

## BROMLEY HEATH INFANT SCHOOL

### ORGANISATION AND RESPONSIBILITY AND ACCOUNTABILITY

1. **The Governing Body has appointed a Finance Committee** to take responsibility for the school budget. The present Finance committee are: Mr. John Essex; Mr. Neil Todd; Mrs. H. Williams; Mrs. D. Mistry; Mrs. Chris Chrystal; Mrs. Hilary Hurley.

#### Finance Committee.

- The terms of Reference for the Finance committee are as follows:

#### *Membership*

- Not less than four governors and the headteacher
- The committee may make recommendations to the Governing Body about additional non-voting members (e.g. Chair of FOS).

#### *Quorum*

- Three Governors and the headteacher.

*Meetings:* as and when necessary

#### *Brief:*

- To provide guidance to the Governing Body and the headteacher on all matters relating to finance.
- To prepare draft financial policy statements.
- To review financial policy statements in the light of medium and long term planning.
- To consider the School Development Plan and management plans to draw up an annual budget to be approved by the Governing Body.
- To monitor income and expenditure and report termly to the Governing Body.
- To agree the level of day to day financial management by the head and senior staff.
- To arrange the auditing of non-public funds.

#### *All other committees:*

- Each committee will appoint a Chairperson, a Vice Chairperson and a Minutes secretary.
- All meetings will be minuted
- All minutes will be distributed to Governors at or before the next full meeting.
- All meetings will follow the same procedural arrangements as a full Governors' meeting.
- Meetings will start at 4.00pm, or as agreed with Governors.
- Committees may make relevant decisions.

The limit of financial responsibility which the Governing Body has delegated

- a) Proposals for expenditure up to £6,000 should be referred to the Headteacher for approval.

- b) Proposals for expenditure up to £15,000 should be referred to the Finance Committee for approval.
- c) Expenditure in excess of £15,000 will be referred to the Full Governing Body.

The Governing Body has established a register of pecuniary interests for the Governors which is open to inspection. The Governors believe that it is important for anyone involved in spending public money to demonstrate that they do not benefit personally from decisions that they make.

The Headteacher is responsible to the Governing Body for ensuring that sound systems of internal control are in place to enable the proper processing of the school's transactions and activities. Subject co-ordinators are responsible for their Curriculum Area budgets. These are recorded monthly and carefully scrutinized by both the Headteacher and Finance Administrator. Teachers keep manual records of these budgets. Teachers are responsible to the Headteacher regarding these budgets.

The Headteacher is responsible to the Governing Body for ensuring that LEA financial regulations or standing orders of DFE financial requirements as appropriate are implemented.

The Headteacher works closely with the school's LEA finance officer who gives advice and support when necessary.

The Finance committee meet regularly and the minutes of this meeting are circulated together with the full up to date printout of the schools budget showing expenditure and income.

## **2. BUDGETS**

- The aims and objectives of the managements of the Budget at Bromley Heath Infant School will always have the best interests of the pupils at heart.
- The managements of the Budget will be linked with the School Development Plan (SDP).
  - i) In detail for one year
  - ii) Covering three years in the medium term
  - iii) Outlining five years long term
- The headteacher will prepare estimates of expenditure and income for the next financial year for consideration of the Finance committee.
- The finalised budget will be presented to the full Governing Body for approval.
- The school's annual budget will be linked with the SDP.

- Planned expenditure for each financial year will not exceed the available budget taking into account any carry forward sum from the previous year, income receivable, provision for pay increases and other contingencies.
  - Details of the approved budget, with any subsequent changes, will be forwarded by the headteacher to the LEA by 31<sup>st</sup> May.
  - The headteacher will provide regular reports regarding the budget to the Finance committee, then to the full Governing Body.
  - Budgets delegated to subject co-ordinators will be checked and reviewed regularly.
  - Virements will be monitored carefully and reported to the Governing Body.
  - A budget review will take place annually, usually October/November to check progress with the SDP.
  - The Headteacher will regularly consult the Governing Body and staff to ensure information received is appropriate; any significant policy change regarding Budget/SDP will be reported to the Governing Body.
3. The Headteacher and Finance Administrator are responsible for *financial transactions* with the Deputy Headteacher also being a ‘named person’ regarding this.

#### ***School Budget***

- The Headteacher, together with the Finance committee, make overall decisions. The Governing Body has given the headteacher permission for expenditure and virements up to £6,000 without seeking further authorisation.
- The Finance Administrator has received training regarding transferring the budget onto the computer system.
- Financial printouts are regularly checked by the Finance Administrator, Heateacher, and Finance Committee of Governing Body who meet approximately every month/six weeks, or longer if considered necessary.
- LEA Finance Officer monitors budget constantly.

