

Hartismere School

POLICY DOCUMENT No FP11

SCHOOL'S LOCAL PROCEDURES POLICY



DISTRIBUTION:

FULL COPY:

HEADTEACHER – DEPUTY HEADTEACHER – FINANCE COMMITTEE – FINANCE OFFICE
STAFF

SECTIONS 1-11

ALL STAFF

THIS DOCUMENT GIVES A SUMMARY OF THE FINANCIAL PROCEDURES TO BE FOLLOWED IN SCHOOL.

Corrections to any finance document or form must be made in ink with the original entry still clearly visible

1 - ORDERS

An internal order form must be completed and authorisation obtained from the appropriate budget holder, before passing to the Finance Office.

Orders will not be processed if the budget holder exceeds their allocation.

Goods for personal use may not be purchased through school.

Care must be taken to ensure that best value principles are followed, to that end, for goods valued at over £10,000 three comparative prices must be obtained and the paper work attached to the order. It is not always best value to accept the lowest quote, quality and longevity must be considered. If goods are ordered from procurement they will have already gone through best value process.

The Finance Office is responsible for entering the internal order onto the computer system (which will automatically allocate an order number).

1. The internal order and computer generated order are then signed by both the Business Manager and Finance Manager and distributed as follows:

original to supplier
second copy kept in Finance Office
third copy passed to budget holder

When goods are received they will be checked against the delivery note/invoice by admin assistant/budget holder. The fitness for purpose of the goods and the quantity check are budget holder's responsibility. **If the goods are in any way damaged or not as ordered they must be returned to the office immediately.** Failure to do so will result in the goods being paid for and redress more difficult to obtain.

Invoices are to be passed to the Finance Office for checking prior to processing. The Finance Office will check with the order and if the budget holder has not raised concerns about the goods it will be processed for payment.

The invoice should be stamped and initialed by person checking the goods, entering the invoice onto finance system and by the authorising officer. (If the payment is made by cheque two authorised signatories must sign the cheque and the cheque number should be entered on the invoice.

Supplier statements are to be reconciled each month. Payment **must not** be made against a statement

Regular payments such as monthly fees may be paid by direct debit or standing order.

2 - PETTY CASH

Petty cash claims must be made on the official form.

Claims must not exceed £100 and must be accompanied by a till receipt or VAT invoice. VAT can only be reclaimed if VAT element of the purchase is clearly shown on till receipt. Claims must be authorised by the budget holder prior to purchase. When the cash is received the form must be signed to acknowledge receipt.

3 - STAFF PURCHASES OVER £100.00

Goods should be purchased through the normal school system. In cases where staff have been authorised by the budget holder to make purchases that require reimbursement, eg for an internet purchase, they should complete a cheque payment claim form.

The claim should be countersigned by the Business Manager or Finance Manager.

4 - TRAVEL CLAIMS

Travel claims or expenses claims must be made on the official form. Claims for mileage are from school to destination or home to destination whichever is shorter. Claims will be paid at the standard LA rate via payroll system/petty cash.

5 - EXTRA DUTY CLAIMS

Authorisation for additional hours must be given before the duty is undertaken. Extra duty claim forms must be completed by the end of the month to ensure payment in the following month's payroll. Claims will be made at normal hourly rates for all part-time staff.

6 - LOAN PROCEDURES

Items of school property and assets may not be removed from the premises without record.

Staff may borrow such items for use at home. The Headteacher must authorise all loans.

Details of the loan are entered on a Loan of Equipment form before the property is removed from the premises.

The date of return of property is registered by the Network Manager and signed by the member of staff as returned.

7 - CASH HANDLING

All monies should be passed to school office upon receipt. The finance office will issue a receipt for cash received from external sources if over £50.00.

Trip income is recorded on class lists by Admin Assistant

The finance staff must keep a daily record of monies received which can be checked back to banking. All money must be kept in safe. Banking should be undertaken at least weekly. Staff must ensure that the insurance limits for cash are not exceeded, additional banking may be required.

1. Records of money banked must be entered onto FMS weekly, bank reconciliations are completed monthly and any discrepancies resolved.
2. The reconciliation statement is initialled by the person undertaking the reconciliation and reviewed and countersigned by an authorised signatory.

8 - LAPTOPS FOR TEACHERS

If staff have a school laptop they should complete the appropriate form. These laptops are covered by school insurance, however, this is invalid if the laptop is left unattended, ie in a car.

9 - PERSONAL EQUIPMENT USED IN SCHOOL

Any items of non-school property brought into school should be authorised first by Headteacher. Failure to do so means the item will not be covered by school insurance.

10 – DISPOSAL OF EQUIPMENT

If any item of school equipment is being disposed of, eg either broken or redundant, The Headteacher and Office must be notified.

11 – PERSONAL PHONE CALLS

Staff should not routinely use the school phone system. In case of an emergency, calls should be paid for at cost, money is collect in office.

12 - CHEQUE PROCESSING

Cheques must have two authorised signatories (list held in finance office), accompanying documents to be initialled by cheque signatories.

Cheque should not be pre-signed and rubber stamp signatories are not allowed.

Cheques for a value over £25,000 must first be notified to Area Finance Office.

All Cancelled cheques are to be filed and recorded in number sequence and an explanation noted.

Cheques that remain unpresented after six months should not be honoured by the bank. These should be "written back" i.e. the original entry reversed. A further cheque should be raised as appropriate.

Cheques payments may be made to suppliers if required see ordering.

No personal cheques will be encashed.

13 - PAYROLL

Changes to salaries are advised in writing to the Finance Office, all such letters are signed by the Headteacher and retained for audit in the appropriate Personnel files.

Spot checks on payroll details to contracts of employment are to be carried out monthly by the Finance Office.

Access to payroll and personnel records is restricted to staff members directly involved in the administration of these functions.

Regular amendments to the payroll, such as overtime, should be authorised by the Business Manager/Finance Manager before payment. Increases in salary are authorised by the Headteacher.

14 - INVOICES

The invoice should be checked to the original order and delivery note and initialled as evidence. Any discrepancies must be authorised by budget holder.

Invoices should be stamped with official stamp when they have been processed. The stamp should be completed with initials of person who checked the goods and authorised payment.

Invoices are filed in cheque number order when payment has been made and cross referenced to original order.

15 - ASSETS

School assets are items, or a group of items, over the value of £250 unless deemed desirable and portable when the value can be less.

The assets are to be recorded in a centralised asset register. All subsequent additions and disposals are to be clearly documented in the register.

No deletions may be made from the computerised register without getting written authority from the Headteacher on the Disposal of Equipment form.

The Network Manager is responsible for the asset register. An independent check of the asset register must be made at least annually on a rolling basis of 20% per year. A signature to show that the check has been completed is to be entered in the register (or hard copy if computerised) with the date. Discrepancies will prompt enquiries, where significant these will be reported to the governing body.

Assets may be disposed of but the governing body must notify Suffolk County Council of disposals with value greater than £5,000. Within these strictures the Headteacher has delegated authority to dispose of surplus equipment up to a value of £100.

Where items are used by the school but are not owned by it, they should be noted within the asset register and clearly identified.

On receipt of an invoice, items must be entered into the asset register. Each item must detail the serial/model number, location, member of staff responsible for the asset, date purchased/estimated age and source of funding.

The Network Manager is responsible for ensuring all assets are marked in a readily identifiable manner. Where practical, assets should be kept under lock and key when not in use.

16 - LOSS OF EQUIPMENT

Actual or suspected loss of equipment is notified to the Finance Office immediately.

A log of all equipment lost or suspected lost must be brought to the Headteacher's attention on a monthly basis.

17 - WRITE-OFFS

The Governing Body has the authority to write off a debt, deficiencies of stock or stores, an item in an inventory or to declare equipment or materials surplus to requirements. All write-offs over £100 must be notified to Suffolk County Council. The authority to write off debts with a value up to £100 is delegated to Headteacher. All write-offs over £100 will be recorded in the minutes of the Governing Body.

18 - TENDERING

Where the value of a contract is likely to exceed £25,000 either as a single purchase or within a twelve month period, tendering procedures are to be followed.

Exceptions to this are permitted for contract renewal or cases where there are insufficient agencies offering the product in question. If these exceptions apply, the Finance Committee and/or the governing body must minute their decision.

Firms are invited to tender for the service either by the school or their appointed agents. At least three tenders should be sought unless this is impractical.

Contracts over £50,000 should be made by open tender.

Firms wishing to tender are sent identical specifications with notification of the closing date for receipt of bids.

On the closing date, all tenders and supporting documents are considered by a tender committee. The tender committee has delegated authority from the governing body to accept tenders up to £10,000, above this figure the approval of the full governing body is required.

All firms bidding should be notified when a decision has been reached.

All proceedings of the relevant committee are to be minuted in a book retained specifically for this purpose. Where the lowest tender is not accepted the decision must be minuted.

The tender committee should seek advice from the relevant committee or full governing body before making a decision, if they see fit.

The placing of all contracts must comply with Suffolk County Council's "Procurement Standards for Schools".

17 - AUTHORISATION LEVELS

EXPENDITURE LIMITS

| | |
|----------------------------------|---|
| Head/Deputy Head | <i>day to day expenditure up to £25,000 on any one item (a series of orders within the limit to cover a larger order is not permitted).</i> |
| Business Manager/Finance Manager | <i>day to day expenditure up to £15,000 on any one item (a series of orders within the limit to cover a larger order is not permitted).</i> |
| Finance Committee | <i>over £25,000</i> |

VIREMENT LIMITS
Head
Finance committee
Full Governing Body

*up to 1% of delegated budget
up to 2% of delegated budget
has full powers above this limit*

CHEQUES:

*Cheques over £25,000 must be authorised by
Area Finance Officer*

BAD DEBTS WRITE OFF
Head
Full Governing Body

*up to £100
over £100*

DISPOSAL OF SURPLUS EQUIPMENT
Head
Finance committee

*up to £100
over £100*

CONTRACTS

*Any contract in excess of £25,000 in total value
will be subject to written quotation. Contracts
over £50,000 will be placed after open
tendering procedure as per Suffolk LMS
Document*

QUOTATION LIMITS

Three written quotes over £10,000

COMPETATIVE TENDERING

Over £25,000

OPEN TENDERING

Over £50,000

PAYROLL

*Business Manager/Finance Manager to
authorise overtime/extra duty payments and
supply staff claims.*

ASSET REGISTER

*All assets over £250 to be entered on asset
register.*

PETTY CASH

*Petty cash claims must not exceed £100. Total
petty cash holding not to exceed £500.*

RECEIPTS

*Issued for cash sums over £50 unless money
received from member of staff*

Appendix

Induction checklist for new staff

- 1 Best Value Statement
- 2 Claim for travel expenses
- 3 Loan of Equipment form
- 4 Pecuniary Interest form
- 5 Petty Cash voucher
- 6 Teachers' Issue of Laptop form
- 7 Record of Financial Responsibility

1-11 – All Staff

Full list – HEADTEACHER, DEPUTY HEADTEACHER, FINANCE COMMITTEE,
FINANCE OFFICE STAFF

Approved by Finance and Premises Committee: 7 June 2010-05-14

To be reviewed: