



Financial Management Policy and Procedures

Approved by which committee:	Signature of Chair:	Name of Chair:	Date approved:
FGB			24.09.24

Headteacher: Mrs C Bull	Date: 24.09.24
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Parsons Down Partnership of Schools
Financial Management Policy and Procedures
September 2024

AIMS

- This document has been adopted by the Governing Board, as the basis for the administration and management of finances in relation to all delegated and devolved funds received from the Local Authority (LA) and other direct government grants. The aim of the policy is to create a framework within which the school conducts its finances, the delegation of responsibility and the methods of operation, so that all parties concerned are aware of their duties and responsibilities and that efficient and effective internal and financial controls are maintained.
- The implementation of appropriate practice and procedures will ensure the best use of the limited funds available to enhance the education of the school's pupils.
- The operation of all other funds available to the school are the subject of a separate policy.

OVERALL MANAGEMENT RESPONSIBILITIES

- The Governing Board will manage its affairs in accordance with the high standards of Public Sector administration, based on a distinct set of values, the fundamental principles of which are:
 - ❖ Openness – open approach to all interested parties in the disclosure of information, that lends itself to necessary scrutiny
 - ❖ Integrity – honesty and objectivity, and a high standard of propriety and probity in the stewardship of public funds and resources
 - ❖ Accountability – the process whereby individuals are responsible for their actions and decisions
- The Governing Board will adopt and comply with the following regulations and guidelines as published by the LA to the extent that such regulations and guidelines apply to schools, including:
 - ❖ West Berkshire Council Scheme for Financing Schools (last modified Sept 2021)
 - ❖ West Berkshire Council Financial Rules of Procedure (last modified April 2019)
 - ❖ West Berkshire Council Contract Rules of Procedure (last modified Dec 2018)
 - ❖ West Berkshire Council Anti-Fraud and Corruption Policy (last modified June 2019)
 - ❖ Confidential Reporting Code (Whistleblowing Policy) (last modified July 2021)
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The above documents are available from the Finance Office

- The Governing Board will also comply with Department of Education (DfE), Education and Skills Funding Agency (ESFA) and School Financial Value Standard (SFVS) regulations and guidelines for budget management and the spending and receipt of monies.
- The Governing Board must operate in accordance within the requirements and standards laid down by both the DfE and WBC Audit and Accountancy Departments.

FINANCIAL POLICIES AND PROCEDURES

Delegation

- The Governing Board has delegated certain functions and the making of certain decisions to its Finance Committee, in accordance with the terms of reference of that committee, set out in a separate document.
- The Governing Board has delegated to the Headteacher the day to day management of the budget and the virement of funds subject to the limits agreed in the school's Register of Authorising Officers (see Appendix D). The Governing Board will take due account of the advice given by the Headteacher in respect of financial matters.
- The signing of cheques and other bank instructions is delegated to school staff in line with the table of responsibilities detailed in appendix C of this policy.
- The Governing Board will note and approve the Headteacher's allocation of financial duties to staff so as best to achieve separation to ensure probity, and that shadowing of duties occurs to provide continuity in the event of absence. (See table of responsibilities, appendix C).
- The Governing Board will monitor the competencies of school finance staff, staff with financial responsibilities and its own members in line with requirements of SFVS using the ESFA skills matrices for governors and staff with financial responsibilities and will make recommendations to the Headteacher as appropriate.

Budget Management

- The Governing Board will delegate to their Finance Committee the preparation of a three year budget for income and expenditure and take this preparation into account in setting the three year budget.
- When setting the budget, the Governing Board shall consider the aims and objectives of the school and School Development Plan and ensure that the budget and financial processes of the school support and reflect these as far as possible.
- The Finance Committee will carry out regular benchmarking exercises to compare the school's performance and financial efficiency with similar schools and use the outcomes to inform their budget monitoring and planning.
- In setting the budget governors will take due account of the need to resource the management and administration of the school's finances and to ensure, through regular review, that staff resource and competence is sufficient, and is supported through appropriate development and training.
- All material budgetary decisions will be communicated between all relevant and interested school staff and the Governing Board on a regular and timely basis, to ensure that the financial context of the school is understood and that necessary actions are implemented. As required by the School Financial Value Standard, this financial management policy is available through the school website.
- The Governing Board's Finance Committee will review the school budget and longer term forecasts at least once a term, (the current March 2023 recommendation in the SFVS is 6 times per year). The committee will, in line with its terms of reference, agree any appropriate action in relation to (a) budget variances, anticipated expenditure and income, and (b) any significant virements made or anticipated where, in both cases, the amount is greater than either 20% of any budget line in excess of £5000. Below this level the Headteacher has full authority to agree budget variances and virements without reference to governors. Virements will be subject to any 'ring-fencing' restrictions and other restrictions as defined by WBC Schools Accountancy.

Procurement

- The Governing Board will ensure that purchases or leases made with public funds are fair, legal and open, as well as securing the best possible value for money with the resources available to them.
- The Governing Board had robust procedures in place to ensure that every purchase is managed in the most effective and appropriate way including clear designated roles to ensure separation of duties between staff responsible for making buying decisions and making payments (Appendix C).
- A list detailing all contracts e.g. maintenance, software, photocopying etc. with annual/total cost. Start/end dates or contract term will be maintained in school and reviewed by the Finance Committee at least annually.
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Procedures

- Finance staff are given clear guidance to ensure that effective and robust financial and accounting procedures are adhered to. Details are provided in appendix C of this policy

Governor Reimbursements

- The payment of any allowance or reimbursement of costs incurred by the Chair of the Governing Board requires the approval of the Chair of the Governing Board's Finance Committee before payment. The payment of any allowance or reimbursement of costs incurred by any other Governor requires the approval of the Chair of the Governing Board before payment. Payments of allowances or costs to any Governor shall be reported to the Governing Board on an annual basis. The Governor Allowances Policy is available to Staff and Governors.
- Governors may claim allowances in respect of actual expenditure incurred whilst attending meetings of the Governing Board and its Committees, undertaking Governor development and otherwise acting on behalf of the Governing Board. Governors may not claim for actual or potential loss of earnings or income
- All expenses or reimbursements claimed, by either Governors or staff, must be made within 3 months of being incurred. The maximum claimable is £50 per month unless otherwise authorised by the Headteacher. All claims must be made using the appropriate claims forms available from the finance office and must be supported by appropriate VAT receipts and/or VAT invoices.

