Pool House C P School

INTERNAL FINANCIAL REGULATIONS

1.0 ESTABLISHMENT OF BUDGET HEADINGS, MONITORING AND CONTROL PROCEDURES AND EXERCISE OF VIREMENT

1.1 Each year, on receipt of its budget share from the LA the Governing Body shall establish appropriate budget headings for the school as a whole under which the budget shall be controlled and determine the initial budget allocation to each heading. Any changes to budget allocations following notification by the Authority of the previous year's surplus/deficit brought forward shall be determined by the Governing Body.

1.2 The Headteacher may sub-divide the budget determined by the Governors on a departmental or other basis in order to facilitate day to day administration and control.

1.3 The Headteacher shall be empowered to exercise virement between budget headings approved by the Governors of up to £3,000 (or 10% of the budget heading from which resources are being transferred, whichever is the lower) in total for any heading during the year. Any virement exercised shall be reported to the Governors at their next meeting. Virement in excess of this figure requires the prior approval of the Governing Body.

1.4 The Headteacher shall establish suitable arrangements for the control and monitoring of expenditure against budget headings.

1.5 At termly intervals, the Governors shall receive from the Headteacher a report on school expenditure compared with budget. Reasons for any significant variances between actual and estimated expenditure to date shall be identified. In addition, the Headteacher shall inform the Governors immediately if significant overspendings or underspendings which cannot be covered by delegated powers of virement are likely to occur on any budget heading.

1.6 The Governing Body shall consider the appropriate level of reserves and balances at the school.

2.0 CHOICE OF SUPPLIERS AND CONTRACTORS

2.1 The Governing Body is responsible for ensuring that purchases and contracts entered into for the supply of goods and services comply with Standing Orders for Schools; in particular:

- ◊ orders or contracts of up to £5,000 may be entered into without the need for competitive quotations or tenders, provided they represent value for money;

- ◊ for contracts or purchases between £5,000 and £50,000 at least three written quotes are required;

- ◊ contracts over £50,000 in value must be publicly advertised and tenders invited for each contract.

2.2 The Headteacher shall maintain a record and copies of all quotes and tenders received and retain for audit inspection.

2.3 The Governors, the Headteacher and also any member of staff who may have influence over purchasing decisions shall disclose any business interest they or their immediate family have in a Register of Business Interests maintained within the school. The person concerned shall be excluded from any meeting whilst the contract or other matter which relates to their or their immediate family's business interest is being considered and voted upon.

2.4 For a contract where a payment is to be received by the school, the highest tender should be accepted, but where a payment is to be made by the school, the lowest tender should be accepted. Departure from these requirements may occur only with the prior approval of the Governing Body and the reasons for not complying with the conditions must be recorded in the minutes of the meeting. The receipt of sponsorship must not be regarded as a valid reason for not complying with these conditions.

2.5 The requirement for tenders or written quotations may be waived when a purchase is made under a contract arranged by Central Government or the County Council since arrangements have already been made for securing competition for such contracts.

2.6 Where the Governors have established an approved list of suppliers or contractors any order shall be placed with an appropriate supplier from that list.

2.7 Building maintenance orders shall only be placed with contractors who have adequate insurance.

2.8 The Headteacher shall maintain a record of all sponsorship received by the school, including the sponsor's name and details of cash/goods received, date of receipt and use made of cash/goods.

3.0 LOCAL BANK ACCOUNTS

3.1 The Governors shall decide, after consultation with the Headteacher, whether or not to operate a local bank account.

3.2 The decision to change the school's banking arrangements shall be made in sufficient time to allow four months' notice to the Authority to be given.

3.3 The Governors, in consultation with the Headteacher, shall be responsible for the selection of the bank with which the account is to be placed.

3.4 The Headteacher shall be responsible for ensuring that adequate arrangements are made for the administration of the account in accordance with the bank account scheme issued by the Authority.

4.0 AUTHORITY TO INCUR EXPENDITURE AND PLACE ORDERS

4.1 The Headteacher shall have delegated authority to incur expenditure on any goods and services or enter into any contracts related to the objectives of the school up to a value of (£10,000) provided that the expenditure can be met from within the appropriate approved budget heading and that no liability in excess of (£10,000) is incurred in any future year.

4.2 All orders for goods or service contracts of value (£10,000) and above or with an annual commitment of more than that amount shall be subject to the prior approval of the Governing Body.

4.3 The Headteacher is responsible for ensuring that there are secure arrangements for the authorisation of orders and the examination, verification, coding and certification of invoices including ensuring that:

- ◊ the duties of authorisation of orders and the certification of accounts for payment are not performed by the same person, and wherever practicable the duties of ordering shall be performed by the more senior person.

- ◊ all orders shall be signed in his/her own name by the Headteacher or by an officer authorised by the Headteacher. A record of specimen signatures shall be maintained of these authorised officers.

- ◊ all invoices shall be certified for payment by an officer authorised by the Headteacher. A record of specimen signature shall be maintained of the officers authorised to certify invoices.

5.0 DETERMINATION OF STAFFING ESTABLISHMENT

5.1 The Governing Body shall determine the staffing establishment for the school having regard to available financial resources.

6.0 CONTROL OF ASSETS

6.1 The Headteacher shall ensure that adequate arrangements exist for the security of all buildings and the physical control of stores and equipment and for the maintenance of records, having regard to any guidance or instructions issued by the Authority.

6.2 The Governing Body shall determine a policy for the control of assets and the write-off of surplus equipment.

7.0 USE OF SCHOOL PREMISES

7.1 The Governing Body shall determine a lettings policy for the school.

7.2 Where the school has discretion relating to charges for use of school premises, these charges shall be determined by the Governing Body and shall be reviewed on an annual basis to ensure that overall there is no net cost to the school's budget share.

8.0 UNOFFICIAL SCHOOL FUNDS

8.1 Monies relating to unofficial school funds shall be held in a separate bank account identified with the name of the school and for which the signatures of at least two named persons shall be required to affect withdrawal from the account. The signatories to the account shall be appointed by the Headteacher.

8.2 The Headteacher shall inform the Governing Body at the end of each school year of the unofficial funds which are in existence or have existed during the year, indicating the general purpose of each fund.

8.3 The Headteacher shall submit to the Governing Body as soon as possible after the end of each school year a summary of the accounts of each voluntary fund signed by the Headteacher and the auditor appointed by the Governing Body.

8.4 The Headteacher shall submit copies of accounts of each unofficial fund, together with an audit certificate to the Authority on an annual basis.

9.0 CONSIDERATION OF AUDIT REPORTS

9.1 Any audit report in relation to the school produced by the Director of Finance or the County Council's external auditors shall be considered by the Governing Body.

9.2 The Governing Body shall approve any action plan arising from the audit and monitor implementation of that plan to ensure that all agreed action has been taken.

10.0 INCOME

10.1 The Governing Body shall determine a charging policy for the supply of any goods or services.

10.2 The Headteacher shall ensure that all income due to the school is accounted for in accordance with the school's charging policy.

10.3 Bad debts up to the value of (£50) may be written off by the Headteacher without the prior approval of the Governing Body or nominated Committee. The Headteacher must report all such write-offs to the next meeting of the Governing Body or nominated Committee.

10.4 For bad debts in excess of (£50), the prior approval to write off must be obtained from the Governing Body, or a nominated Committee.

11.0 GIFTS AND HOSPITALITY

11.1 Any offer or receipt of gifts or hospitality shall be reported to the Governing Body and recorded in the Minutes of the Meeting.

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