the School Finance Office. The supplier should be informed to mark the invoice/goods advice note "Paid by Credit Card". The initial transaction for goods/services will be generated by the School Business Manager / Health & Safety Manager from the supplier quoting the credit card number and expiry date.

In appropriate circumstances, the card holder may also authorise payment in respect of hospitality.

### **Card Security / Cardholder Responsibility**

On receipt of the card, the cardholder will be asked to sign a card acceptance form to confirm that they will adhere to the procedure outlined in this document. Where the card is taken offsite it is the responsibility of the cardholder to ensure that the card is kept in a safe place at all times. The card must only be used to purchase goods or services on behalf of the school and must be used by the named cardholder. Any misuse of the card will be treated as gross misconduct and subject to normal disciplinary procedures. The card is personal issued and is not to be made available to any other person.

### **Bank details**

Guidance on bank accounts is given in the Scheme for Financing School. Bank accounts in the school's name may only be opened after authorisation from the Finance Committee. All bank accounts opened in the school's name must be notified to the LA.

The setting up of a direct debit or a standing order is subject to the same regulations as the signing of cheques. The bank has been instructed not to allow any of the school's banks accounts to become overdrawn.

The School operates three bank accounts (details below) at:

**Lloyds TSB**

**Natwest**

**Charlotte Row**

**Aintree Black Bull Branch**

**Liverpool**

**Liverpool**

**0845-072-5555**

**L9 0EG**

The LMS account is password protected, password known by Headteacher / School Business Manager / Health & Safety Manager.

<u>ACCOUNT NAME</u>		<u>ACCOUNT NO / Sort Code</u>	
Fazakerley High School	Re Liverpool LEA	25165668	30-65-62
School Fund Account		11213660	77-17-42
School of Rock Charitable Account			
School of Rock	*	74707566	53-70-21

\*Signatures on account: Mrs W Torley Mr R Boardman

The transferring of funds from one account to another is subject to the same regulations as the signing of cheques. When excess funds are identified the School Business Manager / Health & Safety Manager can deposit them into a higher rate deposit account.

Cheques issued on all accounts require any two signatures from the following four:

Mr James H Beaton Headteacher

Mr P Fitzpatrick Deputy Headteacher

Mrs S Russell Assistant Headteacher

Mrs S Kokosalakis Assistant Headteacher

Under normal circumstances, it is the Headteacher and any other of the above, who sign cheques.

We have pre-printed cheques these are stored in a secure safe at all times and only accessed by the School Business Manager / Health & Safety Manager / Assistant Finance Officer. Fazakerley High School operates a bacs system whereby payments can be made. Two signatures from the above list are required to authorise bacs payments at all times.

## **Banking and Income**

### **Banking**

The Headteacher will be responsible for the opening and operation of bank/building society accounts from which schools will issue cheques to meet all expenditure in their delegated budget and pay-in their Authority Allocations, VAT reimbursements and income due to the school.

When opening these bank/building society accounts it is considered appropriate for the Chief Finance Officer of the Authority to be named on the bank/building society account(s) mandate(s) as having sole authority for the closure of the accounts. Under these circumstances schools should notify the Authority of any proposed changes to their banking arrangements. A Pro-Forma is included as an appendix to this document. It should be

completed and signed by the Head teacher whenever there is to be a change to the bank/bank account(s) held by the school and forwarded to the Authority's Schools Finance Team before the change takes place.

## **INCOME**

The main source of income into Fazakerley High School is as follows:

- Grants from the LA
- Bank Interest
- Donations
- General Sales
- Lettings
- Insurance Claims
- School Trips

### **GRANTS**

All grants from the LA are paid directly into Fazakerley High School LMS bank account.

### **BANK INTEREST**

Bank interest (gross) is credited to the LMS account on a monthly basis

### **GENERAL SALES**

Uniform items are sold via the main office and student services, all monies are then forwarded to the School Business Manager / Health & Safety Manager who banks accordingly.

