

Finance Policy



Oastlers Policy

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Signed on Behalf of the Governing Body	Mike Vigurs

FINANCE POLICY

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1. FINANCIAL POLICY

The Regulations contained within this manual are made by the School in accordance with the conditions laid down by the Department for Education (DfE) and City of Bradford Metropolitan District Council (CBMDC) in the documents listed below.

- The School Standards and Framework Act 1998
- City of Bradford Metropolitan District Council Scheme for Financing Schools (Dec 2006).
- City of Bradford Metropolitan District Council Financial Regulations for Maintained Schools (2003/4).

It is the school's policy to develop and maintain a budgeting and accounting control system which:-

- Provides a framework for strategic planning and budgeting.
- Enables income and expenditure to be identified and controlled.
- Ensures accounts can be prepared which give a true and fair view of the state of all financial affairs at the school, taking into account statements of standards of accounting practices where relevant but subject to the accounting policies and disclosure requirements issued by the DfE and CBMDC.
- Enables the school to complete the regular financial returns required by the School Funding Team by the due dates.
- Safeguard the school's assets.

Such systems should:-

- Be cost effective.
- Comply with all statutory requirements and other regulations relevant to the constitution and activities of the school.
- Be easily understood by members of the school staff responsible for its operation.

2. RESPONSIBILITY FOR THE FINANCIAL AFFAIRS OF THE SCHOOL

Members of the school's Governing Body are ultimately responsible for controlling the finances of the school.

Although Finance and General Purposes Committee (F&GPC) has been established with delegated responsibility for financial matters, financial management ultimately remains the responsibility of the Governing Body.

The day-to-day management of Oastlers School is delegated to the Head teacher and the Senior Leadership Team. The Business Manager is a member of the Senior Leadership Team.

2.1 Role of the Governing Body

The Governing Body is responsible for the effective financial management of the school including deciding on how the school's delegated budget is spent. Legally it is obliged to agree an annual budget plan which is then submitted to the local authority.

The Governing Body is responsible for ensuring that any grant received is used in accordance with the intended purpose and must take steps to ensure that the organisation of the Governing Body are such as to enable it to fulfil its obligations.

The Governing Body recognises that it would be impractical to undertake all the day-to-day activities itself in discharging its responsibilities and considers it necessary to delegate some of its functions through Committees and the Head teacher.

The delegated powers and duties referred to in this manual apply to all committees and the Headteacher unless otherwise indicated.

The Headteacher may also delegate provided the terms of further delegation are clearly made and documented.

The Governing Body will keep under review the school's financial management arrangements and make amendments as necessary.

Compliance to the Finance Manual is mandatory and any contravention of procedures must be brought to the attention, in the first instance, of the Head teacher.

2.2 Finance and General Purposes Committee (F&GPC) and Terms of Reference

To assist the Governing Body in fulfilling its statutory responsibilities for all staff employed in school and to generate the best possible professional environment, within which all staff can contribute to the raising of learner performance and attainment.

To consider, alongside the head teacher, the overall complement of staff in the school as well as recruiting and appointing new staff. In addition ensure there are appropriate arrangements for staff performance management and development, staff grievance and discipline.

To assist the Governing Body in directing the management of the school budget in support of the School Improvement Plan and ensuring sound financial management practices are in place to ensure the school's resources are used efficiently and effectively.

To assist the Governing Body in fulfilling its regulatory and statutory responsibilities with regard to:

- the use and maintenance of the school premises during and outside of school hours
- providing the best possible physical environment within which learners learn, and
- meeting the health and safety needs of all learners and adults on the school premises .

The F&GP Committee shall meet at least termly, and otherwise as required to monitor and discuss finance, estates and other matters relating to the terms of reference.

The F&GP Committee is a non-statutory committee with authority to make decisions concerning the above matters. Final authority rests with the full Governing Body.

The F&GP committee meetings are attended by the Business Manager.

The F&GP committee shall consist of no fewer than five Governors including the Head teacher. The committee shall have such co-opted non-voting members, as the Governing Body shall appoint. The committee may make recommendations for these appointments.

The quorum shall be a minimum of three Governors with voting rights.

The F&GP committee will keep minutes of each meeting and circulate copies to all members of the Governing Body at or before the next Governing Body meeting.

Terms of Reference

Finance Aspects

- In consultation with the Headteacher, to draft the first formal budget plan of the financial year and present to the Governing Body for approval.
- To consider a budget statement including virement requests 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 Local Authority
- To monitor expenditure of all voluntary funds received on behalf of the Governing Body
- To annually review charges and remissions policies and expenses 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 parents
- To ensure, as far as is practical, that Health and Safety issues are appropriately prioritised
- To ensure that a register of Governors' interests is maintained
- To advise on the maximising of school income
- To act as general advisor to the Governing Body on all financial implications of matters they are considering

Personnel Aspects

- To draft and keep under review the staffing structure in consultation with the Headteacher
- To establish a Salary Policy for all categories of staff and to be responsible for its administration and review
- To oversee the appointment procedure for all staff
- To establish and review a Performance Management policy for all staff
- To oversee the process leading to staff reductions when necessary
- To keep under review staff work/life balance, working conditions & well-being, including the monitoring of absence
- To consider any appeal against a decision on pay grading or pay awards
- To advise the Governing Body on the level of governor involvement in the recruitment and selection of staff
- To ensure all staff have a clear job description and contract of employment
- To review the in-service training needs of all staff with the Headteacher and in relation to the School Improvement Plan and ensuring sound financial management practices
- To ensure that all requirements of equal-rights legislation are adhered to throughout school

Note: Consideration of applications from staff for leave of absence outside the normal terms and conditions of relevant employment guidance and or Governing Body agreed policies and protocols to be delegated to Chair of Governors.

