



Finance policy

All Saints Catholic School



“We are all one in Christ, our mission and our responsibility is to recognize all individuals in our community as part of the body of Christ and to value them accordingly in our treatment of them, thriving and progressing in a spirit of togetherness”
(1 Cor. 12:29)

Approved by Chair of
Governor:

Date:

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1 INTRODUCTION

1.1 The Governing Body recognises the need for good financial control over the schools' resources and has formulated this policy in order to achieve the standards of financial management as outlined in Ofsted guidelines, the DfE Schools Financial Value Standard and to ensure compliance with the London Borough of Barking and Dagenham Scheme for Financing Schools.

1.2 The key standards to be achieved are:

- The financial responsibilities of the Governing Body, its committees, the Head Teacher, School Business Manager and financial staff should be clearly defined and limits of delegated authority established.
- The budget should reflect the schools prioritised educational objectives as set out in the School Improvement/ Development Plan, seek to achieve value for money and be subject to regular, effective monitoring.
- The school should establish sound internal financial controls to ensure the reliability and accuracy of its financial transactions.
- In accordance with section 2.6 of the LA Scheme for Financing Schools, the school should ensure that a professional internal audit of its financial arrangements takes place at a frequency determined by the governors and that adequate budget provision is made for this service.
- The school should ensure that purchasing arrangements achieve the principles of best value.
- All income due to the school should be identified and collected. All collections should be receipted, recorded and banked promptly.
- The school should properly control the operation of bank accounts and reconcile bank balances with the accounting records.
- There should be efficient procedures in place for the administration of personnel matters, including payroll where applicable.
- The school should control the use of petty cash.
- The school should ensure that it complies with VAT.
- Stocks, stores and other assets should be recorded and adequately safeguarded against loss or theft.
- The school should be adequately insured against exposure to risks.
- The Governing Body, Head Teacher and Business Manager of School should be satisfied that they are meeting the requirements of the 1998 Data Protection Act and any subsequent regulations and amendments.
- School voluntary funds should be administered as rigorously as public funds.



2 ORGANISATION OF RESPONSIBILITY & ACCOUNTABILITY

2.1 The Role of the Full Governing Body

Role:

The Governing Body has a strategic role in determining the educational and financial priorities of the school, ensuring that the financial resources delegated to it are used effectively and that adequate internal controls are maintained over these:

Responsibilities:

- To fulfil the statutory responsibility for the administration of financial management within the school.
- To set out in writing the roles and responsibilities of the Governing Body, its committees, the Head Teacher, School Business Manager and Finance Office personnel in relation to financial decision making.
- To undertake an annual review of the agreed roles and responsibilities by completing the School Governors Decision Planner.
- To set up a Finance & Personnel committee to consider strategic financial issues on behalf of the Governing Body and to review the committee's remit and membership on an annual basis.
- To establish the financial limits of delegated authority to enter into commitments, to authorise invoices and the subsequent payment of these (e.g. cheques, BACS).
- To approve the financial procedures within the school and ensure that they comply with the London Borough of Barking and Dagenham Scheme for Financing Schools.
- To establish a register of business interests of governors, the Head Teacher, Business Manager and staff. To ensure that any other staff who have the ability to influence financial decisions, to ensure that it is open to inspection and the School Business Manager to oversee its maintenance through an annual review and/or update.
- To ensure that the priorities, aims and objectives are outlined in the School Improvement / Development plan and are costed and clearly linked to the annual Budget Plan.
- To approve the annual Budget Plan and ensure that they are submitted to the LA by the required deadline.
- To approve the annual CFR governors' outturn statement and the proposed use of surplus balance.
- To determine the level of detail, minimum frequency and general format of financial information to be provided to the Governing Body, especially in relation to budget monitoring reports.
- Delegating day-to-day financial decisions to the Head.
- Considering reports from the Head and the School Business Manager on the progress of the school budget and to approve virements as necessary
- Receiving reports from auditors and taking action as required.
- To report suspected financial irregularities to the Head Teacher and London Borough of Barking and Dagenham without delay, and as necessary convene disciplinary panels to consider the findings of investigations.
- To ensure that the school is able to demonstrate compliance with the DfE Schools Financial Value Standards (SFVS) in line with the timetable determined by the DFE.
- To approve (and minute the approval of) the school's completed SFVS.

2.2 Finance Committee

Quoracy: The minimum quorum for a committee is three governors but the full governing body may set this at a higher level if it wishes

Role:

The Governing Body of All Saints Catholic School has delegated the responsibilities as agreed in the School



Governors' Decision Planner and as outlined below to its Finance and Personnel Committee who will meet as necessary (at least once a term)

All delegated decisions will comply with the London Borough of Barking and Dagenham Scheme for Financing Schools.

Responsibilities:

- To oversee the preparation of the school's annual budget plan and best value statement in accordance with the priorities within the school improvement plan for determination by the full Governing Body.
- To formulate the written description of financial systems and procedures and ensure that these comply with the London Borough of Barking and Dagenham Scheme for Financing Schools.
- To monitor expenditure and income by receiving regular reports from the Head Teacher and the School Business Manager comparing expenditure to the budget set and report back to the full Governing Body.
- To approve virements at the level specified in the school's agreed financial procedures and in accordance with the levels of delegation agreed by the full Governing Body.
- To operate the governing body's arrangements for obtaining quotations and inviting tenders in accordance with section 2.10 of the London Borough of Barking and Dagenham Scheme for Financing Schools.
- To ensure the maintenance of inventories and security of assets and to approve the method of disposal and the deletion of items from the inventory.
- To ensure that the income from the sale of any assets is managed in line with section 5.4 of the London Borough of Barking and Dagenham Scheme for Financing Schools.
- To determine arrangements regarding petty cash at school.
- To determine arrangements for the school fund accounts, for the annual audit and approval of the annual audit certificate.
- To determine insurance arrangements.
- To determine matters relating to building maintenance, health and safety and lettings outside school hours in accordance with the Governors' delegated responsibilities.
- To report appropriate financial information to parents in a format approved by the Governing Body.
- To prepare, consider and sign the Statement of Internal Control on an annual basis.
- To ensure that the priorities, aims and objectives are outlined in the School Improvement/Development plan and are costed and clearly linked to the annual Budget Plan.
- To determine matters relating to Health & Safety and school security.
- To approve the writing off of irrecoverable debts up to £10,000 and the disposal of surplus and damaged equipment.
- To ensure that a valid financial controls self-assessment has been undertaken in the past 12 months (either through an internal audit review or completion of a financial risk and control checklist).
- To undertake an annual review of the Finance Policy.