### **LETTINGS**

The school generates income through letting certain facilities, e.g. the sports centre. See Lettings Policy.

### **INSURANCE CLAIMS**

The school has a comprehensive insurance policy through the LA. All claims are administered by the School Business Manager / Health & Safety Manager and are paid by cheque.

### **SCHOOL TRIPS**

School visits income is banked in the school fund account for larger residential trips and smaller curriculum visits are banked into the LMS account.

Many staff at school may be involved in the receipt of cash however, all monies collected must be given directly to the School Business Manager / Health & Safety Manager so this income can be recorded correctly against the child's name via the Schools Cash Office Systems. All transactions must be properly documented and receipted, including transfers between members of staff.

Separation of duties should be applied to the invoicing and receipt of income and to the recording and banking of receipts.

Access to invoices and debtors should be restricted to authorised personnel and where possible, exclude those responsible for receipt of income.

No amount shall be written off as irrecoverable without the agreement of the governing body. Any indication of fraud should be referred to the Authority.

Income sales for letting of school premises or the use of facilities must be approved by the governing body.

The arrangements for the collection of all monies due to schools or to the Authority will be in accordance with directions issued by the Authority.

- When issuing an invoice, a copy should be taken and stored.
- Schools can create their own invoices, ensuring that they insert the name and address of the school on clearly headed paper.
- Once the goods, services or facility have been provided, an invoice should be created and issued promptly. A photocopy of the invoice should be taken and attached to the copy quotation.
- Procedures must exist to ensure income is received on the due dates and for the administration of receipts for all sums received.
- All receipt forms, tickets, licence and other documents representing receipts for money will be in a form approved by the Chief Finance Officer.
- On receipt of the income from the provision of goods or services, schools should process the transaction through the local financial management system. All income must be recorded against a relevant income code and a payment receipt produced for cash or cheques received. A copy should be taken and attached to the stored copy quotation and invoice prior to the original being sent to the purchaser. Cash and cheques received as income must be credited promptly to the school's account and must not be used to defray any expenditure, including petty cash.
- All income has to be entered through the local financial management system, after which time the cheque or cash may be physically paid into the bank. Monies received should, in their entirety be paid promptly. Should any cash or cheques be received which cannot be banked immediately, they should be kept in a lockable cabinet to safeguard it against loss or theft.
- Income collections should not be used for the encashment of personal cheques or for other payments. Cash received, as income must be credited to the school's account and must not be used to defray expenditure including petty cash.
- The reconciliation procedure which operates in respect of expenditure through the LMS cash account should now be followed in respect of income. Cheques, cash and direct credits, shown as received on the bank statement should be reconciled in the usual way.
- The school should reconcile the sums collected to the sums deposited at the bank. Bank paying in slips must show clearly each element of cash and cheques. Cheques should be identifiable by reference to the receipt numbers and the names of the drawers and cash by reference to receipt numbers.
- Where significant income is collected on a regular basis from a third party schools should enter into a formal agreement with the party concerned. Guidance on the content of these individual agreements can be sought from the local authority schools

finance section who can also arrange for draft agreements to be checked by the local authority legal team before being finalised.

### **School Funds/PTA, Charitable Accounts**

Where separate bank accounts are kept for funds generated or received for the benefit of the school an independent examination of the records and procedures should take place annually.

This can be carried out by a school governor, as long as that governor is in no way involved in any of the procedures or transactions of the accounts they are checking.

The results of this annual check should then be reported to the governing body.

New guidelines for School Fund were introduced in June 2017 they are as follows:

- School Fund account is under control of the GB
- Expenditure must be appropriate for the SOLE benefit of the children
- Must not be used for purchasing gifts / flowers for staff and 3<sup>rd</sup> parties
- Policy and procedures must be in place and reviewed annually by GB
- School Fund account presented to GB each term
- Monthly bank reconciliations to be checked independently by HT
- Separate bank account with authorised signatories
- Annual audit within 3 months of financial year

### **PAYROLL & PERSONNEL**

There should be an officer responsible within the school for notifying the Payroll Provider of any payroll amendments.

