

HIGHCLIFFE SCHOOL

FINANCIAL PROCEDURES

SEPTEMBER 2014

**HIGHCLIFFE SCHOOL
FINANCIAL PROCEDURES**

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

Banking Cont'd	<ul style="list-style-type: none"> • Cheque signatories for the accounts as approved by the finance committee; Public/Official Account – 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. • Bank statements to be obtained weekly and reconciled to the financial system. They will be reviewed by the business manager monthly. • The business manager will maintain a list of all bank accounts and the authorised signatories. 	<ul style="list-style-type: none"> • Authorised signatories – list held by business manager • Finance Officer / Business Manager • Business Manager
BACS Payments	<ul style="list-style-type: none"> • 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. • Business Manager to check audit trail of supplier banking details prior to completion of payment run. • Check that invoices have been appropriately approved and then checked by the business manager before selection for the BACS payment listing. • Launch payment run on Lloyds Link 	<ul style="list-style-type: none"> • Finance Assistant • Business Manager • Finance Assistant • Finance Officer

BACS Payments cont'd	<ul style="list-style-type: none">• 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)• Complete payment run on Lloyds Link, print and file batch details	<ul style="list-style-type: none">• Bank Signatories• Finance Officer
-------------------------	---	--

Process	Procedure	Actioned By
Cash and cheque income	<ul style="list-style-type: none"> • Cash and cheques to be locked away when not being processed. • The safe should not hold in excess of £5,000 to comply with insurance requirements. • Collections to be paid into the appropriate bank account promptly and in full. • Bank paying in slips to show the split between cash and cheques and a list of cheques produced. • Telephone and vending machine income to be emptied and the cash counted by two people 	<ul style="list-style-type: none"> • All Finance Staff • Finance Officer • Finance Assistant • Finance Assistant • Finance Assistant
On Line Income (Wise Pay)	<ul style="list-style-type: none"> • Identify batches of on line payments from the bank statement and annotate with departmental, nominal and activity codes. • Post income onto Corero Finance System via Bank Reconciliation Procedure 	<ul style="list-style-type: none"> • Finance Officer • Finance Officer

<p>Fees & Charges</p>	<ul style="list-style-type: none"> • Fees and charges to be levied in accordance with School Charging Policy • Completed Lettings forms to be passed to finance office to ensure invoices raised in advance of lettings period • Student payments of exam entry fees to be paid and recorded on entry forms prior to exam entries being submitted • All contributions and reimbursements from other organisations to be claimed 	<ul style="list-style-type: none"> • All Staff • Site Manager & Finance Assistant • Finance staff / Data & Exams staff • Finance staff
---------------------------	---	--

Process	Procedure	Actioned By
Budget Monitoring	<ul style="list-style-type: none"> • 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. • Reports to be reviewed monthly by the headteacher and summary reports submitted the Finance and Facilities Committee at least once per term. Reports to be distributed at least 1 week prior to meetings. These will show any significant variances and recommend remedial action where necessary. • Headteacher to authorise virements of up to £10,000. Virements of between £10,000 and £30,000 to be approved by the Finance and Facilities Committee. Virements of more than £30,000 to be approved by the Governing Body. • Curriculum / capitation budget holders to receive termly reports comparing expenditure and commitments against budgets. Reports will also be provided on request. • Cash flow to be reviewed against forecasts on a monthly basis to ensure the school does not go overdrawn. 	<ul style="list-style-type: none"> • Business Manager • Headteacher and Business Manager • Headteacher and Business Manager • Finance Assistant • Business Manager / Finance Officer

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

Process	Procedure	Actioned By
Purchasing	<ul style="list-style-type: none"> • 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. • Where urgency requires an oral order, this should be confirmed by a written order. • The budget holder must complete and sign an order request form. • All orders must be within budget. Requests for further funds must be directed to the Headteacher. • Orders exceeding £2,000 must be signed by the head teacher. All other orders to be signed by the business manager or the head teacher. • Orders exceeding £10,000 to be signed by the Chair of Finance committee or the Chair of Governors • Written quotations to be obtained for orders where published prices are not available • Three quotations to be obtained for orders exceeding £10,000 and best value check form to be completed. • Tendering procedures to be followed for purchases exceeding £30,000 	<ul style="list-style-type: none"> • Budget holders & Finance Assistant • Budget holders & Finance Assistant • Budget Holders • Budget Holders • Business Manager • Business Manager • Business Manager • Business Manager • Business Manager

<p>Purchasing Cont'd</p>	<ul style="list-style-type: none"> • Official orders are not required to be set up on the finance system for tendered services such as cleaning, gas and electricity • Staff to check goods and services on receipt to ensure they match the order. Any discrepancies to be resolved by the finance office. • 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 • The resource manager to maintain a list of staff authorised to certify invoices for payment, together with specimen signatures. • All paid invoices to be marked with the cheque number and the word "Paid", and securely stored in order 	<ul style="list-style-type: none"> • Finance Assistant & • Budget Holders • Business Manager • Finance Assistant • Finance Assistant
--------------------------	--	---

<p>Purchasing with a Visa Charge Card</p>	<ul style="list-style-type: none"> • Orders must be raised and approved in line with the School’s current financial procedures. • The order request form should indicate that an on line purchase is required using the charge card, and a link provided to the relevant website. • An order will be raised and the commitment recorded on the finance system by the Finance Assistant. At this stage before the on-line purchase is made, two authorised bank signatories are required to sign the order, in line with the School’s banking mandate. • A payment docket will then be attached to the order for details of the charge card payment to be recorded by finance office staff, together with any receipt generated by the supplier’s website. • The order will be retained on the “Orders Pending” file until the goods are received, after which they will be filed with the paid invoices. • An additional copy of the receipt and signed order form will be retained by the Finance Officer for checking against the monthly statement provided by the bank. The information from individual receipts will be used to analyse the monthly direct debit charge against the correct budget codes. • Once this has been done, the original order will be deleted from the finance system, as the payment will have been made through the cash book rather than the purchase ledger. 	<ul style="list-style-type: none"> • Finance Assistant • Budget Holder • Finance Assistant • Finance Assistant • Finance Officer • Finance Assistant & Finance Officer
---	--	--

Process	Procedure	Actioned By
Payroll	<ul style="list-style-type: none"> • 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. • 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. • 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. • Headteacher to review & sign monthly payroll check list prepared by Finance Officer • All claims for additional hours, along with claims for supply teachers to be approved by line managers and authorised by Headteacher before logging by finance officer and passing to the payroll provider for processing. • Finance officer to ensure that all employment related payments to staff are processed through payroll to meet with Inland Revenue requirements. 	<ul style="list-style-type: none"> • Headteacher & PA • Head's PA & Finance Officer • Finance Officer • Finance Officer / Headteacher • Line Managers / Headteacher / Finance Officer • Finance Officer

Process	Procedure	Actioned By
Petty Cash	<ul style="list-style-type: none"> • The finance officer will hold a petty cash float of up to £700. • Payments from petty cash should be approved in advance by the relevant budget holder. • All expenditure must be supported by receipts. It must be signed for by the recipient and countersigned by the budget holder. • The business manager to carry out periodic checks between the petty cash accounting records and the financial system. 	<ul style="list-style-type: none"> • Finance Officer • Finance Assistant • Finance Assistant • Business Manager
School Meals	<ul style="list-style-type: none"> • 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. • 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. • A schedule of staff entitled to free meals on specific days to be authorised by the Deputy Headteacher and input onto the cashless catering system • The invoices from the catering contractor to be checked in the finance office against print outs from the cashless catering system. 	<ul style="list-style-type: none"> • Finance Assistant • Deputy Headteacher and network support • Finance Assistant

Trips	<ul style="list-style-type: none"> • All trips to be approved by the Headteacher on the trip authorisation form supported by a costed budget. • Costings and payment schedules to be submitted to Finance Officer for approval before submission to Headteacher. • Activity to be published on Wise Pay by finance office staff. • Where payments are made by instalments, the Wise Pay system will maintain the appropriate analysis • All income for the trip will be paid in advance unless there are mitigating circumstances and the Headteacher approves non-payment. • All expenses for the trip will be supported by vouchers and receipts. • 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 £7.50 or more per student, these will be refunded. • All income for trips will be accounted for through Wise Pay, supplemented by manual posting of cash & cheque payments • Guidance on organising and accounting for trips is contained in separate notes in the school handbook. 	<ul style="list-style-type: none"> • Trip organisers / Headteacher • Trip organisers /Finance Officer • Finance Assistant/ Finance Officer • Trip organisers / Headteacher • Trip organiser • Finance Assistant • Finance Assistant
-------	--	--

Process	Procedure	Actioned By
Vat	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Any staff making purchases to ensure Vat invoices & receipts retained