Systems used for Finance Administration is CIVICA.  
 Personnel and Academic administration is SIMS  
 School Dinner Money: SIMS Dinner Money

#### ***School Dinner Money (SIMS Dinner Money)***

- Detailed records of payments and hot meal requirements are kept in class registers and recorded on SIMS.
- Pupils pay cash/cheques weekly in envelopes clearly marked with name, class, amount enclosed and the days staying to hot meals. The dates on the envelopes are recorded in the class register by the teacher.

- The envelopes and the registers are forwarded to the office on a Monday. The SIMS weekly meal plan is updated and the cash /cheques recorded in ‘Pupil Money’ from the envelopes.
- SIMS dinner Money – Meal requirements are up dated daily from the class registers in case of amendment through sickness or return from holiday/sickness. Daily kitchen figures are produced from SIMS.
- On a Friday a list of those Children in debt or in credit is produced from SIMS. SIMS will also produce a statement for each child, if required, showing dinners taken/absences and monies paid. This is cross checked with the class register and envelope and any discrepancies highlighted. Refunds are then given if appropriate or a letter produced for those children in debt.
- A list of cheques, cash and refunds for the week is produced by SIMS which is balanced against the actual cheques and cash. Cheques are then sent to SGC and the cash is paid at the Post Office.
- Weekly dinner numbers (free and paid) are produced by SIMS and balanced with SGC.
- School meals analysis is balanced at the end of each school term and forwarded to SG Audit department.

#### ***School Milk***

- The schools manages a milk system operated through School Milk Direct.
- The school does not collect monies this is dealt with directly with School Milk Direct.
- The school distributes the milk to children who are entitled to free (under fives) or those who have paid.
- School Milk Direct supplies the school with updated lists of paid children at the beginning of each month or any alterations which are made during a given month.

#### ***School Fund (Manual Records)***

- This is administered by the Headteacher with the approval of the Governing Body.
- The Finance Administrator or Headteacher pays in monies as appropriate.
- Cheques are cashed or paid with 2 out of 3 signatures – Headteacher, Deputy Head and Finance Administrator.
- Detailed records are kept manually and this Fund is audited annually and the balance sheets presented to the 1) Governing Body 2) staff 3) a Certificate of Audit sent to the Audit Department of the LEA.

#### ***FOS Funds (Home/School Association)***

- Charitable status has been given to the Friends of School Association. The accounts are managed by the Treasurer, Chair and Headteacher as President.
- Annual audit takes place and is presented to Governing Body and parents at the FOS AGM.

#### **4. INSURANCE**

- The Headteacher liaises with the LEA to ensure Insurance arrangements are kept up-to-date, the cost of premiums being met from the School’s delegated budget.

- The LEA is notified of all new property and equipment requiring insurance or of any alteration affecting existing insurance.
- Insurance arrangements cover the use of school property e.g. laptop computers when off the school premises as long as guidelines laid down by the LEA are adhered to.
- The school will immediately inform the LEA of all accidents, losses and other incidents giving rise to an insurance claim.

## **5. OFFICE COMPUTER SYSTEMS**

- The school has a computer based management system which is registered in accordance with the Data Protection Act. (SIMS)
- CIVICA is the system used to manage the Schools Budget.
- Back-up procedures are carried out remotely by ICT – LEA.
- All staff concerned have their own passwords which are not disclosed to anyone and are changed regularly.
- Only authorised software is used in order to prevent viruses being imported.

## **6. PURCHASING**

### **A) Value for money**

For expensive purchases the relevant department of LEA is consulted e.g. for the acquisition of computers etc, the IT department is consulted.

The Governors have drawn up a Purchasing Policy which is strictly adhered to.

All major financial decisions made by the Finance/FGB are recorded in the minutes of the meeting.

### **B) Orders for Goods and Services**

Written pre-numbered orders are used for all good and services including utilities (water, electricity, gas etc).

Official order forms are used and are securely retained when not in use.

Orders are used solely for goods and services provided to the school and never for the private use of individuals.

Order forms are properly completed, in line with Audit guidelines, and copies retained securely in numerical order.

Only the Headteacher and Deputy Headteacher will certify orders and will also check that ordered goods or services are appropriate to needs and fall within budget provision.

The school follows the system of ‘Commitment accounting’ which facilitates budget monitoring.

### ***Payment of accounts***

- Goods and services are checked on receipt by Finance Administrator, Head/Deputy head.
- Invoices are checked to confirm correct orders have been received as follows:
  - i) Orders received are cross-referenced to order number to ensure that payment has not already been made.
  - ii) Confirm arithmetic is correct and price tallies with order
  - iii) Ensure correct VAT treatment

- iv) Correct coding of invoice
- v) Copy orders have been properly endorsed
- vi) Ensure all available discounts have been taken

- Headteacher or Deputy Head or Finance Administrator will certify invoices. These are the certified members of staff authorised to sign invoices in line with LEA audit guidelines.
- Only in extreme circumstances will payment be made on photocopied or faxed invoices from a supplier, and then only when the above actions have been taken.