2_B2.3 The Head Teacher

Role:

The Head Teacher will provide advice, guidance and support to the Head of School in all aspects of their roles as appropriate and necessary.

Responsibilities:

- Draws up and submits to the Governing Body an annual budget plan, working with the School Business Manager for approval by the Governing Body.
- To report suspected bank and/or cheque fraud to the Services Manager –Finance (Schools) in the Finance Team.



- Signing of cheques and authorising BACs payments

To ensure that sound systems of internal control are in place and are implemented. To ensure that the financial management of the school operates within the London Borough of Barking and Dagenham Scheme for Financing Schools. In the absence of the Head Teacher, responsibilities outlined below will be delegated to a Deputy Head teacher.

Responsibilities:

- Preparing the school management plan and school budget in accordance with priorities in the school development plan agreed by the Governors.
- Ensure that the School Improvement/Development Plan priorities are properly costed and clearly linked to the school's budget plan.
- Delegate to the School Business Manager the day to day management of the school's financial administration, ensure that sound systems of internal control exist over these and ensure that they comply with the London Borough of Barking and Dagenham Scheme for Financing Schools whilst ensuring that a file for each financial year is kept.
- Managing internal control systems and internal financial transactions in accordance with LEA's Financial Regulations.
- Providing financial information to governors and the LEA.
- Ensuring accounts are prepared for audit, including school fund, and implementing the auditor's recommendations.
- Checking the inventory once a year and that correct procedures are carried out.
- To report suspected bank and/or cheque fraud to the London Borough of Barking and Dagenham
- Signing of all cheques over the value of £999.99 and authorising BACs payments
- Authorising all purchase orders between the value of £10,000 and no greater than £75,000 if expenditure was not included in the budget plan. Authorising all purchase orders in the absence of the School Business Manager.
- To purchase equipment of a value greater than £10,000 without consulting governors but at least three quotations must be obtained; if this is impractical governors must be informed of this reason. Purchases over £75,000 which are not included in the budget plan must be reported and agreed at the Finance and Personnel Committee.
- Authorising all invoices for payment in the absence of the School Business Manager.
- Capital Formula Funding expenditure greater than £75,000 should be agreed at the Finance and Personnel Committee.
- To ensure sound systems of financial control are implemented and maintained.

5_B2.5 School Business Manager – Accountable to the Head Teacher

Role:

To implement the finance policy and procedures agreed by the Governing Body and Head Teacher and to process financial transactions and activities in line with these. The Head Teacher shall delegate certain procedures to the School Business Manager.

Responsibilities:

- Prepare and submit the proposed annual budget plan to the Head Teacher and the Governing Body's for approval.
- To consider and respond promptly to recommendations made in audit reports and advise the Governing Body of any remedial action to be implemented.



- To ensure that the School Improvement/Development Plan priorities are properly costed and clearly linked to the school's budget plan.
- To undertake responsibility for the strategic leadership of the school budget.
- To manage all financial systems.
- To monitor cash flow position of the school and report to the Head on a regular basis.
- To undertake budget monitoring exercises on a monthly basis.
- To provide budget monitoring information as directed by the Governors, Head Teacher, Senior Leadership Group and Cost Centre budget holders.
- To ensure that where budgets are delegated to a cost centre or departmental level that they operate within a similar control regime in respect of budget monitoring and reporting.
- To extract monthly reports from the mainframe and ensuring that both systems balance.
- To carry out virements within budget share.
- To provide information to staff; budget holders balances.
- Monthly balances on RM.
- VAT submittal claims.
- To authorise and deal with all payment procedures.
- To carry out checks on all payroll transactions and query where necessary.
- To authorise all employee salary claim forms.
- Carrying out income and banking procedures according to LEA financial regulations.
- Operating cheque book procedures with counter signatories.
- Authorised signature of cheque book
- Petty cash system according to LEA guidelines.
- To ensure that items valued at more than £100 (or are desirable), are entered on the inventory.
- To ensure that items are security marked.
- To recommend to governors' equipment to be written off or disposed of.
- Authorising all purchase orders with the exception of goods up to £5,000 that are **not** included within the approved budget plan.
- Contractors Liability Insurance linked with examination of Employment Status and Unique Tax Reference (UTR) number are inspected.
- Authorising invoices – no limit set – commitment accounting and approved budget plan.
- Produce accounts receivable.
- Receipting and payment of goods and services, ensuring that financial deadlines are met.
- Write off individual debts up to the value of £999.99.
- Financial management of Instrumental Music Tuition.
- Financial management of all Standards Fund.
- To manage all aspects of the Lettings of the premises.
- To recommend to the Governing Body a charging policy.
- Financial facility management and premises related budgets.
- Securing a range of estimates for work and tenders when appropriate-over £5,000.
- To be responsible for the day-to-day management of external contracts and agencies – catering, cleaning and grounds maintenance.
- Effective use of maintenance budget and proposals for improvements.
- To submit returns to the Local Authority in line with prescribed deadlines as outlined in the LA Scheme for Financing Schools including the annual budget plan, best value statement, re-forecast return, surplus balance (B02) return, monthly VAT reports, monthly RECs, quarterly bank statements and unreconciled transaction listing.
- To maintain the schools accounts, reports and records in accordance with the London Borough of Barking and Dagenham Scheme for Financing Schools
- To maintain the school accounts in accordance with the Internal Audit Service publication 'Managing School Funds', and to prepare the annual school fund audit certificate.
- Management of Health & Safety.



2.6 Assistant Business Manager:

Role:

To assist the School Business Manager in maintaining the school's accounting system and the day-to-day supervision of the staff within the finance office.

Responsibilities:

- Assisting with maintaining and monitoring the school budgetary allocation and providing financial information as directed by the School Business Director.
- Monthly reconciliation of the School Budget Bank account.
- Production and authorisation of cheques on RM system.
- Completion of employee salary claim forms for authorisation
- Processing on-line 'Supply Staff' salary claim forms
- Calculation of travel claims
- Look into Bids for the school
- Recording input/output of Inventory data

2.7 Finance Assistant

Role:

The School Business Manager and Assistant Business Manager will delegate certain procedures to the Finance Assistant.

Responsibilities:

- Day-to-day financial tasks
- Ordering goods (purchase orders) – authorised by the School Business Manager where the order is not within a departmental budget
- Processing invoices
- Keeping the school lettings diary for internal and external use
- Payments from the petty cash system
- Banking of income
- Examination of cheques before dispatch
- Maintenance of the School Fund accounts (including receipts and payments)

1_B2.8 Cost Centre Budget Holder:

Role:

To undertake the effective and efficient management of and to remain accountable for, the resources delegated to them by the Governing Body/Head Teacher and School Business Manager.

Responsibilities include:

- To undertake the day to day monitoring and control of budgets delegated to them.
- To ensure that any goods/services purchased from the delegated budget are done so in accordance with the schools financial management procedures and the Nottinghamshire Scheme for Financing Schools.



- Financial limits for purchasing to be kept within cost centre allocation and 'Best Value' principles to be adhered to.
- All new Curriculum Team Leaders to have a financial induction brief with the School Business Manager.
- Ensure that the principles of commitment accounting are carried out and are familiar with the schools 'Purchasing Policy'

Responsibility and Authority

Governing Body:	Responsible for finances, including the arrangements for internal control.
Finance Committee:	Delegated authority to approve the budget, monitor expenditure and sanction significant changes in patterns of expenditure.
Head Teacher:	<p>To be made aware of the progress of the day to day strategies. Draws up and submits to the Governing Body an annual budget plan.</p> <p>Supports in drawing up an annual Budget Plan working with the School Business Manager and ensuring sound systems of control exist, to ensure financial regulations are implemented and complied with.</p>
Business Manager:	Assist the Head Teacher in budget setting and preparation of an annual budget. To manage and implement the finance policy and procedures agreed by the Governing Body and Head Teacher. Managing all aspects of facilities management.
Assistant Business Manager:	To assist the School Business Manager in maintaining and monitoring the school finances and ensuring that the day-to-day running of the finance office runs effectively and efficiently
Finance Assistant:	Assist the Assistant Business Manager in the day-to-day financial administration of the Finance Office with overall leadership from the School Business Manager.
Budget Holders:	Cost Centre management and accountable to the Head Teacher. The School Business Manager/Assistant Business Manager monitoring all budgets and having regular meetings with budget holders offering financial support and guidance in respect of 'Best Value'.

BUDGETS

Budgets will be constructed annually with regard to the school's aims and objectives as reflected in the School Management Plan, and LEA regulations. The budget when approved by the Full Governing Body will be forwarded to the Finance Section at London Borough of Barking and Dagenham.

Pecuniary Interests

The governing body has established a register for pecuniary interests for the governors and staff and this is open to inspection by arrangement with the Head. The School Business Manager will ensure that the Senior Leadership Team, Financial and Premises personnel are annually reviewed.

Names of authorised signatures for cheques – School Budget Share as at 1 May 2018:



- Head Teacher
- School Business Manager
- Deputy Head
- Assistant Business Manager

Clause: Headteacher, must sign all cheques over £999.99/BACc

Voluntary Funds School Fund

The governing body delegates the responsibility for safe and efficient custody and control of voluntary funds to the Head Teacher. The School Business Manager is responsible for ensuring that these funds are treated and controlled in the same manner as the budget share and in particular shall have the account audited annually. The year-end accounts being presented to the Finance and Personnel Committee and the audit report being presented to the Full Governing Body.

School Business Manager: Manages the School Fund

Names of authorised signatures for cheques for School Fund are as above.

No restriction of set limits; all financial processes are set within commitment accounting/budget plan for income and expenditure.

Finance Assistant:

- Day to day input of income and expenditure transactions.
- Reports any discrepancies to the School Business Manager.

Other Funds – Restricted/Unrestricted and Endowment

Responsibility of Governors Account - The Governing Body

Teaching School Account - School Business Manager

The Governing Body operates a Charity Foundation Account. This Foundation account now incorporates the fund-raising account of which the Governing Body is responsible for in raising the 10% of capital costs being a Voluntary Aided School. These accounts are kept separate and are not part of the LEA/School accounts. These accounts are externally audited and a full set of accounts produced for the Governing Body.

3 FINANCIAL PLANNING & BUDGET MONITORING

3.1 The school has a written statement of its aims and objectives in the form of the annual school profile and this forms the basis for constructing budget plans.

3.2 The school has both School Improvement / Development and budget plans which outline the areas of priority with regards to spending, showing how the use of resources is linked to the achievement of the school's goals.



- 3.3 The Governing Body has established a formal procedure for planning the School Improvement /Development plan and the budget.
- 3.4 The Head Teacher/School Business Manager will prepare estimates of expenditure and income in good time for consideration and approval by the Governing Body.
- 3.5 The Governing Body will ensure that planned expenditure does not exceed the available budget allocation during budget reviews.
- 3.6 The Head Teacher/School Business Manager will forward details of the approved budget to the Governing Body for timely consideration and will also alert the Governing Body of any subsequent changes to the budget.
- 3.7 The Governing Body /Head Teacher/School Business Manager should report to the LA on the intended use of any balances as part of London Borough of Barking and Dagenham Scheme for Financing Schools by 31st May each year.
- 3.8 The Governing Body should ensure that the main elements of the school's budget are subject to a periodic review to ensure that the school works within the principles of Best Value and that historic spending patterns are not repeated without challenge.
- 3.9 The school operates a system of budget profiling and cash flow forecasting to take account of likely spending patterns and the School Business Manager will ensure that this is made available to the Governing Body at all planned budget review meetings.
- 3.10 The Head Teacher/School Business Manager will provide a report on expenditure, including items committed but not yet paid, and reconciled against Local Authority records, at each budget review meeting. This report should include details on any significant variances against the approved Budget Plan and where necessary any remedial action plans and monitor the expenditure on the initiatives set out in the School Improvement / Development plan.
- 3.11 The Head Teacher is authorised by the Governing Body to appoint a cost centre budget holder for any department as appropriate within the school and may delegate the responsibility to spend within a department's annual budget allocation to the department's appointed budget holder.
- 3.12 The Assistant Business Manager will provide department budget holders access to regular reports on spending and these will be reviewed with the School Business Manager periodically or as deemed appropriate.
- 3.13 The School Business Manager will ensure that the Governing Body is made aware of all virements made.
- 3.14 The Head Teacher, and the Governing Body will assess the progress made against the stated objectives in the School Improvement / Development plan according to the timetable given in the plan.
- 3.15 The Head Teacher will periodically consult the Governing Body and relevant staff to ensure that the financial and management information issued is relevant, timely, reliable and understandable. This review will be conducted at least annually.
- 3.16 The School Business Manager will report any proposal for policy changes which significantly affect the expenditure or income budgets at the next Finance & Personnel committee meeting.



4 INTERNAL FINANCIAL CONTROLS

- 4.0 The Governing Body will ensure that there are written descriptions of all the school financial systems and procedures. These should be kept up to date and all relevant staff trained in their use.
- 4.1 The School Business Manager will ensure that appropriate cover is available in the absence of key personnel to ensure that financial control is maintained.
- 4.2 The School Business Manager will ensure that as far as possible the duties of staff relating to financial administration are distributed so that at least two people are involved. The work of one person should act as a check on the work of the other. All checks should be fully documented.
- 4.3 The School Business Manager will ensure that proper accounting records are maintained and held securely. Financial Documents will be retained in accordance with Annex A of the London Borough of Barking and Dagenham Scheme for Financing Schools attached as Appendix F.
- 4.4 An audit trail of all financial transactions will be maintained from original documentation to the accounting records and vice versa.
- 4.5 Alterations to documents will be made clearly in permanent ink, initialled and dated. The use of correction fluids or erasure of information is not permitted.
- 4.6 Accounting records will be properly and securely maintained and access to these will only be permitted to authorised financial staff. The Head Teacher will determine who is authorised to access the records.
- 4.7 The Head Teacher/School Business Manager will ensure that expenditure from ring fenced sources of funding are used for their intended purposes and are identifiable within the school accounts and supporting records.
- 4.8 The Governing Body should ensure that a professional internal audit takes place on the financial arrangements of the school at least every 3 years.
- 4.9 The internal audit provider selected must be CCAB qualified, have all relevant insurances and professional indemnities and carry out their work in compliance with the CIPFA code of practice for Internal Audit 2006.
- 4.10 Where a provider other than LBB Internal Audit Services is chosen, the details of the organisation selected must be notified to the Head of Internal Audit. A copy of the final audit report and the school's responses to the recommendations made must also be forwarded to LBB Internal Audit Services within four weeks of receiving the report.

5 PURCHASING

- 5.0 Before any orders are placed, the School Business Manager will ensure that the school is achieving value for money. Consideration will be given to price, quality and fitness for purpose.
- 5.1 The financial limits of delegated authority as approved by the Governing Body for entering into commitments and ordering goods and services are as detailed in section 2 'Organisation of Responsibility & Accountability'.
- 5.2 All orders must be signed by an authorised member of staff this being the Head Teacher/ School Business Manager/CTL as detailed in section 2 'Organisation of Responsibility & Accountability'. The signatory should be satisfied that the goods or services ordered are appropriate and necessary, that there is adequate budgetary provision and that quotation/tendering procedures have been followed.



- Finance Committee - orders Over * £15,000
- Head Teacher - orders under * £15,000
- School Business Manager - orders under* £5,000
- Departmental Budget Holders - orders placed within budget allocation
- Site Manager - £1,000 (Emergency Use)

(* only applicable if expenditure not within the budget plan)

5.3 All intended purchases with an estimated value of £75,000 or more must be awarded by one of the following methods

- open competitive tendering by an advertisement in at least one local newspaper and an appropriate trade journal;
- selective tendering from at least three recognised sources known to be suppliers of the goods and/or services in question;

All intended purchases or contracts with an estimated value above £173,494 (determined as at 31 January 2012) or more must observe European Union law and must be advertised in the Official Journal of the European Union. Advice should be obtained from the Head of Democratic and Legal Services in order that the relevant European Directives are complied with.

5.4 Purchases or contracts with an estimated value of between £10,000 and £75,000 can be awarded by one of the methods described above or by inviting, at least 3 alternative written offers or quotations. In circumstances where obtaining 3 quotations is impractical the reasons for not following these procedures must be reported to the Governing Body and recorded in the minutes of the meeting.

For purchases of less than £5,000, the Governing Body will make the most suitable arrangements for the ordering works, goods and services or disposal of equipment and goods, but will obtain alternative offers or quotations wherever possible.

5.5 All contracts, orders and purchases with an estimated value of £75,000 or more will be subject to a decision of the full Governing Body and recorded in the minutes of the meeting.

5.6 The Governing Body will be informed of all instances where a quotation has been accepted that is not the lowest or most financially advantageous option available. This will be recorded in the minutes of the meeting.

5.7 The purchasing of works, goods or services can be entered into without the tendering or quotation procedures described above if the order or contract is placed with a department of the County Council.

5.8 Official prior pre-numbered orders must be raised for all works, goods and services (with the exception of utilities, rents, rates and petty cash payments). Where urgency requires a telephone order, this should be subject to the procedures outlined above and an official order raised at the earliest opportunity as confirmation to commit the expenditure, and to ensure financial commitments are recorded. Internal order forms are available from the Finance Office. These should be completed in full and signed by the relevant Budget Holder before being returned to Finance for processing.

5.9 Inspection Copies of Books: There is a system for books/materials obtained on a 'sale or return' basis. Please complete a form and sign once a decision to keep or return the book[s] has been made.

5.10 Where orders are sent by fax, both sides must be faxed to the supplier as the standard LBBB conditions of order are printed on the reverse of the order form.



- 5.11 When an order is placed, the value should be committed against the appropriate budget heading on the schools financial system so that it is included in budget monitoring reports. The school operates a commitment accounting system.
- 5.12 Official orders will only be used for goods and services provided to the school. Individuals are not permitted to use official orders to obtain goods or services for their private use.
- 5.13 The School Business Manager/Assistant Business Manager will ensure that goods and services are checked on receipt to ensure that they match the order. Wherever possible, the person responsible for checking the goods or services is not the person who orders the goods and processed the invoice. The checking procedure should be recorded on the order/delivery note and passed to the person responsible for processing invoices.
- 5.14 The School Business Manager/Assistant Business Manager will ensure that payments are only made to a supplier once the goods or services have been received and checked and confirmed as being satisfactory, and on receipt of a proper invoice which has been received, checked, coded and certified for payment.
- 5.15 The limits of delegated authority as approved by the Governing Body for authorising invoices for Payment are as detailed in section 2 'Organisation of Responsibility & Accountability'.
- 5.16 Wherever possible, the authorisation of an invoice should not be performed by a person if they have also authorised the order and checked the receipt of goods or services.
- 5.17 All cheques raised require two signatures, one of these being the Head Teacher, for cheques in excess of £999.99 there are no other financial limits of delegated authority as approved by the Governing Body for signing cheques.

Note: The School Business Manager will sign all cheques/BACs, when possible, strengthening an internal control check ensuring that 'Best Value' applies and reinforces the segregation of duties between the School Business Manager and Assistant Business Manager.

6 INCOME

- 6.1. The School Business Manager is responsible for ensuring that the responsibility for identifying sums due to the school is separated from the responsibility for collecting and banking such sums.
- 6.4 Invoices will be issued promptly by the Assistant Business Manager or Finance Assistant following the delivery of the service. This period of time will not exceed 30 days. Wherever possible, income should be collected in advance of the service taking place.
- 6.5 Official, pre-numbered receipts will be issued for all income collected from external sources by the Finance Officer. These will be traceable to the record of the banking.
- 6.6 All receipts and other records of income will be securely retained.
- 6.7 All cash and cheques will be held securely to safeguard against loss or theft. The amount of money held at any one time will not exceed the amount covered by the schools insurance policy.
- 6.8 All monies will be paid into the relevant bank account promptly and in full. Where a school closure period exceeds 24 hours, all significant income should be banked prior to this.

The school currently operates the following bank accounts:

School Budget Share



Teaching School
School Fund
Governors Fund

6.9 The Governing Body does not permit the encashment of personal cheques from income collections or the use of income collections to make payments.

6.10 The School Business Manager is responsible for ensuring that monthly reconciliation takes place between the income collected and the sums deposited at the bank. This reconciliation should be fully documented and available for inspection when required.

6.11 Debts will be written off in accordance with London Borough of Barking and Dagenham Scheme for Financing Schools. The Governing Body will be informed of any such debts prior to them being written off. A record of any sums written off will be maintained by the School Business Manager who is authorised to write off amounts up to £999.99 with audit trail.

6.12 The School Business Manager will ensure that any transfers of money between staff are recorded and signed for.

6.13 Wherever possible, monies from vending and other machines should be emptied and the cash counted by two people.

7 BANKING ARRANGEMENTS (LOCAL BANK ACCOUNT SCHOOLS)

7.1 The Head Teacher and School Business Manager will ensure on behalf of the Governing Body that the operation of the school bank account (including the use of direct debits and debit/credit cards) is in accordance with the London Borough of Barking and Dagenham Scheme for Financing Schools' (manual of financial guidance hard copy kept in the Finance office). A copy of the school's debit/credit card procedures is attached to this policy as **Appendix A**.

7.2 The Head Teacher will ensure that appropriate steps are taken to reduce the risk of bank/cheque fraud occurring or minimise the potential loss if this has already occurred.

Schools/Bank Account Scheme/Other).

7.3 The School Business Manager will ensure that bank statements are obtained on at least a monthly basis and reconciled against the school financial system and relevant accounting records. Bank reconciliations will be signed as evidence of completion.

7.4 The School Business Manager will certify the monthly bank reconciliation and countersign the relevant reports as evidence that the checks have taken place.

7.5 Where possible, the person responsible for undertaking the bank reconciliation will not be responsible for the processing of receipts or payments.

7.6 Supporting vouchers will be made available to cheque signatories to safeguard against inappropriate expenditure.

7.7 Only manuscript signatures are to be used (i.e. not stamps or facsimile) and cheques should not be pre-signed.

7.8 Chequebooks will be held securely when not in use.



- 7.9 The School Business Manager will maintain a list of all bank and building society accounts held by the school and a list of authorised signatories for each of these.
- 7.10 The School Business Manager will ensure that the school's cash flow is regularly monitored to ensure that the account does not become overdrawn.

Charge Card Usage

- 7.11 The school has a charge card which has been set up and is used in accordance with Section 3 of the Local Bank Account Scheme Regulations. The use of the card has been approved by the Governing Body and formally recorded in the minutes of the meeting. See Appendix A.
- 7.12 The authorised users of the card and their financial limits of delegated authority (including monthly spend restrictions) are outlined below:
- School Business Manager £14,000
 - Assistant Business Manager £5,000
- 7.13 The issue and control of the card(s) is managed independently by the Head Teacher who is not a card signatory and hereafter referred to as the Card Manager. Cardholder(s) have been issued with associated notes of guidance, have signed to acknowledge receipt of the card and acceptance of the conditions of use and signed the card.
- 7.14 All debit/credit cards are held securely when not in use either by the cardholder or within the school in a secure location where there is limited access.
- 7.15 Any misuse of the card(s) outside of the conditions of use will result in the immediate withdrawal of the card(s) from the cardholder(s). The Head Teacher will take appropriate action in line with the London Borough of Barking and Dagenham financial regulations.
- 7.16 The loss of any card(s) will immediately be reported to the bank and Card Manager.
- 7.17 If the card(s) are no longer required or the cardholder(s) leave the school they shall be returned to the Card Manager and destroyed in accordance with accepted procedures.
- 7.18 Card(s) will not be used for the withdrawal of cash through any ATM or cash back facilities. In exceptional circumstances cash may be withdrawn with prior approval of the Head Teacher.
- 7.19 School debit/credit cards must not be used for personal purchases.
- 7.20 The use of school debit/credit cards for ordering goods and services shall operate in conjunction with the principles of best value.
- 7.21 The debit/credit card should not be used until confirmation has been made with the relevant budget holder that there is a budget available under the budget heading top cover the cost of the proposed expenditure. Confirmation should also be sought that there are sufficient balances in the bank account prior to the use of cards.
- 7.22 A record of expenditure incurred together with supporting vouchers or receipts should be maintained by the cardholder including a valid VAT receipt where relevant. These should be submitted to the bank prior to the use of the cards.



7.23 Any credit card balances should be cleared in full either by cheque or approved direct debit by the due date. Debit card payments should be debited directly from the school bank account.

8 PERSONNEL AND PAYROLL

8.1 The Governing Body has established procedures for the administration of personnel activities, including appointments, terminations and promotions. The school have a 'Recruitment Policy' of which details are in the staff handbook and the school do use the Manual of Personnel Guidance placed in the Admin & Personnel Supervisor's office.

8.2 The Head Teacher on behalf of the Governing Body will ensure that the duties of authorising appointments, making changes to conditions or terminating the employment of staff are separated from the duties of processing payroll notifications and claims wherever possible.

8.3 The Head Teacher will ensure that all processes in relation to completing, checking and authorising any documents and claims related to appointments, terminations of employment and expenses are carried out by more than one person.

8.4 Details of staff able to authorise any documents and claims should be forwarded to the school's payroll bureau, including specimen signatures where required.

8.5 The Head Teacher will ensure that the Personal Assistant maintains personnel records and that they are kept securely; only authorised personnel have access to them (School Business Manager/Senior Leadership Group).

8.6 All payments to individuals should be made through the payroll system except where a self assessment questionnaire has been completed and that the School Business Manager is satisfied that the contract is one of self employment.

8.7 The Head Teacher and School Business Manager will ensure that the Personal Assistant maintains a list of all staff employed at the school. This updated information is reported to the Finance and Personnel Committee on a termly basis to reflect new starters and leavers.

8.8 The Head Teacher will ensure that the School Business Manager carries out a regular payroll checks are carried out on payroll transactions against the schools documentation on staffing and pay to ensure they match.

9 PETTY CASH

9.1 A petty cash account of £500 will be held. This will be held securely and only staff authorised by the School Business Manager will have access to it.

9.2 Payments from the petty cash account will be operated on the Imprest principle, reimbursed to the predetermined limit on a monthly basis in line with the expenditure incurred during the previous month.

9.3 Payments from the petty cash account will be limited to a maximum amount of £50 and used for minor items of expenditure. These will be supported by receipted invoices or vouchers, identifying any VAT paid, which must be separately accounted for.

9.4 In exceptional circumstance will petty cash above £50 will be reimbursed and approved by the Head Teacher/Business Manager.



- 9.5 Proper records will be kept of all reimbursements paid into and expenditure paid out of the petty cash account.
- 9.6 Personal cheques must not be cashed from the petty cash account.
- 9.7 Petty Cash accounts will be reconciled to the bank account on a regular basis (not less frequency than monthly)
- 9.8 Reconciliations on the account will be subject to review by an independent person; Finance Assistant to input/maintain account and Assistant Business Manager to authorise payments and reimbursement of the account. School Business Manager having overall management of Petty Cash Account.

10 VAT AND TAXATION

- 10.1 The School Business Manager will ensure that all staff involved in the financial administration procedures within the school is aware of the current VAT, Income tax regulations in accordance with London Borough of Barking and Dagenham Scheme for Financing Schools.

11 SECURITY OF ASSETS, STOCK AND OTHER PROPERTY

- 11.1 The Head Teacher is responsible for ensuring that assets, stock, cash and other property belonging to the school is kept in safe custody and delegates this responsibility to the School Business Manager.
- 11.2 The Head Teacher delegates the responsibility to the School Business Manager to ensure that stock levels are maintained in such a way to ensure continuity and availability of materials; maximum efficiency of annual budgets; good condition of stock and efficient use of storage capacity. Independent physical checks should be made of significant stocks no less than annually against stock records.
- 11.3 The Head Teacher delegates the responsibility to the School Business Manager to ensure that an inventory is maintained of all portable, desirable, valuable and uniquely identifiable items. This will include details of serial numbers, make and model where applicable. All such items will be security marked as being the property of the school.
- 11.4 An annual check of the inventories against items physically held will be undertaken by an independent person and documented. All discrepancies identified on this check will be investigated and those in excess of £500 reported to the Governing Body.
- 11.5 If stocks or equipment are surplus, obsolete, damaged, not traceable or stolen, the governing body will authorise the write-off and sale or disposal in accordance with London Borough of Barking and Dagenham Scheme for Financing Schools.
- 11.7 Safes and secure cupboards/cabinets will be kept locked, the keys removed and held in a secure location as determined by the School Business Manager.



12 INSURANCE

- 12.1 The Governing Body will ensure that adequate insurance is taken out to cover risks to which the school is exposed. The school currently places its insurance arrangements with the London Borough of Barking and Dagenham. An annual review of all risks will be conducted to ensure that an appropriate level of cover is maintained.
- 12.2 The Governing Body will review all risks not covered by the Council on an annual basis and determine whether additional cover should be taken out.
- 12.3 The Head Teacher/School Business Manager will ensure that the London Borough of Barking and Dagenham is notified of all new risks, additions and alterations which require insurance or affect the school's existing insurance arrangements.
- 12.4 No indemnity will be given to any third party without the written consent of the London Borough of Barking and Dagenham
- 12.5 The Head Teacher/School Business Manager will insure that the London Borough of Barking and Dagenham is immediately informed of any accident, loss or other incident that may give rise to an insurance claim.
- 12.6 The Governing Body will ensure that the insurance cover purchased covers the use of school property whilst off school premises.

13 DATA SECURITY

- 13.1 The Governing Body will ensure that the school is registered in accordance with the Data Protection Act 1998. The use of any systems to record or process information will comply with this legislation.
- 13.2 The Head Teacher is responsible for ensuring that data is regularly backed up, and that all back-up disks / tapes are securely held in a fireproof location. This task is delegated to the Network Manager.
- 13.3 The Head Teacher will ensure that the computer systems used for school management are password protected and that only authorised staffs have access to the systems. Passwords should not be disclosed, should be changed regularly and updated for staff changes.
- 13.4 The Head Teacher will ensure that adequate protection is in place to safeguard school systems and data against computer viruses. Only authorised software will be used.
- 13.5 The school employs a Network Manager who undertakes the day-to-day responsibilities for 13.2, 13.2, and 13.4 see Appendix E.

14 SCHOOL AND OTHER PRIVATE FUNDS

- 14.1 The Head Teacher will ensure that voluntary funds are accounted for separately from the school's delegated budget and are held in a separate bank account.
- 14.2 The Head Teacher and School Business Manager, on behalf of the Governing Body, will ensure that the accounting procedures for any voluntary funds reflect the same standard as those required for accounting for the school's delegated budget.



- 14.3 Any voluntary accounts will be subject to an annual audit by LBBB Internal Audit Services or a suitable qualified or experienced independent auditor. The audit report will be presented to the Governing Body for their formal approval and recorded in the minutes of the meeting. A copy of the annual school fund audit certificate signed by the Head Teacher and the honorary Auditor should be forwarded onto LBBB.
- 14.4 Details of the management and organisation of the voluntary funds are detailed in section 2 'Organisation of Responsibility & Accountability'.

Conclusion:

This policy has been developed to ensure the inclusion of all pupils and staff with due regard to SEN, Most Able, gender, chosen sexual orientation, ethnicity, disability, Looked After Children, and those pupils who are subject to a Child Protection Plan. This policy also ensures that due regard is given to staff in respect of their maternity /paternity entitlement. All Saints School values the worth of every individual and the contribution they make to the school community as a whole.



All Saints Catholic School

Commercial Card - User Agreement

I _____ hereby require an All Saints Catholic School commercial card. As a card holder, I agree to comply with the following terms and conditions regarding the use of the card.

1. I understand that I am being entrusted with a commercial card and will be making financial commitments on behalf of the School.
2. I understand that the School is liable to the card provider for all charges made on the card.
3. I agree to use this card for appropriate School business purchases only and agree not to charge personal purchases. I understand that the NCC will audit the use of this card and report and take appropriate action on any discrepancies.
4. I agree to follow the established procedures for the use of this card. Deliberate failure to do so may result in either revocation of the purchase card and/or other disciplinary actions in line with financial procedures.
5. I have read the commercial card management brief: understand and accept the requirements of the card's use.
6. I agree to return the card immediately upon request or upon termination of employment (including retirement). Should there be any organisational changes, I agree to return my card and arrange for a new one, if appropriate.
7. I will exercise all reasonable care to ensure the safety of my card at all times, and, will not disclose the card details to anyone other than when conducting a transaction.
8. If the card is lost or stolen, I agree to notify the Card Manager and Bank immediately.
9. I understand that the card is covered by the LBBB personal liability insurance.
10. The Lloyds bank application is completed, signed and attached for information purposes.

Print name _____ Date _____

Employees Signature _____

Print name _____ Date _____

Head Teacher Signature _____

Print name _____ Date _____

Chair of Governor Signature _____

GUIDANCE ON USE OF THE SCHOOLS COMMERCIAL CARD

It was agreed at the Finance & Personnel Meeting on the that a 'Commercial Card' facility would be introduced for the School Budget Share. The Governing Body appraised the benefits of the card arrangements, having considered the potential risks when compared to the existing purchase order system and the required controls over the use of the card.



The approved card is a Lloyds Mastercard' card, where the bill will be settled in full by direct debit from the nominated business account each month; which clearly fits in with the bank requirement. The Governors agreed that the purpose of this facility would be to provide additional means of purchasing curriculum-related goods or services through the School Budget Share providing improved 'Best Value' for the school budget. This process could include purchasing from suppliers who will not accept a cheque drawn on the school's bank account or ordering goods over the Internet.

Methodology

Card Management:

The card manager to be an independent person who is not a card signatory should be responsible for the card management.

The card holder to be issued with notes of guidance which include the individual financial limit of delegated authority for the use of the particular card.

Card Manager: Head Teacher

Card holder: Business Manager

Card Limit: £14,000

Card holder: Assistant Business Manager

Card Limit: £5,000

Card Procedures

Purchasing Process

- The card will be held securely when not in use, either by the card holder personally or within the school safe
- If the card is misused, the card should be immediately withdrawn from the card holder and the Head Teacher informed for appropriate action to be taken in accordance with financial regulations
- If the card is lost, the loss should be immediately reported by the card holder to the bank and to the card manager. A replacement card could be requested if appropriate
- If the cardholder leaves the school or no longer requires use of the card, the card should be handed to the card manager, who should destroy the card in accordance with accepted procedures and the bank notified
- There is a responsibility for the card holder to obtain value for money when purchasing resources
- When using the card ensure that there is a budget available under the budget heading to cover the cost of the proposed purchase



- In accordance with the specific regulations for schools with local bank accounts, no account shall be allowed to become overdrawn; consequently confirmation should be made that there are sufficient balances in the bank account prior to the use of the card
- When ordering goods or services, notably via the internet, the implications of having to pay in advance should be taken into account as there is a risk of non-delivery of goods or provision of services. In addition for internet-based purchases, card details should not be submitted unless the user is accessing a secure website, denoted by the address line starting with **https://**.
- **The card must not be used for personal purchases**

Payment Process

- The cardholder must maintain a record of expenditure incurred, including orders placed at point of sale, by telephone or use of the Internet, together with supporting receipts or vouchers. Where VAT is incurred, a valid VAT receipt should be attained to ensure that this may be reclaimed. The card holder should report expenditure promptly so that commitments are recorded on the RM accounting system
- Compiled expenditure records and supporting receipts and vouchers should be submitted to the school finance office for the purpose of checking payments made
- The card payment should be checked by an independent person wherever possible against supporting records and receipts on a monthly basis
- Any payments appearing on the bank statement or credit card statement identified as not incurred by the cardholder should be reported as soon as possible to the bank
- Upon payment the net expenditure and VAT should be allocated to the appropriate account codes in the local accounting system, for reconciliation purposes and budgetary control.

appendix B

Retention of Financial Records

The following list of financial records has been prepared with a code showing against each item specifying the minimum period that the records should be retained. Many of these can also be found in Annex A, Local Authority Scheme for Financing Schools, May 2008 version. We have also verified (where possible) the times with the Records Management Society website as at March 2009. Records should not be destroyed until after an audit visit.

The codes are as follows:

- 3+ Current plus three previous financial years (1st April – 31st March)
- 6+ Current plus six previous financial years (1st April – 31st March)
- X Indefinite or until disposal specifically approved by internal audit.

Official Purchases



Purchase Invoices	+6
Official order books	+3
Copy payment schedules	+3
Budgetary Control Sheet	+3

Banking Record

Bank statements	+6
Bank Paying in books	+3
Cheque book counterfoils	+3
Petty cash payments/receipts	+3

Official Income

Governor's fund paying in book	+3
Timesheets	+3
Receipt books	+6
Debtor accounts	+6
Credit notes	+6
Internal transfer forms	+3

- Supporting documents such as badge, book sales sheets should be retained for the same period.

School Funds

Cash book	+6
Income records	+6
Cheque books	+3
Paying in books	+3
Expenditure Vouchers	+6
Bank statements/pass books	+6

Inventory Records

All whether superseded or not	X
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Other Records

Minibus log book	+3
Establishment Diaries	+3
Small cash needs sheet	+3
Allowance sheets	+3
Attendance registers	+3
Admission records	X



Daily/monthly Finance Summary

Purchase orders

- Must be signed by the budget holder – requested copy
- Only raise a PO before ordering goods or services
- Ensure you put a description
- Don't group the whole Purchase Order
- File alphabetically

Invoices

- Must be signed by the budget holder
- To be paid within the term stated
- Attach the delivery note and Purchase Order
- Attach the remittance
- Write the Budget and analysis code on every invoice
- File alphabetically newest invoice on top

Statement

- Goes through the statements once a week
- File alphabetically

Payments

- A payment run must be done Thursday weekly

Petty Cash

- Maximum £50 per impress
- To be completed at month end
- Numerically number each voucher and attach the receipt
- Input onto RM
- Print transaction listing
- Print reconciliation
- To be reconciled monthly

VAT

- Print the transactions listing
- Print VAT reclaim
- Reconcile monthly

Banking

- To be done weekly
- Input individual lines
- Input onto RM the same day as its banked



Appendix C

Data Security

ICT Backup Policy

1. Overview

This policy defines the backup policy for computers within All Saints Catholic School which are expected to have their data backed up. These systems are typically servers but are not necessarily limited to servers. Servers expected to be backed up include the file servers, the mail server, and the web server.

2. Purpose

This policy is designed to protect data in All Saints Catholic School to be sure it is not lost and can be recovered in the event of an equipment failure, intentional destruction of data, or disaster.

3. Scope

This policy applies to all equipment and data owned and operated by All Saints Catholic School.

4. Definitions

1. Backup - The saving of files onto magnetic tape or other offline mass storage media for the purpose of preventing loss of data in the event of equipment failure or destruction.
2. Archive - The saving of old or unused files onto magnetic tape or other offline mass storage media for the purpose of releasing on-line storage room.
3. Restore - The process of bringing off line storage data back from the offline media and putting it on an online storage system such as a file server.

5. Timing

Full backups are performed nightly on Monday, Tuesday, Wednesday, Thursday, and Friday.

6. Tape Storage

There shall be a separate or set of tapes for each backup week. Backups performed Monday through Friday shall be kept for three weeks and used again the following appropriate week.

7. Tape Drive Cleaning

Tape drives shall be cleaned weekly and the cleaning tape shall be changed monthly.

8. Termly Backups

Every end of term a full backup will be performed and stored until end of the following term.



9. Age of tapes

The date each tape was put into service shall be recorded.

10. Responsibility

The Head has overall responsibility for ensuring that data is regularly backed up as outlined in the 'Finance Policy' of section 13.1 to 13.4 however, delegates the day-to-day operational process to the Network Manager.

The Network Manager shall delegate a member of the IT department to perform regular backups. The Network Manager shall develop a procedure for testing backups and test the ability to restore data from backups on a monthly basis.

11. Testing

The ability to restore data from backups shall be tested at least once per month.

12. Data Backed Up

Data to be backed up include the following information:

1. User data stored on the hard drive
2. System State data
3. The registry

Systems to be backed up include but not limited to:

1. File server
2. Mail server
3. Production web server
4. Domain server

13. Archives

Archives are made at the end of every year in December. User account data associated with the file and mail servers are archived one month after they have left the school.

14. Restoration

Users that need files restored must submit a request to the help desk. Include information about the file creation date, the name of the file, the last time it was changed, and the date and time it was deleted or destroyed.

15. Tape Storage Locations

Offline tapes used for nightly backup shall be stored in a secure location in a fireproof safe. Monthly tapes shall be stored offsite.