

**OLDFIELD PARK INFANT SCHOOL
DORSET CLOSE
BATH**

**FINANCIAL MANAGEMENT
& STANDARDS**

(Finance Policy)

CONTENTS

PAGE	1	SUMMARY OF STANDARDS
PAGE	2	ORGANISATION OF RESPONSIBILITY AND ACCOUNTABILITY <ul style="list-style-type: none">• RESPONSIBILITY OF THE GOVERNING BODY• RESPONSIBILITY OF THE FINANCE COMMITTEE
PAGE	3	RESPONSIBILITY OF THE HEADTEACHER
PAGE	4	LIMIT TO DELEGATION TO THE HEADTEACHER RESPONSIBILITY OF THE SCHOOL BUSINESS MANAGER
PAGE	5	THE BUDGET PLANNING PROCESS
PAGE	6	CAPITAL EXPENDITURE INVENTORY / SECURITY
PAGE	7	INCOME BANKING PETTY CASH
PAGE	8	PERSONNEL PURCHASING
PAGE	9	INSURANCE REPAIR AND MAINTENANCE COMPETITIVE TENDERING
PAGE	11	REPAIR AND MAINTENANCE COMPETITIVE TENDERING
PAGE	10	STAFF ABSENCE MONITORING

OLDFIELD PARK INFANTS' SCHOOL

Financial Management & Standards

The governors and staff responsible for budgetary control will aim to work within the summary of standards as follows.

SUMMARY OF STANDARDS

The key standards of financial administration are set out below.

1. The responsibilities of the Governing Body, its committees, the Headteacher, Deputy Headteacher and staff should be clearly defined and limits of delegated authority established.
2. The budget should reflect the school's prioritised educational objectives, seek to achieve value for money and be subject to regular, effective monitoring.
3. The school should establish sound internal financial controls to ensure the reliability and accuracy of its financial transactions.
4. The school should be adequately insured against exposure to risks.
5. The computer used for administrative purposes should be registered under the Data Protection Act 1998. All data should be protected against loss.
6. The school should ensure that purchasing arrangements achieve the best value for money.
7. There should be efficient procedures for the administration of personnel matters including the payroll where this applies.
8. Stocks, stores and other assets should be recorded and adequately safeguarded against loss or theft.
9. All income due to the school should be identified and all collections should be receipted, recorded and banked promptly.
10. The school should properly control the operation of bank accounts.
11. The school should control the use of petty cash.

ORGANISATION OF RESPONSIBILITY AND ACCOUNTABILITY

• **RESPONSIBILITY OF THE GOVERNING BODY**

- a. The Headteacher receives delegated powers from the Governing Body and is accountable to the Governing Body.
- b. The Governing Body is accountable to the following:-
 - i. The Palladian Academy Trust
 - ii. The parents of the school
 - iii. The wider public through the auditors.

• **RESPONSIBILITY OF THE FINANCE COMMITTEE**

- a. Each year a new Finance Committee will be established. Meetings will be minuted and reports will be given back to full Governors.
- b. The Finance Committee with the Headteacher will look at all aspects of school financial planning and will liaise with staff, parents, other sub-committees and full Governors meetings to ensure the following:-
 - *planning
 - *forecasting
 - *matching expenditure to income
 - *establishing priorities
 - *comparing the values of alternatives
 - *implementing plans
 - *co-ordinating school activities
 - *allocating resources
 - *authorising expenditure and activities
 - *communicating objectives to personnel
 - *motivating personnel by delegation
 - *controlling expenditure
 - *strengthening accountability
 - *obtaining value for money
 - *matching inputs against outcomes

• RESPONSIBILITY OF THE HEADTEACHER - MRS CLAIRE MCMURTRY

The Deputy Headteacher in the Head's absence carries the Head's role in all aspects of school management. Other aspects of responsibility are highlighted under separate headings.

- a. Assess progress against objectives.
- b. Consult Governing Body to give appropriate, relevant, timely, reliable and understandable information.
- c. Report to Governors any proposed policy changes which affects budgets.
- d. Prepare estimates of expenditure and income in conjunction with the School Business Manager.
- e. Promptly forward details of approved budget.
- f. Profile the budget.
- g. Provide regular reports to the Governing Body at every FGB.
- h. Is responsible to the Governing Body for ensuring financial regulations as appropriate are implemented.
- i. With the Governing Body respond appropriately to recommendations made by Ofsted inspectors.
- j. Notify the Palladian Academy Trust and / or Auditors of suspected irregularity.
- k. Consider and respond to recommendations in audit reports.
- l. The Headteacher will make available to other staff training in budget control where appropriate.

PAYROLL

- m. Only the Headteacher or Deputy Headteacher (in Headteacher's absence) is responsible for authorising all aspects of payroll administration to include authorising new appointments; changes in rates of pay; overtime etc..
- n. All manual records of personnel / payroll information is kept securely in a locked filing cabinet in the Headteacher's office with access only available by the approved Officers who are : Headteacher, Deputy Headteacher and School Business Manager.
- o. Electronic records for item n. are only assessable by the approved Officers above through password protection.