Inventory and assets statement.

- The Governing Board is responsible for the safe custody and physical control of stores and equipment and is required to monitor the inventory of moveable, non-capital assets above the value of £100.
- The Headteacher is responsible for ensuring that assets under their control are correctly recorded in the inventory (written and photographic) and will be available for inspection on an annual basis by the Governing Board.

Pecuniary business interests statement.

- All governors and those staff with financial responsibilities will declare any pecuniary or personal interest annually (or at such times as their interests change) through the Register of Business interests maintained by the school. Governors and other attendees will be required to declare any such interest relating to any Governing Board or committee meeting agenda item at the start of that meeting.

Indemnity statement

- No indemnity of any sort may be given to the benefit of a third party.

Insurance

- The Headteacher will review the insurance needs of the school annually and liaise with the LA (and RPA) to ensure that specific arrangements remain appropriate. Following the approval of the Governing Board, the Headteacher will ensure that agreed arrangements are in place and full evidence of sums insured, limits and cover will be supplied for approval.
- The Headteacher will be responsible for ensuring that Governors are made aware of all new risks, and all incidents which may give rise to an insurance claim (eg accident, theft etc). These should be reported immediately to the LA (or RPA as appropriate). Any delay could prejudice the claim and lead to the insurers refusing cover.

Computer Systems

- The Governing Board recognises the importance of protecting the computerised financial management systems and the data therein. The Headteacher will ensure that the School and Governing Board are compliant with data protection legislation and controlling access to all data covered by such legislation.
- The Headteacher will ensure that effective, secure and timely backup procedures are in place.
- Access to school management computer systems will be limited to authorised staff. These staff will use passwords which should not be disclosed and should be changed regularly. Only authorised software will be used to prevent the import of computer viruses. Staff will only have access to those modules appropriate to their duties.

Personnel and Payroll

- The Headteacher will, where possible, allocate duties to ensure that an appropriate division of duties exist in the area of completing, checking and authorising of all documents and claims relating to appointments, termination of employment and expenses/reimbursements. (see Table of Responsibilities, Appendix C)
- Payroll transactions will be processed only through the WBC payroll system. Payment for employment will not be made to staff or visiting teachers etc. through any other mechanism. Payroll transactions relating to school employed staff may only be charged to a fund representing a delegated budget issued by the LA and not to a voluntary unofficial fund.

School Fund and Other non-government funds eg trusts

- The Governing Board is responsible for the school's voluntary unofficial fund. Although the voluntary unofficial fund is not public money, it is administered by school staff and the principles of sound financial management outlined in this policy apply equally. This requires the proper minuting of all decisions taken by the Governing Board.
- The objectives of the school fund are to enable the School to benefit from additional funds not normally allocated by the LA. This includes income received from a variety of proper sources and payments made for the purchase of educational goods etc and the provision of services outside the scope of the budget share. Income paid into the school's private or voluntary fund which should be credited to any of the school's revenue or capital funds should be transferred on a timely basis (e.g. monthly) to the relevant fund code.

- In November 2022, following consultation with Schools Accountancy, the decision was taken to no longer use School Fund. The account will be kept open, should the use of it be required again in the future.

Petty Cash

- The Headteacher is responsible for the operation of the petty cash account which should be used for the purchase of small items of expenditure up to £20. Official receipts and VAT invoices must accompany any claim.
- Petty cash must not be used for expenses which should be paid via payroll (this includes items such as car parking tickets, mileage claims etc)

De Minimis level for Capitalisation

- Items of a capital nature (as defined by WBC) must be charged to the appropriate Capital Fund (Fund 77). The Governing Board has set its own de minimis of £1,000.

ASSOCIATED POLICIES, DOCUMENTS AND REMITS

- Terms of reference of Governors' Finance Committee
- School Financial Value Standard
- Strategic School Development Plan
- School Fund policy
- Before and After School Club policy
- Charging and Remissions policy
- Governors Allowance policy
- Staff expenses policy
- Lettings policy
- Acceptable use of Laptops Policy
- Safer Recruitment Policy
- Register of Authorising Officers and Procurement Card Authorising Officers

PRACTICE AND PROCEDURES

This policy is to be read in conjunction with the Terms of Reference of the Governing Board's Finance Committee and the attached appendices.

Appendices:

- ❖ Appendix A ~ Delegation and the Management and Virement of Funds
- ❖ Appendix B ~ The Procurement of Goods and Services
- ❖ Appendix C ~ Instructions to Office Staff on Financial Procedures
- ❖ Appendix D ~ Register of Authorising Officers
- ❖ Appendix E ~ Schools' order form
- ❖ Appendix F ~ Procurement Card Register of Authorising Officers

Copies of all the above documents are available from the school finance office

APPENDIX A: DELEGATION AND THE MANAGEMENT AND VIREMENT OF FUNDS

Subject to the terms of this policy and its appendices, the Governing Board delegates to the Headteacher (or in their extended absence a nominated representative):

- make purchases
- decide upon quotations received and enter into financial commitments
- income-generating activity
- vire monies within the set annual budget.

See appendix C which includes a table of responsibilities

The Headteacher has overall management responsibility of the school's financial position at a strategic and operational level, ensuring effective systems of internal control are in place. In practice, the Headteacher may delegate much of the financial and budget management and monitoring to the School Business Manager, as appropriate, whilst retaining ultimate responsibility for it.

Authorisation

The Governing Board will agree and document levels of authority of members of staff and governors to cover financial transactions which require the cooperation of the local authority. These include (but may not be limited to) budget virements, journals, internal transfers, overdraft requests and Imprest claims. Financial limits will be recorded on the school's Register of Authorising Officers, with specimen signatures of the designated members of staff, and signed by the Headteacher and Chair of Governors. The school will ensure that the Register is updated when necessary and a scanned copy submitted to Schools Accountancy (current copy appended below).

Authorisation is given for the Headteacher, Deputy Headteacher and School Business Manager to sign cheques and other instructions to the bank against the school's LA bank account. Two signatories shall always be required. Where a school operates a local cheque book account strict adherence to the applicable procedures must be applied in accordance with the delegation of duties. This means that the persons placing and authorising the purchase orders are not the same as those receiving the goods and signing the cheques

Financial Planning

Schools' budgets are to be spent in the best educational interests of the pupils. In defining the purposes of the school, governors must have regard to the need to provide a broad and balanced education for the pupils to the benefit of the individuals and the community.

In budgeting, the Governing Board and its Finance Committee should bear in mind that appropriate action may need to be taken during the year to deal with variations between actual and budgeted income and expenditure. The budget should, therefore, be based on a hierarchy of assumptions and priorities, aiding swift changes of plan in reaction to changes of circumstances.

The process of setting the school budget will involve the balancing of expenditure against income. The following steps should be taken to ensure all information has been considered:

- Ensure everyone involved in the process is aware of the assumptions, constraints and targets, which have been determined by reference to the school's development plan.

- Estimate the costs of each element in the overall plan, over at least a three year period.
- Estimate future years delegated budgets. Uncertainty about funding is inevitable, therefore budgets are based on fluctuations in pupil numbers. The Local Authority will provide indicative three/five year budgets to assist in this process.
- Compare income and expenditure to identify the potential surplus or shortfall in funding required to meet the financial objectives in the school development plan.
- Identify savings in expenditure against budget allocation to areas of need identified in the school development plan
- Use the Government benchmarking website to compare the school with statistically similar schools.
- The budget set should follow the CFR headings. A pro-forma budget plan is issued by the LA Schools Accountancy team and presented to governors for approval in May. Following recommendations from the LA, the governing Board shall approve each year, for submission no later than 1st May, the budget plan for the current financial year. Details of the budget will be minuted and a copy of the final budget retained on file with the governors' minutes.
- The school shall submit to the LA with the approved budget together with a copy of the signed Governing Board minutes relating to their approval.
- Inform members of the senior leadership and management teams as well as staff with financial responsibilities what their budgets are, together with any constraints imposed
- Inform all school staff of the financial aims of the school through the SDP.

The steps involved in arriving at an approved budget may require a number of attempts to balance income and expenditure. Once the budget has been set it should be fixed in the Schools financial and management accounting system (FMS) as this will provide the baseline for budget reporting and variance reporting. The budget fixed should be the exact budget approved by the Governing Board. Adjustments or budget virements should only be entered onto FMS – SIMS.net after the budget has been fixed.

If a deficit budget is foreseen it will be discussed with and approved in advance by the LA in line with their Scheme for Financing Schools, together with submission of a Licence Deficit Agreement and Balance Control Mechanism, to be submitted to the LA.

Particularly for employees and governors with financial responsibilities, the Governing Board will keep under review any training needs and opportunities, actively encouraging personal growth and sharing of good practice. In order to determine their needs all staff and governors with financial responsibility must complete a 'Financial Skills audit'

APPENDIX B: THE PROCUREMENT OF GOODS AND SERVICES

Compliance

- In all cases any purchase or service contract must comply with current Legislation, including Health & Safety and EC regulations where applicable.
- School accounts (e.g. eBay, Amazon etc.) should be agreed by governors and purchases comply with the FMP requirements.
- The principles of obtaining 'best value' will apply. The School will operate within the limits defined by the LA's Contract Rules of Procedure and in particular:
 - ❖ *For supplies and services with a total contractual value below £3,000* the school may select one supplier without obtaining competitive quotations. Where a sequence of small orders is likely to be placed with one supplier [i.e. a preferred supplier] a check of their pricing against competitors should be made at least annually. Schools should also be careful that repeat orders for a product or service from the same supplier may take the total over the figure at which three quotations should be obtained. In these circumstances the clauses below should apply.*
 - ❖ For supplies and services with a total contractual value between £3,000* and £10,000* a minimum of three quotations shall be obtained, except where the nature of the purchase and/or the range of suppliers and/or the timescale precludes this, in which case this will be brought to the attention of the Governing Board and or Governors' Finance Committee for consideration and approval and the reason for this shall be documented with the order. Quotations will be reviewed by and a decision to order made by the Headteacher or a member of staff with their delegated authority. Internet and catalogue quotations should be suitably documented for future reference [e.g. photocopies, screen print-offs].
 - ❖ Subject to point below, for supplies and services with a total contractual value of over £10,000* the nature of the contract may require additional procedures, including the receiving of quotations from more than three suppliers and a formal tender mechanism. A procurement mechanism will be approved in advance in each case by the Governing Board and/or Governors' Finance Committee, with appropriate specialist professional advice sought as necessary before commitment.
 - ❖ For supplies and services where the total contractual value is £100,000 or above a formal tender process is required in line with the LA's Contract Rules of Procedure. The school will seek appropriate advice from the LA regarding this and relevant EU and UK legislation. The Governing Board will be advised in each case and have oversight of the procurement process.
 - ❖ The most cost beneficial quotation will normally be accepted and if not, best value reasons for accepting a more expensive quote will be documented with the order.

APPENDIX C: INSTRUCTIONS TO OFFICE STAFF ON FINANCIAL PROCEDURES

Table of responsibilities

The table below identifies day to day arrangements and also allows for short/medium term cover arrangements in the absence of key staff. WBC Schools Accountancy can be contacted for advice regarding longer term absence and continuity planning.

Member of staff	Internal Requisitions (1)	Purchase Orders	Cheque/ BACS run (2)	Imprest	Journal	Personnel and Payroll	Inventory
Headteacher	Authorising	Authorising	Authorising	Authorising	Authorising	Authorising	Authorising write-offs
Deputy Headteacher	Authorising	Authorising	Authorising	Authorising OR only in the absence of the Headteacher	Authorising only in the absence of the Headteacher	Authorising OR only in the absence of the Headteacher	N/A
Budget Holder	Authorising	N/A	N/A	N/A	N/A	N/A	N/A
School Business Manager	Processing OR Authorising	Processing OR Authorising	Processing OR Authorising	Processing OR Authorising	Processing OR Authorising	Processing OR Authorising e.g. Overtime only	Oversee
Finance Assistant	Processing	Processing	Processing	Preparing/ Entering	Processing	Processing	N/A
Administration Assistants	N/A	N/A	N/A	N/A	NA	NA	Day to day admin

(1) - Internal Requisitions used in school (appendix E)

(2) – Dual signature/authorisation required

See also Register of Authorising Officers (Appendix D)

National Westminster SCHOOL FUND bank accounts

Invoices/ Cheques	Name	Title	Maximum amount
	Catherine Bull	Headteacher	Unlimited invoices. Invoices to be authorised by CB before payment is made. (cannot exceed balance in the account)
	Kerry Thomas	School Business Manager	Unlimited as 2 nd signatory (cannot

			exceed balance in the account)
	TBC	Deputy Headteacher	Unlimited as 2 nd signatory (cannot exceed balance in the account)

Long term absence cover (LA to be advised of any amendments to the Register of Authorising Officers)

- Deputy Head is expected to cover the Headteacher
- Finance Assistants are expected to cover the School Business Manager for general duties
- School Business Manager is expected to cover the Finance Assistant

Shadowing of the majority of administration duties occurs to provide continuity in the event of absence and for personal development.

The schools buy in to the LA Accountancy, Human Resources and Payroll services. You must use these services for support and guidance when necessary.

Recording of transactions and accounting

All financial transactions, journals and virements must be properly recorded without undue delay on FMS. Backups are carried out remotely by West Berkshire Council for both Schools.

Placement of Orders

Requests to order goods and services must be made using the schools own internal order form (appendix E) and signed by the school budget holder (who must ensure they have sufficient funds in their budget before submitting the order). A purchase order will be raised on FMS to procure all supplies and services for the school. In order to record commitment in a timely and accurate manner, Purchase Orders will be raised irrespective of whether the order is being placed verbally (telephone orders eg emergency repairs), online, sent by mail or email or via e-procurement (direct from FMS).

In the case of any more complex transaction the advice of suitably qualified persons must be obtained in order that all considerations regarding pricing, specification, health and safety, etc can be taken into account.

Copies of all orders and supporting documentation shall be kept and recorded promptly in the school's accounts. A monthly check of outstanding orders will be made and any long outstanding orders investigated and cancelled if appropriate. (Some orders are raised up to 12 months in advance so will appear on the 'outstanding' list for nearly 12 months).

An FMS purchase order, signed by an authorised signatory as defined in the register of authorising officers (appendix D), must always be posted/emailed/faxed to procure supplies and services in each case. A signed copy of this order is retained in the finance office with the original request form and copies of relevant documentation, including quotations. The only exceptions are when:

- The payment for supplies or services represents one of a sequence of transactions as a result of an agreed contractual obligation.
- Telephoned orders ~ the school is discouraged from using telephone orders but sometimes this is not possible. In this case FMS should be updated as soon as possible to ensure that the value of the commitment is recorded. Any confirmation sent must be clearly marked 'Confirmation of telephone order'.
- For amounts up to £150, expenditure claims may be made by staff with prior authority from the Headteacher and or School Business Manager. They should be limited to those occasions when direct staff purchase is the only practical option. Where goods are delivered they must be delivered to the school, received and checked by someone other than the purchaser. Related staff expense claims must be authorised by the Headteacher and or School Business Manager and be presented for payment and dealt with within 14 working days of receipt. Reimbursements under £20 will normally be in cash, amounts over £20 will be via cheque or BACS. All expense claims must have full appropriate invoices or receipts attached evidencing the purchase so that VAT can be reclaimed whenever possible. These must also be made within 14 days of being incurred and must not be more than £150 per month. Staff or pupil personal purchases cannot be processed through the school's accounts nor can personal cheques be cashed. Schools are encouraged to make use of the Procurement Card facility which will largely replace the need for staff reimbursements. Should the reimbursement value be exceeded for value for money reasons then the nature of the purchase and total value will be reported at the next Finance Committee meeting for their information.
- In cases of emergency a supplier may be called to the school to undertake work. The commitment must then be ascertained and recorded as soon as possible.
- No leasing agreements will be entered into unless approved by the Local Authority.

All order requests for individual items of £3,000 or more require at least three quotations appended or a written statement on the order as to why this was not possible.

Receipt of Goods

All deliveries will be checked on receipt, against the copy order and delivery note for quality and quantity. The delivery/dispatch note must then be signed and dated by someone other than the person who has signed the order or will be signing the invoice. This person does not have to be an authorised signatory to ensure compliance with the segregation of duties. The delivery/dispatch note will then be filed with the relevant invoice. If a delivery note is not supplied, then the invoice should be annotated to show receipt of goods accordingly.

Invoices and payment

Certification for payment of invoices should ideally be by a person other than the one who authorised the original order or receipted the goods.

- Invoices for payment must be original/electronic from suppliers or certified copies and fulfil VAT requirements. They will be processed and authorised for payment in accordance with the table in Appendix C

- Invoices will be checked against the original requisition, purchase order and goods received/delivery note to avoid the possibility of duplicates or faulty/returned goods being paid for.
- Invoices should be checked for arithmetic accuracy. No invoice should be paid whose value exceeds 5% more than the original order price without reference to the School Business Manager and budget holder. Service, contract and utility invoices should be checked against preceding payments to ensure periodic continuity without overlap.
- Paid invoices will be marked as paid and filed in alphabetical order with supporting documentation (either as hard copy or electronically).
- The payment of invoices will be made in a timely fashion according to the terms stated by the supplier and not less than monthly.
- Payment will be made by direct debit, BACS or cheque as appropriate
- If cheques are used instead of BACS, two authorised signatories will compare the FMS payment schedule (Cheque Run Report printed from FMS) and the payment documentation (e.g. invoice, order and requisition) for each payment and will sign the Cheque Run Report to confirm that the payment information agrees. The same two authorising signatories will sign the cheque(s).
- Expenditure is coded to the correct account code and within approved budget provision
- Expenditure is within approved delegated authority limits laid down by the Governing Board
 - Invoices paid for by direct-debit are filed as above. All invoices paid for using the schools' Procurement Card are filled in a separate file for ease of reconciliation.
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Regular meter readings should be provided to ensure accurate services bills where applicable.

Under no circumstances will any private purchases be made through the main school budget/IMPREST account. This is regardless of whether the individual intends to reimburse the main school budget.

Procurement Card

Requests can be made to the Finance Office by completing an order form. A Purchase order is to be raised and authorised. This method of procurement is to enable purchases from companies over the internet/telephone and directly via retail companies to secure best value, where there is no other payment alternative.

The order must be placed by the Finance Assistant or by designated card holders only. Copies of all purchases shall be kept and noted in the school's accounts via a requisitions spreadsheet.

- ❖ The Governing board is required to authorise the Approval to Apply for a Procurement Card form which is submitted to WBC Head of Finance for final approval. The Governing Board, via its financial policy and procedures, is

responsible for ensuring the adequate controls are in place over the use of the cards. See also Procurement Card register of Authorising Officers (Appendix F),

- ❖ The monthly billing limit is determined by the school – as a guide this should be no greater than half of the school's notional Imprest advance. The monthly billing limit for this school is £8,000.
- ❖ The individual cardholder limits for monthly spend and single item spend are determined by the school. The total of the individual limits cannot exceed the monthly billing limit. The Chair of Governors will approve the agreed limits which will be recorded on the Procurement Card Register of Authorising Officers. There are 3 card holders, each with differing limits for purchasing. (See Appendix F)
- ❖ Merchant/retailer types can be blocked per card to prevent expenditure on non-approved items – there are 34 categories available to choose from on the New Billing unit (School) Application Form.
- ❖ No cash withdrawals will be permitted. Personal items may not be purchased using this card.
- ❖ Access to the cards will be restricted and PIN(s) will be kept secure.
- ❖ Only the main contact – Headteacher, along with the School Business Manager and Finance Assistant have access to information on the account via the use of passwords.
- ❖ Purchase must relate to official funds for school activities only and must be supplied and delivered to the school.
- ❖ A valid invoice/receipt from each supplier with VAT details is required for each purchase.
- ❖ Requisitions and purchases for which the Procurement Card has been used are recorded on a spreadsheet allowing monitoring of monthly expenditure within set limits and providing a commitment figure for the purpose of budget monitoring and forecasting.
- ❖ Upon receipt of the monthly card statement it will be checked and reconciled against the requisitions/goods received spreadsheet by the Finance Assistant. There is a period of 7 days before the payment date to raise any queries with the bank (and to notify any fraudulent activity). The reconciled statement and supporting documents will be signed by the Headteacher for completeness, accuracy and timeliness.
- ❖ The full outstanding balance will be paid, by direct debit, on or before 20th of each month and the cashbook journal will be posted on FMS on or before the monthly payment date to ensure it is included in that month's Imprest claim.
- ❖ There will be a clear segregation of duties between the requisitioning/ordering & card purchasing processes, and the reconciliation of the monthly statement & settlement payments. Where the School Business Manager/Finance Assistant has a Procurement Card and is also responsible for reconciliation and payment the Headteacher or Deputy Headteacher should check and sign the statement to approve all purchases made by the School Business Manager/Finance Assistant.

Cost Centres for use with Procurement Card Ledger Code P0001:-

Fund 22 is linked to C/C PDP502 Fund 99 is linked to C/C PDP503

Fund 13 is linked to C/C PDP504 Fund 08 is linked to C/C PDP505

Fund 77 is linked to C/C PDP506

BACS

- The Governing Board is required to authorise the Approval to Apply for Bankline access which is submitted to WBC Head of Finance for final approval. WBC Schools Accountancy will progress the application with NatWest/RBRBS and the school will complete the registration forms when required. The Governing Board, via its financial policy and procedures, is responsible for ensuring that adequate controls are in place over the use of Bankline.
- Only Bankline roles defined by the WBC School Accountancy Bankline administrator may be used by the school. Allocation of individual Bankline roles should be approved by the Governing Board and recorded in the table of responsibilities (Appendix C). These approvals may relate to posts or to named individuals.
- A paper record must be kept of all suppliers' bank details. These details should be taken from an earlier invoice which has been paid by cheque and verified by a phone call to the supplier (using original phone numbers) as this is a recognised fraud risk. Once checked the details can be entered into FMS. These should be entered by one member of staff and verified by another member of staff, each will initial and date the document after entering the details. These details will then be used to pay the supplier.
- Any changes to suppliers BACS details should be received on an official letterhead from the supplier but will also be verified by a phone call to the supplier (using original phone numbers) as this is a recognised fraud risk. When these changes have been made in FMS, the document should be initialled and dated together with a record of the steps taken to verify the change.
- School staff requiring reimbursement by BACS for non-payroll expenditure will complete a bank details form and submit to the school's Bankline administrator.
- School staff may only log into Bankline from within the school and not from remote locations (e.g. home) and this access must be made using school owned PCs or laptops.
- Only payments which have been generated through FMS can be made on Bankline.
- An authorised signatory must compare and sign the FMS payment schedule with the Bankline payment schedule for each payment run and will sign both documents to confirm that the schedules agree, prior to authorising the payments on Bankline.
- Bankline payments will be subject to dual authorisation which means that BACS payments will only be released when the second Authoriser has authorised. This is the equivalent of a second signature on a cheque.
- Bankline users must not share user names or PIN numbers to ensure the separation of duties and that no one individual can both make a payment and approve a payment in the Bankline system.
- All Bankline cards must be kept securely locked away except when in immediate use.
- Any member of staff who leaves the employment of the school should have their Bankline access removed immediately and must return all cards to the school for destroying prior to their last day on site.

- All Bankline payments reflected on the bank statements must be reconciled to the invoices received and any receipts obtained.

Bank Accounts, authorisations, income and banking

Copies of all bank mandates, (Imprest account, Direct Debits, BACs etc) and Register of Authorising Officers will be held, in a secure location in the Finance office.

Bank accounts will be reconciled promptly on receipt and no less than monthly. The reconciled statement and supporting documents will be checked and signed by the Headteacher.

Imprest returns to reclaim the principle sum (less any income received) and net VAT paid/received will be prepared and submitted to WBC Schools Accountancy no less than monthly (August optional) and in line with the published deadlines. The Imprest account should not be allowed to overdraw and its level reviewed regularly to ensure that it meets the school's cash flow needs. Any exceptional overdraft request and WBC confirmation must be properly recorded.

All collections of income by cheque, petty cash or otherwise shall be evidenced by a suitable voucher signed by the member of staff paying in, properly and individually annotated on bank pay in slips and be immediately receipted and stored in the safe pending processing.

All cash received will be counted and confirmed by two people.

No receipts will be issued except on request.

Payment books are distributed to parents/carers for all residential trips.

Invoices, including those for lettings and other claims for funding will be issued/raised promptly and payment chased effectively after 14 days (after one month if relating to an internal transfer). If payment is not received within 60 days, then the School Business Manager will arrange for WBC legal department to send a letter on the school's behalf. Non-payment or late payment of invoices relate mainly to Twilight Club. Some parents are given payment plans in order to reduce their debt over a longer period of time. Each case is reviewed separately by the School Business Manager and must be reported to the Finance Committee.

All cheques and cash must be banked within 4 weeks of receipt and not less than monthly subject to the maximum allowed for cash (including petty cash and private funds) held on site, set by the school's insurer. Banking will always be completed before school holidays. No monies due to the main school budget (including lettings income) may be banked into staff or other third party (including school fund) bank accounts under any circumstances.

Cheque payments and other instructions to the bank must be signed by authorised signatories. Cheque signatories will scrutinise and confirm relevant voucher documentation before signing cheques. Only manuscript signatures are allowed.

The writing off of any amounts due to the school and unpaid items shall only be made with the formal consent of the Finance Committee and in line with WBC regulations.

A copy of each contract relating to lettings income is available from the Finance Office.

Parental income for school trips and extra-curricular activities will be paid in to the Schools' Imprest bank account.

Any account, letter or statement requesting payment to the school must state that cheques are to be made payable to **Parsons Down School**.

Payroll, Supply & Travel Expenses

Payroll services are provided by the LA in accordance with the Service Level Agreement (SLA). On receipt of the monthly Agresso report, the School Business Manager manually enters all required transactions onto FMS. Any variances in salaries are first checked before being entered on to the schools FMS system.

Having first checked the payroll report for accuracy, the School Business Manager reports any errors to payroll for correction.

The Headteacher, Deputy Headteacher or School Business Manager authorise/verify the original supply claim. Line Managers must authorise overtime requests from staff, which are then authorised by the Headteacher or in their absence the Deputy Headteacher on a summary sheet before being submitted electronically to payroll. On receipt of the Agresso report, the School Business Manager cross-references the salary payments against the original overtime sheets retained in school. Any discrepancies are reported to payroll for correction the following month. Staff are asked to submit overtime promptly, ideally monthly in arrears and NO MORE than 2 months in arrears

Supply cover is verified by the Headteacher, or a designated teacher in the absence of the Headteacher for recording;

- Who supply cover was for
- Why supply cover was required
- On which day and relevant number or hours, i.e. half-day/full day

Travel expenses, including car parking, are to be reimbursed through payroll by completion of a WBC Travel & subsistence Expenses Claim form only. Reimbursements paid will be no older than 2 months.

Budget management and monitoring

- The School Business Manager will monitor the budget, and on a monthly basis will post on FMS staff salaries and non-payroll transactions appearing on the monthly Agresso reports supplied by WBC.
- The School Business Manager will perform a monthly reconciliation for all fund in use and resolve any unreconciled items.
- The School Business Manager will close reconciled periods and perform the annual closure of the expired financial year on FMS on a timely basis ensuring that carry forward figures correctly match Agresso.
- The School Business Manager will prepare budget monitoring (from Period 3 recommended) and forecasting (from Period 6 recommended) reports and will meet with the Headteacher at least monthly to review the budget and forecast position detail (ledger

code level), including variances, and/or participate in relevant financial discussions. Along with the completion of the 'Headteacher's Monthly Checklist'.

- The School Business Manager will prepare budget monitoring and forecasting reports accompanying commentary for the Governors' Finance Committee at CFR level. These reports will be prepared in time to be circulated with each meeting's agenda at least a week in advance, or as soon as possible after receipt of the Agresso report for that period. The Committee need to be informed of the forecast of the school's outturn positions for the financial year, robustly based on information held to date, in order to make any necessary consequent strategic budget management decisions. Current SFVS guidance (March 2023) is that Governors should review the budget position at least 6 times a year. The Chair of the Finance Committee will present, to the Governing Board, all necessary reports from the latest Finance Committee meeting in order to maintain transparency across the Board ensuring that any strategic decision making is in line with up to date financial figures.
- School budget holders should receive up-to-date printouts from FMS of their budget position on a termly basis. Instruction in budget management and report interpretation will be the responsibility of the Finance Assistant with direction from the School Business Manager.

Security

No more than a combined total of £1000 (cash) public funds, private funds and petty cash shall be held in the safe without approval of the Headteacher. There are occasions where this cannot be adhered to ie. During receipt of residential trips, day trips, swimming lessons etc. The petty cash float should be checked when the Imprest claim is submitted and cross checked by the member of staff not responsible for its day to day maintenance.

All petty cash, cheque books and secure boxes must be stored in the safe. The safe and cupboard must be kept locked except when in immediate use. Hard copy financial records and vouchers should be kept in the Finance Office and be clearly identifiable, the office being fully secured when not in use.

Safe key holders are the Headteacher and School Business Manager. Keys can be left with the Deputy Head or Finance Assistant if the Headteacher or School Business Manger are offsite.

All portable and valuable items over the value of £100 must be security coded using the 'smart water' system.

All cash received must be counted and confirmed by two people and initialled accordingly.

The Headteacher will ensure that effective, secure and timely backup procedures are in place (backup is run nightly by WBC IT team).

Access to school management computer systems will be limited to authorised staff. These staff will use passwords which will not be disclosed and will be changed regularly. To prevent the import of computer viruses only authorised software will be used. Staff will only have access to those modules appropriate to their duties.

Overspends

The approval of overspends by a budget holder can only be given by the Headteacher, or the Chair of Governors where the Headteacher is the budget holder.

Inventories- the recording of assets

A member of the Governing Board must undertake an inventory check, annually, and report findings to the Governing Board.

Any unaccounted items will be referred to them for appropriate action.

The taking of any school property, recorded on inventories, off site must be approved by the Headteacher and noted, along with its return, on a permanent record.

Laptop computers on loan to teaching staff must be appropriately recorded and supported by a loan agreement letter signed by the member of staff.

The disposal of any assets must be authorised by the Headteacher in accordance with LA regulations. Any disposals must be logged in the inventory (date of disposal) along with the Headteacher's initials against each item.

The inventory must be updated with the acquisition of new items and will comprise of all ICT and electrical equipment of value over £100 along with any portable and desirable items. The inventory will contain the following data: make, model, serial number, date acquired, date disposed of, purchase cost, location, reference to security marking (Smartwater system) and for the overall inventory – who checked, when and any double check signature and date of authoriser. It is best practice for the Full Governing Board to note the inventory annually –this having been checked and signed off by the Headteacher or a Governor. The school should maintain a register of items taken off site and returned by staff, e.g. cameras. This would normally exclude staff loan laptops, which would be covered by the loan agreement.

The inventory is maintained by an Administration Assistant who records location, date acquired, make, model, serial number. Disposals are presented to the Finance Committee for approval. An annual PAT safety test is undertaken by a third party and records are filed in 'service records' file.

No 3rd party item will be disposed of without express permission of the 3rd party company. This includes sale, part exchange, scrapping, writing off, donating, re-leasing, sub-letting or any other form of 'give away'.

Consistent Financial Reporting (CFR)

The School Business Manager is responsible for checking that the end of year Consistent Financial Report (CFR) submitted to the DfE by the LA in June is a true reflection of the end of year accounts as prepared by the school. The CFR report submitted by the LA must also be presented to the Finance Committee.

Staff Insurance Cover

All teaching staff, along with the School Business Manager, Site Manager, Twilight Club Manager and Family Support Workers are insured to cover absence due to sickness (including up to 30 days stress cover). Insurance can be claimed after an initial 5-day excess period. *Please can we review who requires cover for the 2025 academic year.

Retention of Financial Records

All records are retained in line with the 'Management of Record Retention' guide. This guide and record sheets are located in the Finance Office.

Dealing with a Suspected Financial Irregularity

Any employee who suspects, with good reason, that a financial irregularity has occurred shall follow the recommended LA guidelines in the confidential reporting policy (Whistle Blowing) that has been adopted by the school. All staff are made aware of this policy via the school's website.

Gifts

Governors, the Headteacher or any member of staff should treat gifts offering financial gains with caution and are advised that they are to be put forward for use that will be of benefit to the school.