Premises Aspects

- To advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the school's premises
- To monitor the condition of the fabric of the building and to authorize work within an agreed budget provision
- To oversee arrangements for repairs and maintenance
- To ensure the performance of caretaking, cleaning and catering staff are monitored and to ensure appropriate action is taken where necessary
- To agree specifications for any building work undertaken by an outside contractor, within its levels of delegation
- To ensure the security of the premises is monitored and appropriate action is taken where

necessary

- In consultation with the Headteacher to oversee premises-related funding bids
- To oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to governing body policy
- To establish and keep under review a Building Development Plan
- To establish and keep under review an Accessibility/SENDA plan

Financial Delegation

- The Headteacher to have delegated powers to spend up to £10,000 at any one time, on non-recurring items without any prior reference to the F&GP Committee.
- The F&GP Committee to have delegated powers to approve expenditure of between £10,001 and £30,000 at any one time, on non-recurring items without any prior reference to the Governing Body.

The Governing Body retains its powers to make decisions on:

- all other expenditure and on any question of money being vired between budget headings
- Consideration and approval of the school's annual budget plan.
- Consideration of any received audit reports.

Personnel Delegation

Powers of decision making on all school personnel matters are delegated by the Governing Body as outlined above.

The following functions are retained by the full Governing Body and or directed to another group;

- To approve the school staff establishment
- To review the salary of the Headteacher and Deputy Headteacher in line with national regulations and the Governing Body's Whole-school Pay Policy.

The following functions are delegated to the Headteacher;

- To authorise any leave of absence request within the schemes adopted by the Governing Body.
- To appoint temporary Supply Staff.
- To make all necessary arrangements for the appointment of staff authorised by the Committee or the Governing Body.
- To approve the working of overtime.
- To take urgent action on finance and staffing issues after consultation with the Chair of the Committee.

Buildings Delegation

The Governing Body, apart from the following functions, which are either retained by the Governing Body or the Headteacher; delegates powers of decision-making on Buildings matters;

Governing Body

- To oversee an annual maintenance programme
- To consider adaptations and developments to the building not within the agreed budget
- To approve tenders and expenditure for all building contracts in excess of £15000 which are to be funded from within the school's delegated budget

Headteacher

- To be responsible for minor day-to-day repairs and maintenance
- To manage the arrangements for the letting of school premises
- To liaise with Asset management and contractors as appropriate where such work is funded from the school's delegated budget
- To manage the day-to-day Health and Safety arrangements on school premises.

Reporting

- All agreed actions and any actions under delegated authority will be reported to the next meeting of the Governing Body.
- A report to be made available by the Clerk of the F&GP Committee to the Clerk of the Governing Body, for circulation with the Agenda for the next Governing Body meeting.
- A copy of the minutes of the F&GP Committee to be made available by the Clerk of the Committee to the Clerk of the Governing Body, as quickly as possible after their approval.
- Items that are deemed to be confidential by the F&GP Committee shall be recorded as a separate confidential minute and reported verbally at the next Governing Body meeting, by the Chair of the Committee, wherever possible.
- The Chair of the F&GP Committee to give a general verbal and written report to one meeting of the Governing Body each term.
- An updated budget position statement to be presented to the Governing Body once a term, for their information and approval where necessary.

2.3 Individual Financial Responsibilities

Specific responsibilities of key personnel are as follows:-

Headteacher

The Governing Body delegates the following powers to the Head teacher:-

- The management of the school's financial position at a strategic and operational level
- The management of effective systems of internal control

The Head teacher has overall executive responsibility for the school's activities, of which financial activities are clearly a part. The Head teacher is therefore considered by the Local Authority to be the person with overall responsibility to the Governing Body for the financial management of the school. The Head teacher should ensure that the Governing Body is provided with financial advice, that proper and adequate financial systems and controls are in place and that accounts are prepared and maintained as required by the Governing Body or the Local Authority. In practice, the Headteacher will delegate much of this financial management to the Business Manager, while retaining ultimate responsibility.

Business Manager

The Business Manager is responsible for ensuring the following duties are carried out:-

- Monitoring the monthly funding received from the Local Authority and investigating any discrepancies against expected income.
- Budget monitoring and analysis.
- Bank reconciliation's (all accounts).
- The review of petty cash transactions and the reconciliation of petty cash records to the amount held in the cash box.

- The reconciliation of income banked to income records, including receipts.
- Review of lettings income.
- The preparation of information for Management meetings, Governing Body meetings and Finance and General Purposes Committee meetings as required.
- Sample checking of purchase orders against requisitions and the authorisation of these orders on the financial software.
- Sample checking of invoice entry on the financial software against source documentation, and the authorisation of these invoices for payment.
- The preparation and monitoring of insurance claims as necessary.
- The review of contracts and SLAs entered into and the recommendation of contract changes where appropriate, having regard for best value considerations.
- The checking of financial returns to the Local Authority.
- The checking of year-end information in accordance with DfE Consistent Financial Reporting requirements.
- The checking of year-end information as required by the Local Authority.
- Liaison with school's external auditors, and production of information that they might require.
- The production of the draft annual budget, in conjunction with the Headteacher, for presentation to the Finance and General Purposes Committee.
- The preparation of information relating to departmental capitation bids, and discussion of these bids with the Senior Leadership Team.
- Ensuring that all purchase over £4000 are subject to the tendering process as layed out in Section 11 of this policy.
- Preparation of the financial aspects of the School Improvement Plan, and implementation of these measures where relevant.
- Review of the Register of Business Interest on an annual basis.
- To ensure that the finance manual is updated periodically as necessary.
- To carry out an annual review of asset registers.
- To carry out detailed benchmarking exercises using the Consistent Financial Reporting data, on at least an annual basis.
- To carry out any other duties as requested by the Head teacher and Governing Body.