- **LIMIT TO DELEGATION TO THE HEADTEACHER**

The Governors have agreed a limit of £3,000 to delegation to the Headteacher or Deputy Headteacher (in Headteacher's absence). Amounts in excess of this will be referred back to the Governors' Finance Sub Committee ; amounts over £5,000 will need to be referred to the full governing body for consideration and approval.

Budget amounts of more than this at completion of planning and acceptance of budget do not need to be re-approved up to the level agreed in the budget.

- **RESPONSIBILITY OF THE SCHOOL BUSINESS MANAGER
- MRS J GARBUTT**

1. **FINANCE**:- Undertakes financial work covering school accounts, working within PAT financial procedures.
 - a. Recording balances of monies for banking maintaining records for individual school trips etc Within the restrictions of staffing wherever possible a different member of staff will record the receipt of monies to be banked therefore showing segregation of duties.
 - b. Records of income under appropriate headings.
 - cd Records and safe custody of Petty Cash.
2. **BUDGETS**:- Monitors and reconciles school budgets.
 - a. Prepares orders and checks delivery notes/invoices and codes for payment.
 - b. Monthly reconciliation and coding of Charge Card expenditure - investigating discrepancies.
 - c. Provides monthly monitoring of information for the Headteacher, which is presented to the Governors and staff as requested.
 - d. Liaises with letting applicants to sort bookings.
 - e. Records detail of income and expenditure using computerised commitment accounting record systems.

3. PAYROLL

- a. Responsible for all aspects of payroll administration – to include new appointments; changes in rates of pay.. Checking and coding of overtime and supply forms with all electronic forms then authorised by HT.
- b. Responsible for the checking of the monthly payroll file checking the payroll run to ensure all staff are chargeable to the school are being paid at the correct rate and all overtime/supply paid has been charged correctly to the school.

- Finance Support

The school buys into the PAT for Finance support and guidance.

THE BUDGET PLANNING PROCESS

The process described under the heading relating to the Finance Committee should ensure the following:-

1. PRELIMINARY ANALYSIS

Objectives and priorities of the 3 year Development Plan. Alternatives for delivery are considered and costed. Early projections for the following financial year plus implications are discussed.

2. CONSTRUCTION

As more detailed information becomes available and likely outcomes of the previous budget, new delegated budget total, projected role, staff changes and salary/price rises are known, draft budgets can be constructed leading to a final version for the Governors' approval. The projected needs of the School Development Plan will also be considered.

The Final Approved budget is displayed on the Staff Room notice board.

3. CONTROL AND MONITORING

Once the year has begun actual expenditure will be monitored against intended expenditure. These will be controlled to ensure proper authorisation and will be subject to audit controls.

The Headteacher in collaboration with the Senior Management team will monitor spending linked to the SDP and regularly review any financial implications with the School Business Manager.

4. EVALUATION

At the end of a financial year an evaluation will take place. This will involve evaluating the final expenditure situation and this will be matched against intended objectives and actual outcomes. A report is given of current expenditure at each Finance Sub-Committee Meeting.

CAPITAL EXPENDITURE

1. The school in its planning will from time to time wish to involve itself in spending for a capital project, e.g. building, equipping a new or renovated building, decoration or major equipment items such as a piano. This would be referred to the full Governing Body.
2. Because of the possible costings of such plans some budget sums may be required to be kept back from one or more financial year or the project may be undertaken in phases across financial years.
3. Capital expenditure will be kept within PAT guidelines. The school will consult with its surveyor on all aspects of capital building projects if and where appropriate. At least three different quotes will be sought for each project. The cheapest quote will be used unless a reason for not doing so is agreed by full Governors. Any work, including emergency repairs at the school up to £1000, may be authorised by the Head or Deputy Headteacher (in Headteacher's absence) without first approaching the full Governing Body.

INVENTORY/SECURITY

1. The Headteacher will be responsible for keeping an inventory of electrical and moveable equipment. Make, model, supplier, purchase price and serial numbers will be kept. All items over the value of £50 will be recorded in the Inventory at the point of 'goods received' therefore ensuring the inventory remains complete and up to date at all times.
2. An annual check will be made on the items. Lost, stolen or damaged items will be certified by the Headteacher and reported to Governors – agenda item for every Finance Sub-Committee meeting / to be then highlighted to advise the FGB.. Items broken / obsolete are written off of the inventory with the Headteacher / Deputy Head teacher's approval and appropriately disposed of.
3. Property taken from the school site should be notified to the Headteacher. Staff must complete a "Removal of Assets From the School Site" form in respect of laptop computers and others items of value loaned to them for school use. I-Pads not to be removed from the school premises.
4. The school safe will be kept locked. The School Business Manager and Headteacher will be the keyholders. Monies kept will not exceed B&NES council advice for amounts held - £1000 for this school's safe. Loss of keys will be reported through the Headteacher to the LA.

INCOME

1. The Governors of the school have a charging policy for lettings, etc.
2. Official receipts will be used for all income.
3. Records of income will be kept.
4. Monies will be kept safe until point of banking.
5. It will be requested that Cheques are to be made payable to the PAT and will be crossed to the payee.
6. Invoices will be issued promptly for payment within 28 days.
7. Receipts will be kept for six years.

BANKING

1. The school does not have an individual bank account but is part of the PAT bank account. The school does not hold a cheque book – this is with the PAT. Paying-in books are held by the school and locked in the safe.
2. A bank reconciliation is carried out on a monthly basis by the PAT.

PETTY CASH

1. The Headteacher is responsible to the Governors for the running and safekeeping of the Petty Cash. This will not exceed £250 - this is the PAT limit.
2. The School Business Manager administers the running of the Petty Cash.
3. The School Business Manager will keep vouchers and receipts for payments made.
4. Identification will be shown where V.A.T. is paid.
5. Surplus cash will be kept locked in the safe.
6. The school will be able to produce cash or vouchers to the amount drawn.
7. The school will submit claims for reimbursement to the PAT.
8. Personal cheques should not be encashed from Petty Cash.

PERSONNEL

1. The Governing Body People & Environment Sub-Committee discusses aspects of the appointment, termination and promotion of staff. Where recommendations have financial implications these are also considered by the Finance Sub-Committee before a final decision is made.
2. Staffing information is kept on the administrative secure server and the school is registered under the Data Protection Act 1998.
3. The main administrative server's hard drive is backed up daily with a remote back-up based at the Council Offices in Keynsham. The council will monitor this and alert the school to any errors in the back up log.
4. The school employs the services of 'Education Personnel Management' for HR and Payroll departments. On line changes in respect of new appointments, Leavers, amendments to contracts, non-paid Leave, supply and overtime are completed and submitted promptly. Approved paper copies are locked in the personnel filing cabinet in the Headteacher's office.
5. A monthly check is made that payroll files agree with school files in respect of pay and hours worked via a report sent by EPM.
6. Two written references and DBS checks are obtained for all new appointments. A 'Single Staff' record is maintained to reflect the current staffing.
7. A form detailing authorised signatures for the school is updated when changes are made and forwarded to EPM.

PURCHASING

1. The Governors assure best value for money by asking the Headteacher to test the market prior to purchase.
2. For quotes for purchase/work done, see Capital Expenditure, Point 3.
3. For tendering see under separate heading.
4. The school will issue computerised orders for all goods wherever possible, the HT and Deputy HT will endeavour to inform the SBM of all proposed expenditure. The exception for this is for Gas, Electricity and Water where meter readings will be taken monthly and checked against invoices for these services. This will enable the school to undertake commitment accounting within the budget and copies of all orders will be kept.
5. The Headteacher and Deputy Headteacher are official signatories and as such may sign order forms.

6. Goods will be checked on receipt by the School Business Manager, School Secretary, Headteacher or Deputy Headteacher. Delivery notes will be stamped and signed and dated.
7. Payment will only be made on receipt of a proper invoice which has been checked, given an order number and certified for payment.
8. The staff authorised to sign for payment are the Headteacher and the Deputy Headteacher.
9. All paid invoices are filed with delivery notes attached and kept at the school for six years.

INSURANCE

1. The Governors currently use the insurance arrangements in line with the PAT.
2. The school will immediately inform its insurers of accidents, losses and other incidents which might give rise to an insurance claim.
3. School property when off premises is insured, either by householders' own insurance or, PAT insurance. Property is not covered in transit or if left in a vehicle.

REPAIR AND MAINTENANCE

The school allocates funds within the budget for repairs and maintenance and has a service agreement for legal obligations – this is reviewed annually.

TENDERING FOR CONTRACTS AND EQUIPMENT

The Governing Bodies guidelines for Contracts and Purchasing are set out in it's Purchasing Policy and are followed at all times.

COMPETITIVE TENDERING

It is the policy of the Governing Body to discuss and agree at a full Governors' meeting issues relating to competitive tendering. Full advice is taken from the PAT.

STAFF ABSENCE

1. The Governors have currently opted for Staff Absence Insurance cover for both teaching and non-teaching staff (excluding SMSAs) employed directly by the school. This is reviewed for best value annually.
2. All staff must report to the school daily if they are absent unless a Doctor's note has been submitted to the school.
3. All staff must report to the school office on return from sickness absence. Where they must complete a self-certification form (if no Doctors note) and a return to work interview.
4. Weekly absence is entered on the EPM portal.
5. Claims relating to the sickness insurance scheme are submitted as required.

MONITORING

The Headteacher carries out a monthly financial monitoring meeting with the School Business Manager and appropriate records are signed, dated and kept. The Finance Sub-Committee delegate monitoring to the Headteacher and receive a detailed report at Sub-Committee meetings of the current financial position.

OPIS Finance Policy Checked & Approved September 2018