MANAGEMENT OF POLICY

- School: This policy is implemented and managed by the Headteacher with reference to the Senior Leadership Team and any other interested parties as necessary. It will be circulated to all staff with financial responsibility, on an annual basis, who will sign a checklist to confirm that they have read and understood the document and its appendices. This checklist should be presented to the Finance Committee and minuted.
- Governing Board: The Governors' Finance Committee reviews this policy on an annual basis and recommends amendments to the Governing Board for final decision.
- Approval: Approved by the Governing Body on 26/09/2023. (This policy must be approved by the full governing body).
- Next review due: September 2024 (annually)

WEST BERKSHIRE COUNCIL – REGISTER OF AUTHORISING OFFICERS – SCHOOLS

v6

SCHOOL NAME: Parsons Down Partnership of Schools

COST CENTRES: 94800/08/13/22/77/99

This register records each member of staff and school governor who is authorised to sign instructions to West Berkshire Council for school financial transactions to be processed centrally by Schools Accountancy. Limits should reflect the practice and procedures stated in the school's Financial Management Policy.

SURNAME	INITIALS	POSITION	SIGNATURE	VIREMENTS	INTERNAL TRANSFERS	JOURNALS	OVERDRAFT	IMPREST CLAIMS
				<small>Changes in restricted or target budget to be processed by WBC Schools Accountancy</small>	<small>(Expenditure moved to another WBC School/centre must be processed by WBC Schools Accountancy) N.B. Cheques drawn on Personal Bank Accounts should not be raised in any WBC School/centre</small>	<small>Approved to transfer expenditure to another account school funds must be processed by Schools Accountancy</small>	<small>Expenditure in excess of what is authorised by WBC Schools Accountancy</small>	<small>Maximum value of which all or a part of Personal Bank Accounts may be used</small>
				£	£	£	£	✓
BULL	C	HEADTEACHER	<i>CBull</i>	20% of budget line or £5k which ever is larger	15000*	Unlimited	15000*	✓
SHEPHERD	L	DEPUTY HEADTEACHER	<i>L.Sherd</i>	N/A	10000 only in HT absence	5000 only in HT absence	10000 only in absence of HT and must be counter signed by Chair of Gov	✓
THOMAS	K	SBM	<i>KT</i>	N/A	5000 Above this limit is to be countersigned by HT	5000 Above this limit is to be countersigned by HT	N/A	✓ if prepared by FA
CORNWELL	M	CHAIR OF GOVERNORS	<i>M.A. Cornwell</i>	Unlimited#	Unlimited#	Unlimited#	Unlimited#	N/A
STEINER	B	CHAIR OF FINANCE	<i>B. Steiner</i>	Unlimited#	Unlimited#	Unlimited#	Unlimited#	N/A

Chair of Governors and/or Chair of Finance is a signatory with unlimited authority as long as any instruction is counter signed by the Headteacher

Notes - please read the Good Practice Guide 25. Register of Authorising Officers Guide before completing this form
 Assistance in its completion can be obtained from WBC Schools Accountancy
 Any change to staff, staff roles or financial limits/imprest account must be notified through the submission of a new form
 N/A should be written in any box not applicable to that person

Discussed and agreed at Full Governors / Finance Committee Meeting (delete as applicable) held on				Date
Confirmed by (signature)	<i>CP</i>	15.11.22	<i>M.A. Cornwell</i>	15.11.22
	Headteacher	Date	Chair of Governors	Date

On completion, please scan and email to schoolsaccountancy@westberks.gov.uk. The signed original should be retained in school.

APPENDIX D – This will be updated on the appointment of a new DHT in January 2025

APPENDIX E

Parsons Down Partnership Order Form

Staff Name **Date** **Deliver to** **School**

Subject / Year Group Topic Budget

In order to process orders more efficiently onto our computer system and subsequently to the correct supplier, I would be obliged if you could fill in all the information required on this sheet before giving it to the office for processing.

Thank you for your assistance.

Name of Supplier(s)

Name of Catalogue	Catalogue Page Number	Catalogue Reference Number	Description	Quantity Required	Cost per Unit	Total Cost	Office Use Only	

Please check and add any delivery charges if applicable

If ordering from a leaflet please attach a copy to this order form

Subject Leader Signature if required


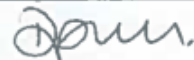

APPENDIX F

WEST BERKSHIRE COUNCIL – PROCUREMENT CARD REGISTER OF AUTHORISING OFFICERS

School: PARSONS DOWN PARTNERSHIP OF SCHOOLS

Cost Centre 94822/08/13/77/99

This register records each member of staff and school governor who is authorised to use a procurement card for purchases. The card is issued by Nat West for use through the school's IMPREST Account. It is subject to West Berkshire Council and the banks terms and conditions and code of conduct. Its use should be approved by the governing body. The responsibility for its management rests with the Headteacher. Limits should reflect the practice and procedures stated in the school's Financial Management Policy. N/A should be written in any cell not applicable to that person.

Surname	Initials	Position	Signature	Monthly Orders limit *(£)	Single Transaction Limit (£)	Merchant/Retailer Type	Account Administrators
THOMAS	K	SBM		4000.00	N/A	10,13,14,32,33,34	YES
UPHILL	D	TWILIGHT MANAGER		1000.00	N/A	10,13,14,33,34	
DICKIE	J	FINANCE ASSISTANT		3000.00	N/A	10,13,14,32,33,34	

* Authorisation by the Chairman of Governors/Finance Committee is acceptable above the limit stated and would be communicated by means of a letter signed by the Chairman and Headteacher submitted together with supporting evidence noting the appropriate minute number referencing full Governing Body approval.

Confirmed by  (Headteacher)  (Chair of Governors) Date: 20.3.23

A copy of this form should be sent to Schools Accountancy.
Any change to personnel or financial limits of the procurement card must also be notified through the submission of a revised form alongside Bank Form 8 to make the amendment.