

STEPNEY PRIMARY



A Small School with great Expectations

**Stepney Primary School
Financial Management Policy (FMP)**

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APRIL 2016 – March 2017

Present at the Finance Meeting

Chair of the Meeting

1. Terms of Reference - responsibilities

Peri-bursar	Business Manager	Head	Finance Sub committee	Full Governing Body
Peri-bursar service for 2016-2017	To reconcile Payroll against monthly Oracle prints. To reconcile spending against monthly bank statements.	Responsibility for disposal of assets up to an agreed amount	To recommend the annual budget to the full Governing Body	To approve the annual budget
	To deal with day to day financial matters	Approves purchases from School Budget and School Fund Signs cheques and authorises invoices to be paid	To monitor performance against budget through the receipt of reports from the School Business Manager	To oversee financial procedures
	To process orders and pay invoices	To prepare the annual budget	To ensure both consistency and adequate explanation of variances	To determine levels of expenditure & virement
	To help prepare annual budget	To make expenditure / virement decisions up to a limit (£6000)	To report to the Governing Body on budgetary performance	To appoint a School Fund Auditor
	To prepare reports from FMS	Keep the Finance Committee informed about budget position.	To make expenditure & virement decisions within set limits (£10,000 primary)	To approve an Annual Best Value Statement
	To maintain School Fund account	Produce an annual income & expenditure statement	Consideration in detail of budgets & financial plans	To approve the Controls Assurance Statement
		Ensure school financial practices comply with city Council regulations & Best Value	Detailed monitoring of School Fund	

2. Membership of Finance Sub Committee

Mr. L Morfitt – Chair of Governors
 Ms. K. Freeman
 Father M. Crook
 Mrs Jacqueline Metcalfe
 Miss Ruth Truelove

Minutes to be taken by Mrs. Z. Harland/Mrs M. Codd/Mrs. S. McDonald

Quorum – 3 Governors

Meetings are held at least termly in order to ensure Governors agree the LA termly financial reporting information.

The usual meeting pattern is:-

Month	Agenda
February	Finance update /January pupil numbers / LA financial indicators
April/May	Finance update / end year closedown out-turn / draft new year budget capital spending plans/ Best Value statement
June / July	Finance update / termly financial reporting / staffing – next school year
Oct/Nov	Latest financial position / October pupil numbers

Additional meetings may be called as and when needed.

3. Financial reporting

The school will undertake the following reporting procedures:-

What	Send to:	When
Update finance reports	Sub committee	At least 3 times per year –
Termly reporting	To Governors and LA	Towards the end of each term.
Annual budget	Submission to Govs	Summer
	Submission to LA	April
Year end out-turn	Parents	Annual Report to Parents - July
Progress against SIP	Governors	termly
School Fund	Governors	Audited annual statement

4. Internal financial responsibilities

Frequency	Administration Procedure	Role & Responsibility	Member of staff who is able to cover
A	Attendance	M. Purkins	K. England/Any admin staff
A	Backing up data on server done remotely	Off-site	N/A
A	Locking up cash in safe daily	All admin staff	All admin staff
A	Lunch Registers	M. Purkins	K. England
A	Preparing outgoing mail for postage	M. Purkins	K. England
A	Sorting incoming mail	Z. Harland	All admin staff
A	Telephone/personal/email enquires	All admin staff	All admin staff
C	Banking dinner monies	M. Purkins	K. England / Any admin

			staff
C	Invoices	S. McDonald	M. Codd
C	Petty Cash A/c payments / reimbursements & claims	Z. Harland	S. McDonald M. Codd
C	School Fund A/c deposits	S. McDonald	Z. Harland M. Codd
C	School Fund A/c payments & Reconciliation	S. McDonald	Z. Harland M. Codd to check
C	Lettings Sheet	M. Codd	S. McDonald
D	Payroll / Monthly & Weekly timesheets	M. Codd/Z. Harland	S. McDonald
D	Reconciliation of Petty Cash	Z. Harland	Z. Harland M. Codd to check
D	Reconciliation of School Fund	S. McDonald	S. McDonald M. Codd to check
D	Simms – updating & maintaining computerised records including returns	M. Purkins	All admin staff
D	Stock control	Z. Harland	All staff
D	Sweatshirt sales	All admin staff	All admin staff
E	Checking off orders	M. Purkins	K. England
E	Maintain & collate pupil records	All admin staff	All admin staff
E	Orders	Z. Harland	S. McDonald
E	Produce lists/information/data as required	All admin staff	All admin staff
E	Transport cash/cheques to HSBC	P. Browning	Any 2 people
E	Replacing Ink Cartridges	All staff	All staff
E	Unlocking/Locking Gates	B. Foston/ M. Purkins	All staff
E	Word processing for staff	All admin staff	All admin staff
E	School Census	Z. Harland	S. McDonald
E	Workforce Census	S. McDonald	Z. Harland

