

**HIGHCLIFFE SCHOOL**

**FINANCIAL PROCEDURES**

**September 2018**

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FINANCIAL PROCEDURES**

<b>Process</b>	<b>Procedure</b>	<b>Actioned By</b>
Banking	<ul style="list-style-type: none"> <li>• All money must be banked appropriately.</li> <li>• Income slips to be prepared for each payment made by cash or cheque, and income slips annotated with relevant activity</li> <li>• Complete Excel spread sheets for upload onto the Corero finance system, showing the amount, departmental, nominal and activity codes.</li> <li>• Update Wise Pay activity lists with manual (cash/cheque payments)</li> <li>• Prepare 2 copies of a cheque listing to be prepared. One copy to be retained on the daily income file together with the income slips. One copy to be included in with banking bags containing cheques.</li> <li>• Prepare cash, cheques and cheques lists and place in bags for collection by security courier</li> <li>• All cheque and paying in books to be stored in a secure and locked location.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Assistant</li> </ul>

Banking Cont'd	<ul style="list-style-type: none"> <li>• Cheque signatories for the accounts as approved by the finance committee; <b>Public/Official Account</b> – any two signatories for cheques of less than £2,000; two signatories, one of whom must be the head teacher or deputy head for cheques of £2,000 or more.</li> <li>• Bank statements to be obtained at least weekly and reconciled to the financial system. They will be reviewed by the business manager monthly.</li> <li>• The Director of Business and Finance will maintain a list of all bank accounts and the authorised signatories.</li> </ul>	<ul style="list-style-type: none"> <li>• Authorised signatories – list held by Director of Business and Finance (DofBF)</li> <li>• Finance Officer / DofBF</li> <li>• DofBF</li> </ul>
BACS Payments	<ul style="list-style-type: none"> <li>• Maintain up to date records of suppliers' banking details, ensuring that details are notified by the supplier using an appropriate method – company stationery / official email, and changes checked by another member of the finance staff . Changes requested by the supplier to be checked via telephone call to established contacts at supplier offices.</li> <li>• Director of Business and Finance to check audit trail of supplier banking details prior to completion of payment run.</li> <li>• Check that invoices have been appropriately approved and then checked by the Director of Business and Finance before selection for the BACS payment listing.</li> <li>• Launch payment run on Lloyds Link</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Assistant</li> <li>• DofBF</li> <li>• Finance Assistant</li> <li>• Finance Officer</li> </ul>

BACS Payments cont'd	<ul style="list-style-type: none"><li>• Two bank signatories to check and authorise the payment batch on Lloyds Link, using Lloyds secure authorisation process. Mandate is the same as for cheque payments (see above)</li><li>• Complete payment run on Lloyds Link, print and file batch details</li></ul>	<ul style="list-style-type: none"><li>• Bank Signatories</li><li>• Finance Officer</li></ul>
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<b>Process</b>	<b>Procedure</b>	<b>Actioned By</b>
Cash and cheque income	<ul style="list-style-type: none"> <li>• Cash and cheques to be locked away when not being processed.</li> <li>• The safe should not hold in excess of £5,000 to comply with insurance requirements.</li> <li>• Collections to be paid into the appropriate bank account promptly and in full.</li> <li>• Bank paying in slips to show the split between cash and cheques and a list of cheques produced.</li> </ul>	<ul style="list-style-type: none"> <li>• All Finance Staff</li> <li>• Finance Officer</li> <li>• Finance Assistant</li> <li>• Finance Assistant</li> <li>•</li> </ul>
On Line Income (Wise Pay)	<ul style="list-style-type: none"> <li>• Identify batches of on line payments from the bank statement and annotate with departmental, nominal and activity codes.</li> <li>• Post income onto Corero Finance System via Bank Reconciliation Procedure</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Officer</li> <li>• Finance Officer</li> </ul>

Fees & Charges	<ul style="list-style-type: none"> <li>• Fees and charges to be levied in accordance with School Charging Policy</li> <li>• Completed Lettings forms to be passed to finance office to ensure invoices raised in advance of lettings period</li> <li>• Student payments of exam entry fees to be paid and recorded on entry forms prior to exam entries being submitted</li> <li>• All contributions and reimbursements from other organisations to be claimed</li> </ul>	<ul style="list-style-type: none"> <li>• All Staff</li> <li>• Site Manager &amp; Finance Assistant</li> <li>• Finance staff / Data &amp; Exams staff</li> <li>• Finance staff</li> </ul>
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Process	Procedure	Actioned By
Budget Monitoring	<ul style="list-style-type: none"> <li>• Monthly budget monitoring reports to be produced for income and expenditure, including sums committed but not yet paid. Outturn forecasts against the approved budget to be produced.</li> <li>• Reports to be reviewed monthly by the headteacher and summary reports submitted to the Resources Committee and Chair of Governors monthly. Reports for Governor meetings to be distributed at least 1 week prior to meetings. These will show any significant variances and recommend remedial action where necessary.</li> <li>• Headteacher to authorise virements of up to £10,000. Virements of between £10,000 and £30,000 to be approved by the Resources Committee. Virements of more than £30,000 to be approved by the Governing Body.</li> <li>• Curriculum / capitation budget holders to receive termly reports comparing expenditure and commitments against budgets. Reports will also be provided on request.</li> <li>• Cash flow to be reviewed against forecasts on a monthly basis to ensure the school does not go overdrawn.</li> </ul>	<ul style="list-style-type: none"> <li>• DofBF</li> <li>• Headteacher and DofBF</li> <li>• Headteacher and DofBF</li> <li>• Finance Assistant</li> <li>• DofBF / Finance Officer</li> </ul>

Expense Claims	<ul style="list-style-type: none"> <li>• All expense claims to be processed through the finance office.</li> <li>• Line managers to approve expense claims and the headteacher or deputy headteacher to authorise expense claims where appropriate.</li> <li>• Headteacher's expense claims to be authorised by Chair of Resource Committee or Chair of Governors.</li> </ul>	<ul style="list-style-type: none"> <li>• Claimants</li> <li>• Managers / Headteacher</li> <li>• Headteacher / Chair of Resources</li> </ul>
Insurance	<ul style="list-style-type: none"> <li>• The Resource committee to review risks annually and ensure that appropriate insurance cover is maintained.</li> <li>• All staff to immediately inform the Director of Business and Finance of all accidents, losses and other incidents that may give rise to an insurance claim. The business manager will notify the School's insurers.</li> </ul>	<ul style="list-style-type: none"> <li>• Resource Committee</li> <li>• All staff &amp; DofBF</li> </ul>



Process	Procedure	Actioned By
Purchasing	<ul style="list-style-type: none"> <li>• All purchase orders to be processed by the finance office and printed on official order stationery. The raising of the order on the finance system automatically creates a commitment against the relevant budget.</li> <li>• Where urgency requires an oral order, this should be confirmed by a written order.</li> <li>• The budget holder must complete and sign an order request form.</li> <li>• Purchases can also be made using the school's two credit cards (these are held in the name of the Headteacher and Director of Business and Finance and are stored in the Finance office safe) but must follow the normally purchase authorisation procedure but in addition must get two of the Headteacher, Deputy Headteacher and Director of Business and Finance to approve (it is practice, where possible, not to use the named cardholder to approve where it is their purchase).</li> <li>• All orders must be within budget. Requests for further funds must be directed to the Headteacher.</li> <li>• The Headteacher can sign invoices in excess of £10,000 up to £50,000 where this is in line with the budget approved by the Governors and submitted to the EFA. These should only be for business as usual school expenditure such as Exam Fees, Transportation, Utilities and Trips. If the actual cost exceeds either 10% or £10,000 of the approved budget then</li> </ul>	<ul style="list-style-type: none"> <li>• Budget holders &amp; Finance Assistant</li> <li>• Budget holders &amp; Finance Assistant</li> <li>• Budget Holders</li> <li>• Budget Holders</li> <li>• DofBF</li> <li>• DofBF</li> <li>• DofBF</li> <li>• DofBF</li> <li>• DofBF</li> </ul>

<p>Purchasing Cont'd</p>	<p>these should be also approved by the Chair of the Resourcing committee. This doesn't apply to new contracts or contract renewals where the approval should follow the normal process. Similarly for the Director of Business and Finance they can sign up to £10,000 for these normal run the school invoices. In addition a report of all invoices in excess of £10,000 will be provided to the Chair of the Resources committee on a monthly basis.</p> <ul style="list-style-type: none"> <li>• Orders exceeding £10,000 to be signed by the Chair of Resources committee or the Chair of Governors</li> <li>• Written quotations to be obtained for orders where published prices are not available</li> <li>• Three quotations to be obtained for orders exceeding £10,000.</li> <li>• Tendering procedures to be followed for purchases exceeding £30,000</li> <li>• Official orders are not required to be set up on the finance system for tendered services such as cleaning, gas and electricity</li> <li>• All goods received must be recorded with delivery notes by reception/site or finance staff only and checked against expected purchase before the member of staff who ordered the goods or services is asked to ensure they match the order. Any discrepancies to be resolved by the finance office.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Assistant &amp;</li> <li>• Budget Holders</li> <li>• DofBF</li> <li>• Finance Assistant</li> <li>• Finance Assistant</li> </ul>
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	<ul style="list-style-type: none"><li>• Budget holders must sign for goods received and authorise payment on the docket attached to invoices awaiting payment. Payments to be made within the statutory time limits</li><li>• The resource manager to maintain a list of staff authorised to certify invoices for payment, together with specimen signatures.</li><li>• All paid invoices to be marked with the cheque number and the word “Paid”, and securely stored in order.</li></ul>	
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Process	Procedure	Actioned By
Payroll	<ul style="list-style-type: none"> <li>• All staff appointments, terminations and amendments to staff contracts to be authorised by the Headteacher and recorded by the Headteacher's personal assistant who will in turn notify the School's personnel / payroll provider and school finance office.</li> <li>• The Headteacher's PA to maintain a list of all staff employed. Finance officer to maintain a list including pay scale spinal points, management points etc for checking against payroll.</li> <li>• Finance officer to check monthly payroll information provided by LA and arrange for discrepancies to be rectified; also to arrange raising of cheques payable by school for salary deductions such as tax, national insurance and subscriptions, and urgent salary payments.</li> <li>• DofBF and Headteacher to review &amp; sign monthly payroll check list prepared by Finance Officer</li> <li>• All claims for additional hours, along with claims for supply teachers to be approved by line managers and authorised by DofBF or Headteacher before logging by finance officer and passing to the payroll provider for processing.</li> <li>• Finance officer to ensure that all employment related payments to staff are processed through payroll to meet with Inland Revenue requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Headteacher &amp; PA</li> <li>• Head's PA &amp; Finance Officer</li> <li>• Finance Officer</li> <li>• Finance Officer / DofBF / Headteacher</li> <li>• Line Managers / DofBF / Headteacher / Finance Officer</li> <li>• Finance Officer</li> </ul>

<b>Process</b>	<b>Procedure</b>	<b>Actioned By</b>
Petty Cash	<ul style="list-style-type: none"> <li>• The finance officer will hold a petty cash float of up to £700.</li> <li>• Payments from petty cash should be approved in advance by the relevant budget holder.</li> <li>• All expenditure must be supported by receipts. It must be signed for by the recipient and countersigned by the budget holder.</li> <li>• The Director of Business and Finance to carry out periodic checks between the petty cash accounting records and the financial system.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Officer</li> <li>• Finance Assistant</li> <li>• Finance Assistant</li> <li>• DofBF</li> </ul>
School Meals	<ul style="list-style-type: none"> <li>• A designated member of the administration staff to maintain a register of pupils entitled to free school meals, and keep this information up to date on Integris. Eligibility of students transferring from year 6 is confirmed by the relevant primary schools. The local authority provides confirmation when students become eligible during their time at the school.</li> <li>• Information is transferred automatically from Integris to the cashless catering system on a daily basis. The cashless catering system provides each entitled pupil to a daily allowance which is deleted at the end of the day if it is unused.</li> <li>• A schedule of staff entitled to free meals on specific days to be authorised by the Head of Main School and input onto the cashless catering system</li> <li>• The invoices from the catering contractor to be checked in the finance office against print outs from the cashless catering system.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Assistant</li> <li>• Head of Main School and network support</li> <li>• Finance Assistant</li> </ul>

Trips	<ul style="list-style-type: none"> <li>• All trips to be approved by the Headteacher on the trip authorisation form supported by a costed budget.</li> <li>• Costings and payment schedules to be submitted to Finance Officer for approval before submission to Headteacher.</li> <li>• Activity to be published on Wise Pay by finance office staff.</li> <li>• Where payments are made by instalments, the Wise Pay system will maintain the appropriate analysis</li> <li>• All income for the trip will be paid in advance unless there are mitigating circumstances and the Headteacher approves non-payment.</li> <li>• All expenses for the trip will be supported by vouchers and receipts.</li> <li>• Surpluses and deficits will be reported to the Headteacher at the end of each financial year and balances transferred out of individual trip accounts. Where surplus balances equate to £10.00 or more per student, these will be refunded.</li> <li>• All income for trips will be accounted for through Wise Pay, supplemented by manual posting of cash &amp; cheque payments</li> <li>• Guidance on organising and accounting for trips is contained in separate notes in the school handbook.</li> </ul>	<ul style="list-style-type: none"> <li>• Trip organisers / Headteacher</li> <li>• Trip organisers / Finance Officer</li> <li>• Finance Assistant/ Finance Officer</li> <li>• Trip organisers / Headteacher</li> <li>• Trip organiser</li> <li>• Finance Assistant</li> <li>• Finance Assistant</li> </ul>
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<b>Process</b>	<b>Procedure</b>	<b>Actioned By</b>
Vat	<ul style="list-style-type: none"> <li>The school is able to recover Vat on relevant purchases, provided that proper Vat invoices are obtained. Vat can be recovered on purchases from unofficial funds, provided the spending is on items that could properly be purchased using official funds, budgetary constraints permitting.</li> </ul>	<ul style="list-style-type: none"> <li>Any staff making purchases to ensure Vat invoices &amp; receipts retained</li> </ul>