The Business Manager delegates responsibility to the Finance Officer/ SIMS Manager for the following:

Main School Budget and Non-Public Funds

- Raising of purchase orders.
- Ensuring all goods are correctly received.
- Processing of invoices.
- Raising of cheques for signing and preparing for posting.
- Liaising with budget holders, answering capitation queries.
- Producing monthly Cost Centre Transaction reports for Budget holders.
- Recording of banking transactions on computer.
- Refunding of Petty Cash to staff, and recording on computer.
- Producing and faxing monthly VAT return/claim to School Funding Team.
- Day-to-day running of bank accounts.
- All queries relating to insurance, capitation etc and other general queries not needing a response from the Business Manager.
- The preparation of financial returns to the Local Authority.
- The preparation of year-end information in accordance with DfE Consistent Financial Reporting requirements.
- The preparation of year-end information as required by the Local Authority.
- Processing funding received on the schools' financial software.
- Budget monitoring and analysis.

- Checking and analysing the payroll reports produced by the payroll provider, and reconciling the reports against payments made.
- Entering the approved budget on the school's financial software.
- Year-end closedown procedures on the financial software.
- To update the finance manual periodically as necessary.
- Maintain asset registers
- To provide an annual review statement for each teacher providing a breakdown of salary details.
- To carry out any other duties as requested by the Head teacher and Governing Body.

2.4 Register of Business Interests

Members of the Governing Body and school staff have a responsibility to avoid any conflict between their business and personal interests as well as the interests of the school. A register of business interests detailing any areas of possible conflict shall therefore be maintained by the Business Manager.

The register should include all business interests such as directorships, share holdings and other appointments of influence within a business or other organisation which may have dealings with the school. Disclosures should also include business interests of relatives and other individuals who may exert influence.

The school should avoid practices such as obtaining goods and services which may include an element of private use for Governors or staff.

3.0 SCOPE OF FINANCE MANUAL

The Finance Manual is intended to cover all the financial aspects of the management of Oastlers School. The manual has been prepared to establish Internal Control and Procedures and to provide a sound framework for the members of staff involved directly or indirectly in the financial affairs of the school.

The manual is intended to provide a balance between permitting the school the necessary freedom to take advantage of the additional authority associated with its status and maintaining due regard for the proper accountability for and control over the expenditure of public funds.

It is not possible to cover every possible eventuality. If there are specific matters not covered within the manual, they shall be resolved within the spirit of the policies and guidelines prescribed herein and good accounting practice.

Regular reviews of all the procedures and policies covered by the manual shall be performed having due regard to the need to obtain value for money. The school staff, therefore, have due regard to economy, efficiency and effectiveness when using resources.

Copies of the Finance Manual are held by: -

- The Headteacher.
- Business Manager
- Finance Officer/ SIMS Manager
- Members of the Finance and General Purposes Committee.

4.0 AMENDMENTS

The manual has been approved by the Governing Body through the Finance and General Purposes Committee. The Business Manager will be responsible for the presentation of any proposed amendments to the Finance and General Purposes Committee.

Approved Amendments will be effected only to those copyholders identified above. For this reason, further copies of the manual should not be taken.

All enquiries concerning the Finance Manual should, in the first instance, be directed to the Business Manager.

5.0 DEFINITIONS

DfE	<i>Department for Education</i>
CBMDC	<i>City of Bradford Metropolitan District Council</i>
THE SCHOOL	<i>Oastlers School</i>
FINANCE AND GENERAL PURPOSES COMMITTEE (F&GPC)	<i>Members of the Governing Body who serve this committee, the Business Manager and any other external financial consultants who attend as appropriate.</i>
THE FINANCE TEAM	<i>Comprising of the Head teacher, Business Manager and Finance Officer/ SIMS Manager.</i>
SENIOR LEADERSHIP TEAM	<i>Comprising of the Head teacher, Deputy Head, Two Assistant Heads and Business Manager.</i>
COST CENTRE	<i>A defined area of school expenditure which forms part of the school's total budget.</i>
SCHOOL FUNDING	<i>A team within CBMDC which oversees and delegates all funding to Bradford Schools.</i>

6.0 ACCOUNTING PRINCIPLES

The accounting principles adopted by the school shall at all times be in accordance with the guidelines issued by DfE and CBMDC.

Returns shall be prepared in accordance with the conventions laid down by School Funding. It is also important in assessing the effectiveness of the School's financial control arrangements that there be consistency of accounting treatment to allocating costs between income and expenditure headings on financial returns.

7.0 LEASES

The remaining liability under any lease shall be declared annually to School Funding.

8.0 TAXATION

8.1 Value Added Taxation

The School is able to recover VAT on expenditure from public funds via monthly returns to CBMDC. Consequently, all financial returns are stated net of VAT.

9.0 FINANCIAL PLANNING AND MONITORING

9.1 Budgetary Control.

It is the School's policy to provide a budgetary and reporting system which: -

- Provides detailed annual budgets which represent the financial implications of delivering the School's strategic plan.
- Encourages participation in the budget and planning process.
- Continues to portray a professional commercial attitude to the way the School manages its finances.
- Makes people accountable for their activities over which they have delegated responsibility and control.
- Provides timely and relevant financial information to the School.
- Enables the financial position of the School to be monitored and evaluated and provides the opportunity for the implementation of corrective action where necessary.
- Enables the school to make the best use of the available resources.

9.2 Accounting Periods

Financial Year		<i>1st April to 31st March</i>
Academic Year		<i>1st September to 31st August</i>
Academic Terms	<i>Autumn</i>	<i>1st September to 31st December</i>
	<i>Spring</i>	<i>1st January to 30th April</i>
	<i>Summer</i>	<i>1st May to 31st August</i>

9.3 School Improvement Plan

The School shall have a School Improvement Plan for at least three years which sets out: -

- The overall aims of the School.
- Where the School intends to be in terms of status, services and finances including objectives for specific areas of the School's operations such as curricular and pastoral development, links with the community, staff development, use of land and buildings and future income generation.
- How the School intends to get there and the level of resources required to meet its objectives.

- Analysis of Strengths, Weaknesses, Opportunities and Threats.
- Priorities of meeting objectives and targets for the associated expenditure.
- The resource allocation within the School.

The development plan shall be reviewed and updated each year and copies shall be made available to:

- Any member of the Governing Body
- The Finance and General Purposes Committee.
- The Senior Leadership Team
- Relevant members of the teaching staff.

9.4 Annual Budget

The Head teacher and Business Manager will co-ordinate the production of the annual budget.

The School's financial year runs between 1st April and 31st March. Accordingly the timing of the preparation of the budget for the following year shall be;

January	<i>Collection of data and summarisation of budgets</i>
February	<i>Head Teacher and Business Manager review and proposal of Amendments</i>
March	<i>Final approval by SLT</i>
April/May	<i>Approval by Finance and General Purposes Committee, Approval by Governing Body.</i>

During the budgetary process the Governing Body and SLT shall have regard to the fact that Budget figures are subject to change on a monthly basis, depending on the number of learners and their moderation level, linked to the High Needs Funding Formula.

The budgetary process shall ensure that initial and revised budgets have built in flexibility to deal with changes other than in the level of School Budget Share, such as increasing costs due to pay settlements.

The budget shall be based upon a hierarchy of assumptions and priorities so that the consequences of budget increases or decreases can be dealt with swiftly.

9.5 Accounting

The final approved budget details shall be input on the School's computerised financial management system in order to provide data for subsequent reports showing actual income/expenditure compared with budget.

9.6 Virement

Virement between budget heads shall be delegated to the Head Teacher and Business Manager up to the value of £15,000. In the absence of the Head Teacher and Business Manager due to illness, delegation will pass to the Deputy Head and Assistant Heads. Such virements will be reported to the Governing Body at the earliest opportunity.

Virements in excess of £15,000 and up to £30,000 will need the approval of the Finance and General Purposes Committee or its Chairperson. Higher sums need the approval of the full Governing Body.

9.7 Financial Reporting

Financial reports are produced for a variety of different users. These include: -

- Head Teacher
- Senior Leadership Team
- Heads of Department
- External Auditors
- OFSTED
- CBMBC
- Finance and General Purposes Committee
- Governing Body
- School Funding

Reports for Internal Use

Internal reporting is usually based on cost centre information, but the level of detail will depend on the requirements of the end-user. For example, budget holders will wish to see details of each individual transaction, whereas the Leadership Team will want an overview of the school-wide situation and details of significant items only.

Notes of significant variances and where it is felt explanations would be useful are reported to the Finance and General Purposes Committee, and full Governing Body meetings as appropriate. Explanatory notes are also issued for these meetings. These reports will consist of the same figures and basic layout which are provided School Funding.

In addition to the monthly management reports, copies of the year end accounts in the Consistent Financial Reporting (CFR) format are circulated to SLT.

Budget information is presented to the Finance and General Purposes Committee in a format consistent with the monthly management reports but with more detailed accompanying notes to provide explanation of the figures. Once the budget has been recommended for approval by this committee, copies are circulated to the full Governing Body for final approval.

Reports for External Bodies

The DfE recommends that the reporting requirements of external agencies (CBMDC, School Funding, external auditors, OFSTED etc.) follows the Consistent Financial Reporting (CFR) format where possible, in order to reduce the bureaucratic burden on the School. This format of report is

readily available from the School's financial management information system. However, School Funding requires further information in addition as detailed overleaf.

Returns to be submitted to School Funding.

April	Income and Expenditure return in CFR format for previous financial year. Information on bank balances. Details of Assets and liabilities.
May	Approved budget for the financial year.
June	Electronic submission of CFR Return.
Monthly	Enabling account return.
Monthly/Quarterly	Budget monitor showing original budget, any virements, expenditure to date and a forecast of the year end income and expenditure.

10 PURCHASING PROCEDURES

10.1 Requisitions and Purchase Orders

A purchase requisition form must be completed and authorisation obtained from the appropriate budget holder, before passing to the Finance Officer/ SIMS Manager, who will ensure that the correct coding and cost centre are recorded. It should be noted that a budget holder can only purchase items from their own budget allocation. All order requests shall state quantities, prices, supplier details and a full description of the goods. Orders should also be placed for services such as training.

The Finance Officer/ SIMS Manager will check that there are sufficient funds available and enter the requisition onto the computerised financial management system.

The paper order details are passed to the Business Manager for checking and authorising. This system can work in the opposite direction- if the Business Manager raises the order, Finance Officer/ SIMS Manager can sign.

All purchases must reflect best value. **Four written quotes** must be obtained for orders in excess of £4,000 but less than £60,000. For items of expenditure in excess of £60,000 the procedures on tenders and quotations as detailed in section 9 of this policy must be implemented. Criteria taken into account when placing orders for goods and services are price, quality, reliability, after-sales service, value for money and speed of delivery. If there is difficulty adhering to these guidelines the Head Teacher and/or Business Manager will consult the Chair of the F&GPC who may agree individual variations. The reasons for any variation will be recorded on the order placed to enable auditors to check procedures.

Official orders shall be used for the purchase of goods for the School itself and in no circumstances shall orders be used for other purposes.

Requests for the supply of work, goods or services placed as a matter of urgency other than by written orders shall be confirmed by an official order as soon as possible.

The reasons for any agreed variations will be recorded on the official order, enabling auditors to check procedures.

The order or a copy is kept in the finance office. The Business Manager and Finance Officer/ SIMS Manager shall be responsible for the storage and issue of all official School orders.

10.2 Goods Received

The originator is responsible for ensuring that the goods or services received comply with the order specification. Delivery notes shall be checked and sent to the Finance Officer/ SIMS Manager. The supplier/carrier shall be notified of shortages or rejected items.

Cancelled orders shall be marked "cancelled order", dated and a brief explanation given. All cancelled or spoiled orders shall be retained.

10.3 Payment of Invoices

When a purchase invoice is received it shall be passed initially to the finance office.

The invoice will be grid stamped. Any price increases will be queried by the Finance Officer/ SIMS Manager and the originator of the order will be informed of any change in terms and conditions.

The Finance Officer/ SIMS Manager will check that prices, calculations, trade discounts, other allowances, credit and VAT are correct, and will then enter the details on the computerised financial management information system.

The Leader of Support Services will verify the validity of the invoice, initial the hard copy, and return to the Finance Officer/ SIMS Manager.

Once the invoices have been authorised, the Finance Officer/ SIMS Manager will prepare cheques for signature.

Cheques are signed by two of the following official signatories: -

- Head Teacher
- Deputy Headteacher or Business Manager

If the cheque value exceeds £5,000 one of the signatories must be The Head Teacher.

Details of current signatories can be found on the bank mandate, which is held by the Finance Officer/SIMS Manager.

All cheque books and pre-printed cheque stationery are classified as controlled stationary and as such shall be kept in a secure and proper manner under the control of the Finance Officer/ SIMS Manager.

Any spoiled or cancelled cheques shall be retained.

10.4 Petty Cash

The petty cash box is held by the Finance Officer/ SIMS Manager with a float limit of £500.

The petty cash box is to be held in a secure storage area when not in use.

Petty cash is to be held on a voucher system. Receipts into petty cash will be either from the bank as a reimbursement or the repayment of part or all of an advance drawn from petty cash. All receipts are retained by the Finance Officer/ SIMS Manager and are recorded in a petty cash book and entered on the computerised financial management system.

The petty cash book is reconciled to the cash box by the Finance Officer/ SIMS Manager on monthly basis.

In the absence of the Finance Officer/ SIMS Manager, petty cash will be administered solely by the Business Manager.

Each individual petty cash claim will not be in excess of £30.

11 TENDERING PROCEDURES

11.1 Invitation to Tender.

This regulation shall have effect by virtue of a decision of the Governing Body to issue an invitation to tender for a contract which is limited to persons who reply to a public notice.

Public notice shall be given in one or more newspapers or journals circulating among such persons as undertake such contracts, setting out particulars of the contract into which the Governing Body wish to enter and inviting persons interested to apply, within such period, not being less than 10 days as may be specified for permission to tender.

After the expiration of the period specified on the public notice invitation to tender for the contract shall be sent to all suitable persons who have applied for permission to tender.

Every notice of invitation to tender for a contract which is estimated to exceed £60000 in value or amount state that;

“No tender will be received except in a plain sealed envelope which shall be addressed to the chair of Governors / appointed consultants and shall bear the word “Tender” followed by the subject to which it related but shall not bear any name or mark indicating the sender. There is no obligation to accept responsibility for costs in preparing for and submitting a tender. The Governors of the School are not committed to accept the lowest tender but would normally do so.”

11.2 Tenders not subject to Public Notice

For work, goods or services in excess of £20,000 but less than £60000 thereby not being covered by regulation 9.1, at least four written quotations or tenders shall usually be sought. In obtaining such tenders, the Governing Body should have due regard to the reputation and standing of the tenders, and the need to demonstrate value for money in all respects.

11.3 Receipt, Custody, Opening and Acceptance of Tenders

The following provision shall be followed:

Envelopes marked in conformity with regulation 9.1 above shall remain in the custody of the Chair of Governors/ appointed consultants until the time appointed for their opening.

The Chair of Governors or the appointed consultants shall maintain a record of all such tenders received.

Tenders for any contract shall be opened one at a time and only in the presence of such member or members of the Governing Body as shall have been designated for this purpose by the Governing Body.

The F&GPC shall usually accept the lowest tender provided that it is within the approved budget estimate. Where the lowest tender is not within such budget the matter shall be referred to the full Governing Body for consideration.

If payment is to be received by the School the Governing Body shall usually accept the highest tender except as provided below.

A tender other than the lowest tender if payment is to be made by the School or the highest if the payment is to be received by the School shall not be accepted until the Governing Body has received a written report giving reasons for accepting such tender.

In all cases, if delay until the full Governing Body meeting would prejudice the timely execution of the works, the Chair of Governors may take "Chairs action" to accept a tender after consulting the Head Teacher, Business Manager and available Governors.

11.4 Alteration to Tenders

Every invitation to tender shall contain a statement that the Governing Body will not accept applications for alteration if the tender is received after the closing date for tenders.

If mathematical errors or other similar discrepancies are found in an otherwise successful tender which consists of a schedule of rates, the company tendering is to be informed that such errors exist, in accordance with the terms of the proposed contract. If the tender is withdrawn, the next tender in competitive order is to be examined and dealt with the same way.

Nothing in these regulations shall permit alteration of any contract where the tender is a single total figure.

11.5 Form of Contract

Every contract executed on behalf of the Governing Body shall be entered into formally, in writing and signed by such person duly authorised by the Governing Body.

11.6 British Standards

Where an appropriate British Standard specification or British Standard Code of Practice issued by the British Standards Institution is current at the date of the tender, every contract shall require that, as the case may be, all goods and materials used or supplied and all workmanship shall comply with, or in terms of fitness or suitability for the purpose, safety, durability, finish and appearance to at least be equivalent to standard.

11.7 Preventing Collusion

Before entering into a contract which has been the subject of the invitation of tenders, there shall be obtained from the contractor an assurance in writing that he/she will not follow or has not followed in relation to the contract, the under-mentioned practices:

Communicating to any other than the person calling for tenders the amount of any proposed tender in accordance with any agreement or arrangements so to communicate, or

Adjusting the amount of any proposed tender in accordance with any agreement or arrangement by the proposed tenderer and any person other than the person calling for tenders.

11.8 Corrupt Practices

There shall be inserted in every written contract a clause empowering the Governing Body to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if the contractor or any person acting on his behalf whether employed by the contractor or not and whether acting with or without the knowledge of the contractor shall have made any arrangement or agreement with any third party which required either party;

- To fix or adjust his/her tender price or
- Refrain from tendering or shall have
- Communicated to any person, except the local manager, the amount or approximate amount of his tender otherwise than in confidence to obtain premium quotations for insurances or a bond or
- Given, agreed to give, offered to give or promised any person (directly or indirectly for the benefit of that person or any other) any gift, load, fee, reward or other consideration or otherwise on account of such person having done, agreed or forborne to do anything in relation to any other tender or proposed tender for any contract, or
- Shall show favour or disfavour to any person in relation to any contract with the Governing Body.

For the purposes of these regulations the word 'person' includes any person or any organisation or association corporate or non corporate and informal whether or not legally binding.

12 PAYROLL

It is the policy of the school that staff, whether full-time or part-time, shall only be employed for whom financial provision has been made and the budget approved by the Governing Body. The Chair of Governors, in consultation with the Head Teacher and Business Manager, if satisfied adequate finance is available, may approve additional appropriate merits.

The Business Manager and Finance Officer/ SIMS Manager shall be responsible for the security and maintenance of all personal records. Access to personal files shall be strictly restricted.

Personnel files shall be kept in a locked cabinet at all times, when not in use by authorised staff, and must be returned at the end of the day.

The Business Manager and Finance Officer/ SIMS Manager shall be responsible for the provision of relevant information to enable all wages and salaries to be paid.

Amendments

During the year, the payroll will require updating for starters, leavers, pay rises, promotions etc. Such amendments shall only be passed on to HR if they are entered on an appropriate form, authorised by the Business Manager or Finance Officer/ SIMS Manager. Amendments relating to the Head teacher should be authorised by the Chair of Governors. A copy of each form shall be retained by the School.

All payroll amendments are checked by the Business Manager or Finance Officer/ SIMS Manager on receipt of reports from the payroll bureau.

Expenses and Allowances.

All claims for payment, which are to be made through the payroll system, shall be made on the standard forms and authorised by the Head or other authorised signatory.

The authorisation of a claim shall be taken to mean the certifying member of staff is satisfied that the expenses:

- Comply with the School's rates, regulations and procedures
- Were properly and necessarily incurred on the School's behalf.
- Have been calculated correctly
- Have not previously been passed for payment

No member of staff shall be allowed to authorise his/her own claim for the payment expenses. All claims must be authorised by a more senior person. The Head Teacher's claims shall be signed by one of the Senior Leadership Team.

Details of the School's rules, regulations and procedures in relation to travel and subsistence claims are made available by the Business Manager.

13 ASSETS

School assets are those items which are intended for use on a continuing basis in the School's activities. Generally such assets have value of more than £250 and a useful economic life of at least three years.

The Governing Body shall be ultimately responsible for maintaining proper security of all equipment, plant, stores and other assets of the School.

Each member of staff who occupies a post of responsibility shall be responsible for maintaining proper security of all equipment, plant, stores and specialist furniture and all other assets of the School under his/her control. As an added measure of security, all serial numbers of IT and audio-visual equipment shall be recorded and maintained separately in the Asset Register by the ICT Network Manager.

It is the responsibility of all members of staff to take proper care and attention of the School's assets. To end all rooms holding equipment shall be kept secure when not in use.

The Business Manager shall be advised in any instance where security is thought to be defective or where it is considered that special security arrangements or additional insurance cover may be needed.

An Asset Register will be held within SIMS and shall be maintained by the ICT Network Manager and Business Manager. The register shall contain details of all separately identifiable assets which comply with the previous definition.

The Business Manager will arrange periodical physical checks of assets against the Asset Register. On a regular basis, the Business Manager shall select a sample of assets from the register and confirm their existence by physical inspection. Sufficient checks shall be made by Curriculum Leaders such that every asset is inspected at least once per year. Results of these checks shall be recorded. Any discrepancies shall be reported to the Finance and General Purposes Committee.

The register will be updated on a regular basis by the ICT Network Manager and the Finance Officer/ SIMS Manager for the following: -

- Additions
- Disposals
- Transfers
- Write-offs
- Damage or Loss
- Details of maintenance contracts, to repair work, testing schedules

Disposals

The authorisation of the Head Teacher shall be required before any assets of the school can be written off.

A department disposing of an asset shall not automatically be entitled to the proceeds of such a disposal. The Head Teacher shall have the discretion to allocate such proceeds to whichever budget heading she/he wishes.

Where the estimated sale value is less than £250, then the asset may be disposed of by whatever method the Head Teacher considers to be the most appropriate and financially advantageous to the School. Details of the sale should be recorded by the Business Manager.

Where the estimated sale value exceeds £250 then details shall initially be circulated to all staff within the school. If no acceptable bids are received within one month then the asset will be advertised publicly and competitive tenders obtained. The Business Manager will control the tendering process, and the School shall notify the F&GPC in writing of all such disposals. At the end of the financial year, a list of disposals shall be produced.

In the event of a sale to a member of staff, the Head Teacher must approve the transaction. If the Head Teacher is the purchaser, the Chair of Governors must give their approval.

Items of furniture and equipment written off shall be physically disposed of. A record of the action shall be made by the Finance Officer/ SIMS Manager.

Loan Procedures

School assets may not be removed from the premises without record.

Details of the loan are recorded by the ICT Network Manager or Business Manager before the property is removed from the premises.

The date of the return of property is registered by the ICT Network Manager or Business Manager and signed by the member of staff as returned.

Loss of Equipment

Actual or suspected loss of equipment should be notified to the Business Manager immediately.

A log of all equipment lost or suspected lost must be brought to the Head Teacher's attention on a monthly basis.

14 INCOME

14.1 General Income

Public monies are to be maintained in separate bank accounts to non-public monies. This not only allows additional control over proper expenditure but also permits easier reconciliation of expenditure against specific grants.

All receipts should be accounted for as they are banked (or as the School is notified of bank transfers) and supporting documentation retained for audit.

The Finance Officer/ SIMS Manager is responsible for the handling of all monies and input of data. The Business Manager is responsible for checking all reconciliation's. All bank accounts are reconciled on at least a monthly basis.

Monies received from learners for school trips should be married up on a trip by trip basis. Any differences between income and expenditure should either be refunded or taken as a donation.

Staff are not permitted to operate any bank accounts (or similar). All monies under aegis of the Governing Body must be recorded and administered centrally.

Cash collected must not be replaced with personal cheques by any member of staff.

All cash collected should be passed on to the Finance Officer/ SIMS Manager and the monies banked at the earliest opportunity.

14.2 Lettings Income

The sale of charges for lettings and/or for the use of facilities (see section 14.3) must be approved by the Governing Body in writing. Free use and charges below economic cost must be authorised by the Head Teacher.

The Business Manager is responsible for all lettings; the Finance Officer/ SIMS Manager will undertake all administration. The Business Manager is authorised to negotiate variations up to 20% where appropriate for charitable institutions.

The Governing Body must establish terms and conditions for lettings.

Detailed records of each letting will be kept.

Applicants are to be sent application and indemnity forms, together with a copy of terms and conditions, and a list of charges. On receipt of both the completed application and indemnity forms, the letting may progress at the discretion of the Business Manager. If the letting is not to take place the applicant should be advised in writing.

If the letting is to go on, the Business Manager notifies the Finance Officer/ SIMS Manager and passes over all documentation. The Finance Officer then raises and sends an invoice requesting payment in advance on the letting. Outstanding payments are to be brought to the Business Managers attention at each monthly reconciliation. All proposed write-offs must be authorised by the Head Teacher.

Income from lettings is to be credited to the Oastlers School enabling account.

14.3 Lettings Charges

Full details of the charges applicable to lettings are maintained by the Finance Officer/ SIMS Manager. The following points should be noted: -

- A cancellation charge will be made in the event of inadequate notice being given.
- Lettings are to finish promptly at the agreed time.
- Over-runs will be charged at double rate and will be due immediately.
- A cleaning cost may be charged depending upon the nature of the event.
- Any damage retention charge is payable at the same time as the letting charge; this charge is refundable in full if there is no loss or damage.

14.4 Credit Control

The sales ledger shall be reviewed on a regular basis by the Business Manager. Any unpaid, old invoices shall be identified via the computer system and the debtor followed up with a series of telephone calls to prompt early payment. Details of any follow up action, including telephone conversations, shall be recorded.

Once the debtor becomes more than one month overdue then the customer shall be formally written to requesting payment.

In serious cases of non-payment the matter shall be referred to the Finance and General Purposes Committee who may then decide to take legal action.

Should the payment be overdue for three months it shall be treated on a pessimistic basis within the accounts.

14.5 Write-offs and Bad Debts

Approval of the Head Teacher and Business Manager is required before bad debts are written off. Details are recorded on the computerised financial management system.

15 BANKING

All grants shall be paid into a bank account under the School's name. Control shall be delegated to the Head Teacher and Business Manager for opening and closing bank accounts on behalf of the school.