Frequency details

A	B	C	D	E
Daily	Several times a week	Weekly	Monthly	As required

5. Staffing and payroll

Appointments

Headteacher	External Advisor + Chair Govs + 2 other Governors – ratified by whole Governing Body
Deputy Head	Chair, head + 2 other Governors – ratified by whole Governing Body
Assistant Head	Chair, head + 2 other Governors
Teachers / Admin Officer Site Manager / Senior LTS	Headteacher + at least 1 other Governor not employed at the school.
Other staff	Headteacher

Pay changes

Changes in rate of pay	Leadership	Following successful PM review recommendations made to Govs personnel sub committee. Variation forms prepared by admin staff and signed by head – apart from HT pay where form signed by Chair of Govs
	Teachers	Main scale – proceed without notification unless poor performance & review
	Upper Pay spine	Staff apply to headteacher using agreed procedures. Head to make recommendations for pay changes to personnel committee/. If agreed variation form prepared by admin & signed by head.
	Other staff	Rates of pay only to be changed following review of job descriptions & posts – need to be agreed by head & personnel sub committee
Overtime		To be agreed by headteacher. Sheets to be completed by staff. Entered by Z Harland (Mrs M Codd to check) then entered on to payroll timesheet
Weekly time sheets		Entered by Z. Harland on to payroll timesheet

All staff on training courses/meeting or absent through illness/medical appointments must be entered in the Admin diary on a daily basis. Any supply staff or extra hours worked to cover the above should also be entered asap. At the end of the month all absences should be transferred to timesheets which are all on the computer. They can be found in word – office shared – admin data – wpi – salary returns. Each sheet is saved under the month it relates to. To start a new month open the previous month and save with name of current month. All forms to be sent to Payroll (Kelvin Hall). Sickness and accident insurance forms for teaching staff that are absent for more than three days, send to Insurance Section – Guildhall.

Payroll amounts are checked each month by the Business Manager against the Payroll Validation sheet, and the Resource Plan.

Payroll Documentation

All payroll documentation should be actioned only if the Headteacher or Deputy Head's signature is on the forms. Staff sickness and overtime forms must be signed by the Headteacher or Deputy and held on file at Stepney Primary. An electronic version compiled from the signed forms will be emailed to Kelvin Hall for payment to staff.

The Governing Body devolves responsibility for the signing of payroll invoices and orders to the Heateacher as per the approved budget. All virements on the salaries budgets that are above the Headteachers authorised limit must be approved at the Finance and General Purpose Committee.

5. Ordering

It is an Audit requirement that orders must be raised for **ALL** goods and services procured for the school. This includes all resource expenditure, training courses for staff and pupils, capital purchases and general repairs and Maintenance.

Priority will be given to raising orders but please give as much notice as possible to ensure that the order is expedited by the required deadline.

Ordering – Official Requisition Instructions (Appendix A)

An Official requisition (Appendix A) must be completed before the office can raise an order. All forms should be filled in as follows:-

1. Enter the Supplier name and the address/fax number if it's a new supplier.
2. Enter the Subject heading where the order is to be taken from (e.g. Science, EAL, Literacy etc) and the name of the co-ordinator
3. Print clearly the item number/ description/quantity and the total costs.
4. Sign the order and, if you are not the co-ordinator, get the subject co-ordinator to countersign.

If the order is to be paid from the subject budget and the total amount is under the authorised spending limit, then the subject leader signature is sufficient. However if the amount exceeds the authorised spending limit then the requisition must be countersigned by a signatory with authority to do so e.g. Deputy or Head Teacher.

5. Please indicate any special instructions e.g. person to be contacted when goods arrive if different from the signature on the order.

6. Delivery Notes/ Invoices

Once the Goods have been received Reception will inform the relevant person of the delivery which must be collected as soon as possible. If the goods are bulky or heavy please arrange for the caretaker to move them on your behalf. Prompt collection of the goods will ensure that items do not get mislaid or damaged. If the delivery note/invoice is still with the goods, the member of staff who originally asked for the order, will check the contents and if they are correct, sign the delivery note/invoice and return to the admin officer for payment. If an order is for general stationary, a member of the office staff will check the delivery but **not** the person who authorised the order. If there are any problems with the delivery, the office should be informed what the issue is e.g. shortage of delivered items, wrong items delivered etc and office staff will contact the supplier to resolve the situation.

If delivery notes are returned to the office, the invoice will be paid and the relevant budgets debited.

7. Petty Cash

In certain circumstances it is impractical to use the ordering system. Items up to a maximum of £30 can be purchased by petty cash subject to prior authorisation by the Headteacher/Business Manager. Appendix C is the petty cash form which has to be shown when requested to audit section.

Receipts presented to the office for goods or services over the maximum amount may not be reimbursed.

8. Payment of invoices

Invoices may be authorised for payment only by a staff member who has the authority to do so.

When an invoice is received it will be attached to the order and/or delivery note to which it relates (this is where the purchase order number comes in useful). The following checks will be made:-

- The invoice matches the supporting purchase order
- The invoice must quote the official order number
- The invoice is made out to the school
- The invoice is an original and not a copy or a statement of account
- The invoice has not previously been paid
- The goods or services detailed on the invoice have been properly described
- The correct quantity and quality of goods was received
- The price is correct and discounts and allowances have been properly deducted
- VAT is charged at the correct rate for each item on the invoice, and it has been correctly calculated
- The total of the invoice is arithmetically correct
- The invoice bears the VAT registration number of the supplier where VAT is charged

Where the invoice is found to be inaccurate in any way whether due to:-

- Arithmetical error
- Incorrect prices
- Short delivery
- Wrong goods sent

The invoice must not be amended. Instead, the supplier should be contacted and asked to send a revised, correct invoice, and also advised that payment will be delayed. This is ESSENTIAL if the VAT calculation is incorrect. In some instances firms will want to send a credit note, cancelling the incorrect invoice, together with a revised invoice. In this case the original invoice and its corresponding credit note should be stapled together and filed with the original order; the amended invoice should then be paid. If the supplier sends a credit note to correct the value of the original invoice, the credit note must be attached to and filed with the original invoice and the net amount paid.

9. Payments to Individuals not employed by the Council / other agencies

From time to time school may use the services of consultants / experts who operate independently. In order to comply with National Insurance regulations school will ask those employed to sign a written declaration that they are personally responsible for declaring the income to the tax office and paying the associated income tax

and national insurance. (See Appendix B). This has been sent to the Payroll department for verification that this is acceptable.

10. Income

Small amounts of cash and cheques collected from parents/pupils must be clearly labelled, placed in an envelope and entered in the class money book and sent to the office as soon as possible. Money should not be kept in classrooms. At the end of each day money will be locked in the school safe.

Income will be receipted and logged against the right activity / year group and prepared for the bank.

11. Cheques

The school prefers payment in cash and does not accept cheque payment at any time

Accounting for Income

All income received will be receipted by the office. A balance of money banked will be kept in the school office and staff should check with the Business Manager to check amounts received.

12. School Meals

The school no longer uses Dinner Registers (as from September 2013) and these are completed by the teachers via the computer (using SIMs software). Mrs Purkins or Miss England will then collate dinner numbers in the office.. The total number of meals required is then telephoned through to the school kitchen. Dinner money is then counted. Any arrears or credits are logged accordingly to enable accurate record to be kept. The school has adopted the policy of only collecting dinner money on Mondays. This is then collected during the week by two LA staff members. All dinner money is stored in the school safe until collected.

13. Security

All income received by the office is locked in the Safe. Banking takes place as and when time permits.

14. Photocopier

Staff should always copy materials in the most economical way, being cognisant of copyright restrictions which are posted close to copiers.

If the photocopier breaks down follow the on screen instructions to remove any trapped paper. If the problem continues you must inform the admin staff who will call for the service engineer.

15. Signatories.

Name	Position	Authorised to sign	
Paul Browning	Headteacher	Cheques from the schools bank account (HSBC)* School Fund Cheques (Yorkshire Bank)** Petty Cash Official Orders Variation Forms Leaver Forms Monthly Timesheets C.P.D.	Reimbursement Claims New Appointment Forms/Variations/ Travel & Subsistence Claims Disposals Educational Visit Forms Any other forms requiring an authorised signature
Jo Atkinson	Deputy Headteacher	Cheques from the schools bank account (HSBC)* School Fund Cheques (Yorkshire Bank)** Petty Cash Official Orders Variation Forms Leaver Forms Monthly Timesheets Accident Forms C.P.D.	Reimbursement Claims New Appointment Forms/Variation Forms Travel & Subsistence Claims Disposals Educational Visit Forms Any other forms in the absence of the headteacher
Kate Wilde	Teacher and member of the SLT	Cheques from the schools bank account (HSBC)*	
Mandy Codd	Business Manager	School Fund Cheques** (YB) Official orders Telephone Banking – HSBC & Yorkshire Bank	Variation Forms – sent via e-mail Leaver Forms – sent via e-mail New Appointment Forms – sent via e-mail
Sue McDonald	Admin Manager	School Fund Cheques** Invoicing	Deliveries Variation Forms – sent via e-mail Leaver Forms – sent via e-mail New Appointment Forms – sent via e-mail
Z. Harland	Admin Officer	Petty Cash Cheques** Official Ordering	Deliveries Variation Forms – sent via e-mail Leaver Forms – sent via e-mail New Appointment Forms – sent via e-mail

- * Cheques require two signatures by senior staff as per bank mandate. Mrs M Codd and Mrs S McDonald are also signatories on Bank Mandate but due to segregation of duties will only be used accordingly.
- **Cheques require two signatures – 2 signatures required usually Mrs M Codd, Mrs S McDonald, Z. Harland or a Senior Member of staff.