## **7. PERSONNEL**

- The Governing Body has appointed a Pay Committee for the administration of their Staffing Pay Policy.
- This committee checks and confirms the salaries of staff and informs them annually of salary details if they change i.e. increments other than cost of living.
- The payroll is administered by the LEA on the instructions of the Governing Body.
- There is a separate Governors Staffing Committee for staff appointments.
- A 'first committee' and a 'second committee' of the Governing Body deal with matters of complaint.
- Personnel records are securely retained and staff details are held on computer in accordance with the provision of Data Protection Act 1984.
- CIVICA printouts are checked regularly by the Finance administrator/Headteacher of staffing salaries.
- Supply staff payments are checked monthly to ensure the correct coding has been used and the correct hours have been paid.

## **8. SECURITY OF STOCK**

- The Headteacher is responsible to the Governing Body for safe custody and control of cash and other property belonging to the school.
- The Headteacher and Deputy Headteacher ensure stocks are maintained at a reasonable level and subject to regular checks.
- An Inventory is maintained by the Administrative Assistant and checked annually (31<sup>st</sup> March) by the Headteacher. Any discrepancies will be investigated and pursued.
- The inventory is maintained with items such as computers, video, DVD, data projectors etc over £50 in value. Not school furniture. Model numbers, serial numbers are noted where appropriate.
- Items are also identified with security marking as belonging to the school.
- All write-offs and disposal of surplus stock will be authorised by Headteacher in accordance with LEA regulations.
- The Safe, key safe and files will be kept locked and keys removed and not left near secure areas. Loss of school keys must be reported to the Headteacher immediately.

## **9. INCOME**

- Separate accounts are kept for collecting and banking money for a) school fund b) school trips c) school meals.
- The school maintains formal documentation for all income collected and receipt and records of income are securely retained,
- Cash and cheques are locked away to safeguard against loss or theft.
- Collections are paid promptly into the appropriate bank account.
- Income collections will not be used for the encashment of personal cheques or for other payments.
- The school reconciles sums collected to the sums deposited at the bank.
- Bank paying in slips will show clearly the split of cash and cheques. Cheques will be identified by reference to the receipt numbers and names of drawers and cash by reference of receipt numbers.
- Debts will only be written off in accordance with LEA regulations. Records will be kept of all sums written off, should this ever become necessary.

## **10. BANKING ARRANGEMENTS**

- The school has 3 bank accounts for Unofficial School Funds.
  - i) School Fund account with Lloyds Bank – account number: 0584174
  - ii) School Fund Deposit account with Lloyds Bank – account number: 7225188
  - iii) School Visits account with Lloyds Bank – account number: 0584069
- The fourth school bank account which the Audit department helped to arrange for the school is Petty Cash/Imprest account with the National Westminster Bank – account number : 75467607.
- The Governing Body has delegated responsibility to the Headteacher for the administration of these accounts which are audited annually and are available for inspection by the staff and Governing Body. Copies of the audited accounts are sent to the LEA.
- Two out of three authorised signatures are required on cheques. The 3 signatories are Headteacher, Deputy Headteacher and Finance Administrator.
- All cheques are now automatically crossed ‘account payee only’ (printed by the bank) which avoids the possibility of improper negotiation of the cheques.
- Only manuscript signatures are used, cheques are never pre-signed.
- School retains cheque books securely in a locked filing cabinet when not in use.
- School is not able to go overdrawn and is not able to negotiate overdraft facilities.
- Monthly bank statements are obtained. These are reconciled with their accounting records by the Finance Administrator and checked by the Headteacher. All discrepancies are investigated and all reconciliations are certified by the Finance Administrator and reviewed and countersigned by the Headteacher.
- The Finance Administrator undertakes bank reconciliations and she and the Headteacher together are responsible for the processing of receipts and payments.
- Surplus funds in bank account (i) above are invested in Bank Deposit account (ii) above. In bank account (iii) above there will normally not be a large enough

surplus balances to justify investment as this account will revert to NIL after all school trips have taken place.

- Individuals are not permitted to use their private accounts for any payment or receipt related to these school accounts.
- It is not permitted for the school to borrow money.

## **11. VOLUNTARY FUNDS**

- The Home/school Association is titled 'The Friends of Bromley Heath Infant School' (FOS) whose constitution is available for inspection at school.
- The finance is organised by the FOS Committee who annually appoints a Treasurer to take major responsibility for funds raised. The FOS now has charitable status.
- The FOS accounts are reported on and audited annually by an external auditor and the audited accounts are presented to the parents, staff and Governors as well as to the Charity Commissioners.
- There are three signatories: that of the Headteacher, the FOS Treasurer (Parent) and the FOS Chairperson (Parent). Two out of the three signatories appear on all cheques.
- Any suspected irregularities will be reported immediately to the LEA.
- Adequate Insurance arrangements have been established. Insurance is paid annually.
- The FOS Funds and related funds are separated completely from official school funds.

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*File: BHIS – Organisation of Resp.and Accountability.*