



The Kingfisher Schools Federation

Finance Policy

1. INTRODUCTION

The Governors of The Kingfisher Schools Federation are committed to providing sound financial controls, to achieve value for money and to be worthy custodians of public money. To achieve these aims the Governing Body has drawn up this Finance Policy to provide the guiding principles for which all Governors and Staff will operate within.

This policy in partnership with the school's financial procedures will meet these aims and has been drawn up with reference to Suffolk County Council's document School Financial Administration.

2. PRINCIPLES

Financial administration will be run at the school in accordance to Suffolk County Council regulations, and those of the Department of Education.

- The responsibilities of the Governing Body, its committees, the Head Teacher and Staff should be clearly defined and limits of delegated authority established.
- The budget should reflect the school's prioritised educational objectives, seek to achieve value for money and be subject to regular and effective monitoring and taking management action where necessary.
- The school should establish sound internal financial controls to ensure the reliability and accuracy of its financial transactions.
- The school should ensure that purchasing arrangements achieve the best value for money.
- There are sufficient procedures for the administration of personnel matters including the payroll where this applies.
- Stocks, stores and other assets should be recorded and absolutely safeguarded against loss or theft.
- All income due to the school be identified and all collections should be receipted, recorded and banked promptly.



- The school should properly control the operation of the SIMS finance system in conjunction with the County's Oracle Finance system, ensuring that the systems reconcile to each other on a monthly basis.
- The SIMS FMS6 Financial Procedures should be followed as found in the Diary of Events for every financial year. Details of weekly, monthly and annual procedures are listed there.
- Reports should be prepared for the Governing Body and or Finance Committee termly with reference to the Scheme of Management Delegation.
- The school should control the use of Petty Cash.
- School voluntary funds and other non-official funds should be administered as rigorously as public funds.
- Any suspected financial irregularity should be notified to the Authority's Chief Internal Auditor.

3. SCOPE

Delegated Authority

The Governing Body has overall responsibility for the management of all the school's finances covering the delegated formula budgets, other budgets delegated or devolved by the authority and other funds (e.g. the school voluntary funds).

The Finance Committee comprises 4 Governors and the Head Teacher and meetings are attended by the Clerical Assistant. It has its own terms of reference and is delegated responsibilities by the Governing Body for the following aspects of financial management:

- Strategic planning;
- Providing policy options for the Governing Body;
- Assisting/preparing the annual budget for approval and the budget is minuted in the Governing Body minutes;
- Regular monitoring of the financial position of the school;
- Authorisation of Virements by Chair of Governors;
- Tenders for contract services;
- Keeping in-school financial procedures under review;
- Active involvement in the LM scheme consultations;
- To maintain and review the Finance Policy;
- Ensure links to the School Development Plan;



The Head Teacher is responsible for the day to day operation of financial procedures in the school and has authority to delegate the general administration of these procedures to other staff. The Head Teacher is responsible for ensuring day-to-day procedures operate within the policies and strategic plans approved by the Governing Body and to provide the Governing Body with the advice and support it needs to carry out its strategic function.

The Governing Body maintains an annual register of pecuniary interests for Governors and Staff.

4. Reflecting Prioritised Educational Objectives

Summary of Standards

The budget should reflect the school's prioritised educational objectives and seek to achieve value for money and be subject to regular and effective monitoring.

The Curriculum Committee directed by the Governing Body has the duty to ensure that the School's curriculum includes all the requirements of the National Curriculum, as well as those elements of the curriculum determined by the school itself.

The Personnel Committee shall ensure that properly qualified teaching staff are engaged or available to teach all aspects of the school's Curriculum, having proper regard to the number of pupils in each year and classroom.

The Finance Committee shall prioritise its apportionment of the annual budget to provide the necessary funding for the salaries of all staff necessary to facilitate teaching of all aspects of the School's Curriculum, having proper regard to the number of pupils in each year and classroom.

Staffing Requirements

All staffing requirements with detailed costings shall be submitted to the Finance Committee for comment/approval before submission to the full Governing Body for approval, before the commencement of each financial year, and on the engagement of additional or alternative teaching staff.

Curriculum Budgets

Class Teachers discuss the needs of their areas of responsibility which are approved by the Head Teacher in line with the priority needs of the school and School Development Plan.



Teachers will request items to be ordered, all orders will be processed by the Bursar or Administration Assistant and authorised by either the Head Teacher or the Senior Teacher.

The Bursar or Administration Assistant shall be responsible for checking all items delivered and that all goods are of the right quantity and quality. Class teachers shall not submit any request for items the cost of which will exceed the agreed budget.

In order to ensure value for money there should be a review of outcomes of major purchases for effectiveness. The school has adopted the Best Value performance management framework, and this framework forms the basis of all purchasing procedures within the School.

For the purchase of all major items, over £1,000 and under £10,000 three written quotes will be sought and submitted to the Finance Committee for consideration and a decision on which to accept.

For orders in excess of £10,000 three written tenders are sought and submitted to the full Governing Body for consideration and to decide on which tender to accept.

Planning

The Governors, with the advice of the Head Teacher, maintain a three Year School Development Plan (SDP), which takes into account the likely available funding, the cost of the curriculum (staffing and educational resources) and the running costs of the school.

The SDP also incorporates costings for projects and priority areas where budget consideration is needed.

Virements

Virements to the approved budget require the following authorisation; are discussed, approved and minuted accordingly:-

- i. Over £1,000.00

Monitoring Reports

The Bursar produces termly and monthly monitoring reports detailing commitments, expenditure, income and controls, approved by the Head Teacher for the LEA, in accordance with a specified timetable and provides more detailed reports, giving analysis of actual, committed and projected expenditure to the Finance Committee and the full Governing Body.



Policy Changes

The Head Teacher informs the Finance Committee of any Suffolk County Council policy, UK or EC Legislation (i.e. Health and Safety Law) changes which will affect expenditure/income in the current/future years.

The Finance Committee is responsible for the Finance policy, reviewing the policy and practises and notifying the full Governing Body of any changes for approval.

Leases

All leases and hire purchase agreements to be vetted by the Finance Committee initially, and its recommendations put to the full Governing Body for approval.

Quality of Information

The Head Teacher and Finance Committee regularly review the information supplied to the Governing Body for quality and appropriateness.

Internal Financial Controls

The Internal Financial Controls operated by the school should be in accordance with the SCC School Financial Administration handbook (November 2005 Purple file in office). Any additional Internal Financial Controls should be included within the School's Financial Procedures which should be reviewed by the Finance Committee.

Insurance

The School is insured through SCC for buildings, contents and personal liability. The school also purchases absence insurance and has the option to include maternity insurance cover through SCC. This decision and level of cover is reviewed at each annual budget setting.

Value for Money

Wherever possible the School takes advantage of bulk purchasing and the best value for money, for example using the catalogue from Procurement and Commissioning as a guideline for costs.

For the purchase of all major items the school has adopted the Best Value performance management framework.



The Governors should review the outcome of all major purchases for effectiveness and that the purchases have achieved their purpose and met the criteria set in the School's Development Plan.

Personnel Matters

Overview of Personnel Matters is the responsibility of the Personnel Committee of the Governing Body as detailed in the Governors Decision Planner.

Safeguard of Assets

All removable items are recorded in the School's Inventory. This should be checked annually by an independent person and updated by the Bursar and Admin Assistant. It should then be approved by the Head Teacher. A hard copy of the inventory is kept off site by the Head Teacher and a backup disc is in a fireproof safe at the other end of the school from the Admin Server.

All valuable items should be kept under lock and key wherever practicable and legibly security marked. Attempts must be made to keep valuable items as secure as possible against theft.

Write-offs and disposal of assets worth more than £100.00 should be authorised by the Finance Committee and signed on the Inventory by Head Teacher and Chair of Governors.

Loans of equipment by staff must be recorded in the 'off-site' register.

Lettings

The Governors have agreed that all requests for letting any part of the school building or premises will be considered on an individual basis at the next Governing Body meeting.

Income

The Governing Body has agreed and published its Charging and Remissions Policy which is reviewed regularly.

The school, using the safe, should not keep more than £2,000.00 cash or £250.00 cheques (total of £2,000.00 must not be exceeded) in the school. The maximum amount to be in transit is £2,000.00.



Bank Account

The school banks with Lloyds. All cheques drawn on this account must be signed by two of the three persons authorised to sign cheques. The Head Teacher, Senior Teacher and the Bursar are all signatories. All monies received in respect of Suffolk County Catering are paid through the Post Office using SCC Catering paying in book.

Petty Cash

The Governors have determined the level of petty cash to be held as £200.00. Permission of the Head Teacher needs to be sought for petty cash purchases over £5.00. Cash is held securely and access to it is restricted to authorised staff.

Payments from petty cash are limited to £35.00. Expenses over this amount are to be reimbursed by means of cheque.

All petty cash transactions must be supported by appropriate VAT invoices/receipts and petty cash vouchers. All transactions will be approved by the Head Teacher. Staff will sign the voucher to acknowledge receipt of their reimbursement.

Transactions are entered onto the Schools Financial Information System (SIMS). The cash in hand figure is checked after each transaction and independent random checks of the balance will be carried out by the Chair of Governors. Personal cheques are not allowed to be cashed with petty cash.

Tax

The Head Teacher ensures that all relevant staff are aware of provisions concerning VAT, tax and the construction industry scheme. They are informed that they can find further information in the Purple Folder and VAT Specialist at County on how VAT on business activities and school trips should be accounted for. Only VAT invoices are paid for transactions involving VAT. Payments are only made to contractors and subcontractors in accordance with the Construction Industry Scheme.

In the case of the reimbursement of expenses, the VAT invoice must be in the name of the School and not an employee, as VAT belonging to the County Council can only be claimed by Suffolk County Council.

The school completes a monthly VAT return on SIMS, which is reimbursed. This is done on the first available day after month end.



Suspected Financial Irregularities

The Chair of Governors will ensure that the school complies with the authority's whistle blowing procedures with regard to the notification of any suspected financial irregularities.

Data Security

Computer systems used for school management are protected by password security. Passwords are changed termly or more frequently in the event of staff changes.

All data is backed up daily and backups stored in a fireproof safe. Backups are verified periodically to ensure they have run correctly. All computer systems are protected by anti-virus software.

MONITORING & EVALUATION

This policy will be reviewed and updated at regular intervals and when deemed appropriate and necessary.

- The policy will be reviewed as part of the schools monitoring cycle.
- The Head teacher has responsibility for monitoring this policy.
- **This Policy is due for Review in September 2016.**

IMPLEMENTATION

This policy will be formally implemented with effect from September 2014.

This policy was adopted at a Meeting of the full Governing Body on _____.

Mr John Beckett
Chair of Governors

Mrs Ruth Nixon
Head Teacher