16. Register of Business Interests

This will be carried out annually for Staff and Governors during the Spring term by the school's Admin Officer.

17. Procurement & Best Value

Before making any expenditure decision budget holders need to be satisfied that they are making the best use of the budget available. This will involve the Business Manager looking at alternative providers and getting quotes where applicable. No quote is required below £500. Between £500 and £5000 two written quotations are required. Above £5000 but less than £25,000 three written quotations are required.

Governors are committed to achieving Best Value in all decisions made. The principles of Best Value will secure continuous improvement in this School and will:

- a) Regularly review the functions of the School, challenging how and why services are provided and set targets and performance indicators for improvement.
- b) Monitor outcomes and compare performance with similar schools and within the School.
- c) Promote fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way.

Staff will strive to ensure that the School is using its resources effectively to meet the needs of pupils.

The finance committee will use benchmarking data to compare school spending and performance against similar schools.

When undertaking major projects Stepney Primary will adhere to the agreed Tendering policy and procedures.

18. Inventory

It is a statutory requirement to maintain an up to date, accurate inventory of items of moveable property over £100. The procedures that apply within the school are as follows.

Maintenance of Records

All items over £100 are recorded in the inventory book by the Admin Officer/ All items will be security marked.

A physical check of the inventory will be undertaken annually. Where possible this will be undertaken by a member of staff who does not compile the inventory.

Any items appearing on the inventory but not located must be immediately reported to the Headteacher for further investigation.

Disposal

Approval must be granted from the Governors Finance sub Committee for all items under £1500 to be disposed of or sold to third parties. The person doing the annual check (headteacher) will compile a list for

the committee. When disposed of a copy of the inventory must be signed and dated by the head.

For items with a value over £1500 and under £15000, one month's notice of disposal must be given to the Director (Children and Young Peoples Services).

All proceeds from Disposals must be forwarded to the Finance Department to be properly receipted and banked.

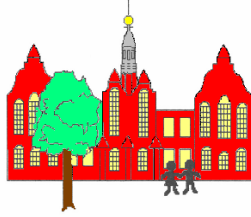
19. Travel & Subsistence

Travel and subsistence may be authorised only by the Head / Deputy, in line with LA guidelines. Staff requesting travel and subsistence reimbursements should ensure that they gain approval BEFORE expenditure is incurred. Reimbursement for travel expenses can be made via admin staff. If charges are under £20 Petty Cash can be used. If amount is more a travel expenditure form should be completed and sent with copies of receipts to Finance Department who will make payment through payroll.

20. Links to other policies

- a) Charging Policy
- b) Site Security
- c) Whistleblowing
- d) Sickness Absence
- e) Travel & Subsistence
- f) ICT policy
- g) Tendering Policy

Stepney Primary School



A Small School With Great Expectations

Headteacher: Mr. P. Browning
Beverley Road
Kingston Upon Hull
admin@stepney.hull.sch.uk
HU5 1JJ

Telephone: (01482) 343690
Fax: (01482) 348681
Email:

Visit our website at www.stepney@hull.sch.uk

APPENDIX B

Name.....

Address

.....

Date

I declare that I have been working independently at Stepney Primary School and will subsequently invoice the school for my services.

I confirm that I, and not the school, am personally responsible for declaring the income to the tax office and paying the associated income tax and national insurance.

Signed _____

Print _____

Imprest Authorisation form

Petty Cash Request –

Staff Name: _____ Date: _____ Amount: £ _____

Reason for Petty Cash: _____

Authorised by: _____ Signature: _____

Staff Signature to confirm received reimbursement: _____

VAT Claimed: _____ Ledger Code: _____

Date Posted: _____ Receipt Attached: Yes No

Imprest Authorisation form

Petty Cash Request –

Staff Name: _____ Date: _____ Amount: £ _____

Reason for Petty Cash: _____

Authorised by: _____ Signature: _____

Staff Signature to confirm received reimbursement: _____

VAT Claimed: _____ Ledger Code: _____

Date Posted: _____ Receipt Attached: Yes No