All appointments should be confirmed by reference to interview details, appointment letters etc.

New starter forms should be completed and independently authorised by the appropriate officer in school and submitted to the Payroll Provider.

Leavers, changes to employee's details and bank details should also be completed and submitted on the relevant pro-formas to the Payroll Provider.

Schools should operate an appropriate sickness management procedure to ensure that all sickness absences are properly monitored. It is important to ensure that the payroll provider is notified promptly of any sickness absence and return from sickness absence to ensure that pay is correct.

Maternity leave and return from maternity should also be notified to the payroll provider promptly to ensure pay is correct.

Payments for additional duties and overtime should be completed accurately by the claimant, submitted on a claim form duly signed by the claimant, authorised by the appropriate officer and then duly monitored.

Payments for car mileage should be made through the payroll and all claim forms submitted for payment should be authorised by the appropriate line manager.

All amendments to payroll should be authorised by the Head teacher or Deputy/Assistant Head teacher in their absence, who signs the input forms.

Any amendment to the Head teacher's own salary should be authorised by the Chair of Governors.

All statutory changes to salary, i.e. annual pay awards etc. should be automatically amended by the Payroll Provider. If not using the LCC payroll provider this should be checked by the school.

All voluntary deductions from salary should be authorised by the individuals concerned. The school should notify the Payroll Provider. Copies of all the amendment forms should be kept by the school before submission to the Payroll Provider.

The school finance system should be updated accurately and promptly each month for payroll.

On a monthly basis all name by name data should be checked to validate that it is a complete, an accurate list of all staff and that salaries are in line with that expected and budgeted. This should be signed by the officer performing the checks and returned to the head teacher.

The head teacher should then sign the payroll validation statement ( see Appendix A) and return this to the local authority Schools Finance section by the first working day of the next month, e.g. June payroll validation exercise should be completed and the return signed and returned by 1<sup>st</sup> July.

When these dates conflict with school holidays the submission should be sent in at the nearest date that the school reopens.

Periodically the appropriate officer in school should also perform random checks to ensure that the correct salary is being paid to each individual.

An appropriate procedure should be in place within school to ensure that attendance within school and time recording

Schools should ensure that all personnel records are kept and are accurate and up to date at all times. Records should be stored in a safe and secure location within school. Any amendments to an individual's pay details should be updated on the employee's own Personnel record.

Procedures may need to be considered to record time keeping and attendance for monitoring purposes and health and safety.

All procedures for school's payroll, specifying appropriate officers in school, payroll providers, individual school procedures and deadlines should be recorded within the school's Procedures Manual which in turn should be updated when require.

## **Insurance**

The finance committee will ensure that the sums insured are commensurate with risk and include cover for school property when off the premises shall review insurance arrangements shall be reviewed annually.

The school insurers shall be informed of all new risk, property, equipment and vehicles, which require insurance, or any other alteration affecting existing insurances.

The school shall not give any indemnity to a third party without the written consent of the insurers.

The insurers shall be informed immediately of all accidents, losses or other incidents, which may give, rise to an insurance claim.

Any member of staff using their car for school purposes of any description is required to amend their personal insurance accordingly. A register of official users shall be held at the school and signed by each person listed to acknowledge that the insurance cover provision has been made. A copy and subsequent amendments shall be forwarded to the Authority.

## **Computer systems**

The school shall be registered in accordance with the 1984 Data Protection Act in relation to the Sims system.

All financial data on the computer system shall be backed up at the end of each working day.

All back-ups are stored securely in a separate building.

Only authorised staff shall have access to the computer hardware and Sims system and shall follow the guidance provided on the SIMMs operational manuals.

There shall be a register of trained authorised staff that shall all be given relevant Sims operational manuals and relevant details of the 1984 Data Protection Act and sign to acknowledge receipt of them.

Access to the financial software will be password protected. All authorised users must change their passwords regularly and at least once a term.

Only authorised software shall be used in order to prevent the import of viruses.

## **SECURITY OF STOCK AND OTHER PROPERTY**

An inventory shall be kept of all stock items with a value in excess of £500.

The Asset Manager shall maintain a record of the make, serial number etc. as appropriate and ensure that each item has a security marking identifying it with the school.

An independent check of each inventory shall be made on an annual basis. Any discrepancies shall be reported to the Headteacher who will in turn inform the Governing Body.

No item, which is recorded on an inventory, shall be taken off-site without a signature being received by the inventory holder.

No item may be sold, leased or hired to a third party without the approval of the finance committee and the Authority.

The finance committee shall obtain the approval of the Authority and ascertain whether the school will retain the funds accruing prior to making their decision to sale, lease or hire.

Safes and secure storage areas shall be kept locked and the keys removed. Key holders should normally carry the keys on their person but should not leave them in the vicinity of the secure area. Loss of keys must be reported immediately to the Headteacher.

## **SECTION 5**

### **DOCUMENTATION AND SECURITY OF RECORDS**

This section lists the main accounting records maintained by the school and how they are kept secure, and shows how and where documents are filed.

#### **ACCOUNTING RECORDS**

The school maintains computerised accounting records using FMS software package. FMS is password protected so that only the Headteacher, School Business Manager / Health & Safety Manager and the Finance Officer have access. Each user has certain access rights,

## **SECTION 6**

### **WHISTLEBLOWING POLICY**

[whistleblowing policy.doc](#)

Fazakerley High School has adapted the LA Whistleblowing policy this is displayed around school and included in all induction packs for staff.

### **LETTINGS POLICY**

Control over the use of facilities at Fazakerley High School rests with the Governing Body. The Governing Body has delegated the responsibility for the lettings of the Sports Centre to the School Business Manager / Health & Safety Manager. Who is responsible for approving or declining applications, subject to any directions given by the Governing Body, and will issue a regular report on the use of premises outside normal school hours.

Notwithstanding the above it is recommended that charges for lettings should mirror those levied by the Local Authority.

The Governing Body reserves the right to amend their lettings charges at any time they should see fit. The decision of the Governing Body shall be deemed final in this matter.

Although the school is not allowed to subsidise lettings, registered organisations, and community groups which are recognised as educational / cultural and which, undertake a regular programme of approved activities may be eligible for preferential rates at the discretion of the Headteacher.

Lettings will be accepted only upon condition that making the premises available to outside organisations would be suitable and does not affect the day-to-day use of school facilities by its staff and pupils.

Facilities Management staff must remain on site and in charge of the premises throughout the lettings. Unaccompanied lettings will not be accepted.

In accordance with Local Government Miscellaneous Provisions Act 1982 a licence is required for events involving Public Entertainment. However, if the activity is limited to teachers, pupils of the school, parents of pupils and bona fide guests and therefore excluding any member of the public, then a licence is not deemed required. Tickets may be sold, in advance through the school only and there should be no advertising, other than inside the school buildings, nor should tickets be available at any Entertainment or Theatre Agency, nor should tickets be sold at the door at the time of the event. The restriction on advertising detailed above does not prevent letters or handbills being forwarded to parents and guests via the pupils. Donations are usually asked for such events.

### **BOOKING PROCEDURES**

Application for the hire of the premises should be made to the School Business Manager / Health & Safety Manager relevant forms, giving as much notice as possible. Approval will be offered along with the Governors' Conditions of Use of the facilities will only be allowed if acceptance is confirmed in writing and conditions of use and indemnity forms are returned along with payment in advance.

Priority will be given to regular hirers.

Occasional hirers will be encouraged to pay in advance.

Organisations will be required to pay for each occasion booked unless the school cancels the booking.

### **NON PAYMENT**

The School Business Manager / Health & Safety Manager constantly reviews the outstanding invoices file to ensure that the School has no long-term debtors.

### **CANCELLATION**

A phone call in advance will be taken as appropriate notice to cancel the event.