A register of authorised signatures and the level of approval shall be maintained by the Business Manager and kept in the Finance Office.

The Business Manager shall be responsible for the security of bank statements and shall retain all details of bank accounts and associated statements in a secure and proper manner.

16 INVESTMENTS

The Governing Body has a duty to maximise income by the use of high-interest or deposit accounts and to keep to a minimum necessary funds in any non-interest bearing accounts.

The mandate to the bank should ensure that all investments are only made within the bank and funds are only moved between the School's authorised accounts.

The Business Manager is responsible for monitoring the balance in each type of bank account and along with the Head Teacher for investing short term surpluses in appropriate accounts at the bank.

Any investments should only be made in accordance with the policy approved by the Governing Body. Any investments should be compatible with charitable status and ensure the complete integrity of funds.

17 CASH SECURITY

Monies shall not be counted in public view or left unattended even temporarily.

Safes shall be kept locked except when in use to deposit or remove monies or other items. Safe keys must be held by responsible persons at all times.

Post-dated cheques must not be accepted for payment.

Where cheques are taken as payment, adequate supporting details shall be entered on the reverse side to connect the payment with the debt.

In instances where a receipt is issued for an incorrect amount then: -

- An additional receipt shall be issued for any under-receipted monies.
- A new receipt shall be issued for any over-receipted monies and the original receipt cancelled.
- The cancelled receipt must be retained and forwarded to the Business Manager.
- Receipts should not be altered.

18 CASH MANAGEMENT

The Business Manager shall monitor cash flow. Any prospective shortfall in equity will be reported directly to the Governing Body by the Head Teacher.

The Governing Body shall plan and conduct its affairs so as to remain solvent. It may not borrow funds or incur overdrafts. The School Funding Team shall be informed immediately if it becomes apparent that spending in excess and advance of income is likely to occur.

19 RECONCILIATIONS

On a monthly basis the Finance Officer/ SIMS Manager and the Business Manager shall reconcile and check the bank statements with the computer records.

Records of all documents used during the reconciliation process shall be retained and shall be kept in a secure and proper manner. Copies will be sent to the School Funding Team if requested.

20 COMPUTER SAFETY

Ensure that all financial procedures adhere to the School's ICT Policy.

21 INSURANCE

The Head Teacher and Business Manager shall be responsible for developing an insurance strategy which identifies the risks facing the School, the types of insurance cover to protect against these risks and the level of cover proposed at a minimum must meet the statutory levels as set out by CBMDC.

This strategy shall be considered and approved each year by the Governing Body, via the Finance and General Purposes Committee.

The Head Teacher shall also have the delegated power to authorise any additional or temporary insurance to meet further risks that may arise during the year.

The Business Manager must be notified immediately in writing by staff members of any loss, liability or damage or any event likely to lead to a claim by the School or by third parties against the School or any members of staff and shall take such action as may be necessary to satisfy any insurance policy condition.

22 RETENTION OF RECORDS

All accounting and financial records of the School shall be kept for a minimum period of seven years from the end of the accounting year to which they relate. These will consist of official orders, paid invoices, accounts raised, bank statements, copies of receipts and cheque stubs.

Certain records will be kept for longer periods:

Records	Period of Retention
Governing Body	<i>Indefinite</i>

Staffing, Buildings and Finance	<i>10 Years</i>
Annual Accounts	<i>Indefinite</i>
Returns to the School Funding Team	<i>10 Years</i>
Asset Registers	<i>Indefinite</i>

The proper retention of financial records is the responsibility of the Business Manager. The storage of records shall comply with the requirements of CBMDC that important documents are kept in a secure and fire-proof location.

23 CHARGE AND CREDIT CARDS

The credit card account balance is credited in full at the end of each month automatically by direct debit.

The spending limit is set at £500.

The only signatory on the card is the Headteacher.

The card can only be used for authorised school purchases, and all purchases must be detailed and authorised by a member of the SLT, before the purchase is made using a school official order form.

A member of the staff who is not a signatory has been appointed to control the use of the card and ensure the signing in/out procedure has been implemented.

When not in use the card is stored in a locked secure area.

The pin number for the card is known by the Headteacher, Business Manager and Finance Officer/ SIMS Manager only.

The authorised person using the card is responsible for providing a receipt for any goods purchased. The receipt can only show items that were authorised before purchase and it must show details of the purchase. A member of the SLT must check the receipt against the original authorisation form and initial the receipt as correct before the card signatory hands the receipt and authorisation form to the Finance Officer for processing.

The Finance Officer/ SIMS Manager will ensure all Credit Card transactions are reconciled to the statement and the statements are signed as evidence that the checks have been done.

After using the credit card the authorised person must sign the card back into school via the signing in/out book.

All expenditure will be recorded to the enabling account including any appropriate VAT by the finance office.

All Internet purchasing must be made by the Finance Officer / SIMS Manager who will be responsible for ensuring full security of internet purchasing and financial controls are followed.

24 LEASING

The School may enter into operating leases but is not permitted to enter into any finance lease or other credit arrangement without permission of the Director of Finance of CBMDC

25 AUDIT OF VOLUNTARY AND PRIVATE FUNDS

The school must provide a year end audit certificate in respect of voluntary and private funds to Governors.

All non-public funds must be audited on an annual basis by a person approved by the Governing Body who is independent of that fund. The Governors must receive annually the audited statement of all non-public and voluntary funds held within the School and must formally minute the balances.

Date approved by the Governing Body:

Date for review: