

St Francis Xavier's College
Finance Policy & Procedures
December 2019

Approved by: Governing Board	Date:
Last reviewed on:	December 2019
Next review due by:	?
Ownership: Committee	Finance & Building

CONTENTS

Introduction

Organisation

Financial Responsibilities

Accounting System

Financial Planning & Monitoring

Payroll

Cash Management

Purchasing & Payments

Income

Assets

Insurance

Supply Teachers

Retention of Records

Appendix 1 Financial Organisation

Appendix 2 Finance & Buildings Sub-Committee Terms Of Reference

Appendix 3 Authorisation Levels

Appendix 4 Asset Disposal Approval Form

Appendix 5 Staff Recruitment Levels

1.00 Introduction

The procedures in this Finance Manual will be approved by the Governing Board and are mandatory and will be effective immediately after approval. Any variation from the procedures is to be notified to the Member responsible for Finance and the Headmaster as soon as it becomes apparent.

The purpose of the manual is to ensure that the College maintains and develops proper systems of financial control. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department for Education (DfE)

2.0 Organisation

2.1 Financial Responsibilities

The Governing Board of the College is responsible for the financial integrity of the College, including any updates or changes to these procedures. The main responsibilities of the Governing Board are prescribed in the Funding Agreement between the Academy and the DfE.

2.2 Financial Organisation

Finance organisation and staffing are organised as per appendix 1.

In the event of an emergency where the Headmaster is unavailable a nominated member of the Senior Leadership Team may act for the Headmaster on a temporary basis.

3.00 Financial Responsibilities

3.1 Governing Board

The Governing Board is responsible for ensuring that any funding from the DfE (via the ESFA (Education Funding Agency) or LA is used in accordance with the law, its articles of association, the Academy's Funding Agreement or such other directions as may be issued and the Academies financial handbook and must ensure that the financial management is such as to enable it to fulfil its obligations. This includes approval of the annual budget and notification of any substantial changes in that budget in accordance of the DfE funding agreement.

The Governing Board recognises that it would be impractical to undertake day to day activities itself in discharging its responsibilities and it is necessary to delegate some of its functions through committees and the Headmaster as set out in this manual.

The Headmaster may also delegate provided the terms of the delegation are

clearly documented.

The Governing Board will keep under review its financial management arrangements and make amendments as necessary. The Member responsible for Finance will advise the Governing Board where he feels such amendments to be necessary.

The Governing Board is also responsible for:

- Operating control over expenditure;
- The appointment of a new Headteacher;
- The appointment of a Finance Director/Business Manager in conjunction with the Headteacher;
- The appointment of external auditors.

The Financial Procedures Manual which will be reviewed by the Member responsible for Finance annually to incorporate any requirements of the DfE. Amendments will be submitted to the Finance & Buildings Committee for approval and to the Governing Board for ratification.

3.2 Finance & Buildings Sub-Committee and its Constitution

The purpose of the Finance & Buildings Sub-Committee is to assist the decision making of the Governing Board, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Board's responsibility in ensuring sound management of the College's finances and resources, including proper planning, monitoring and probity.

The main responsibilities of the Finance & Buildings Sub-Committee are detailed in written terms of reference (appendix 2) which have been authorised by the Governing Board.

Membership of Finance & Buildings Sub-Committee

Membership of Finance & Buildings Sub-Committee to include;

- Headmaster
- The Chair to be a Member who is not an employee of the school
- One Member must be the Member responsible for Finance
- One Member must be the Member responsible for Health & Safety

A clerk to the Governing Board should be appointed

(Details of current membership to be available as separate appendix)

To attend when required

Business Manager
Site Manager
Quorum

All four members as detailed above must be in attendance for the Sub-Committee to be quorate.
Member responsible for Finance must always be in attendance.

Frequency of Meetings

The committee will meet 3 times per academic year. Meetings may also be called by the Chair or any other two members of the Committee, with notice given as appropriate to the occasion.

Proceedings

The Sub-Committee shall be conducted in accordance with the College's Memorandum and Articles of Association and with any other regulations or directions relevant to the Sub-Committee's proceedings as may be issued from time to time.

Minutes

The minutes will be kept in the relevant electronic folder to be presented to the next meeting of the Sub-Committee for approval and signature by the Chair, and will be circulated to members of the Governing Board as part of the agenda.

Review

All the committee's arrangements, Terms of Reference (appendix 2), Membership etc., as required by the DfE will be reviewed annually by the Sub-Committee each summer term.

3.30 Member Responsible for Finance

The responsibilities outlined below mean that the Member for Finance in conjunction with the Finance & Buildings Sub-Committee is responsible to the Governing Board for the integrity of the financial systems and controls of the academy.

The Governing Board shall designate a Member with a financial background to provide assurance on the following issues:

- The efficient, economic and effective management of resources and expenditure, including funds, capital assets, equipment and staff;
- The maintenance of sound internal financial controls;
- That, financial considerations are taken fully into account, in reaching decisions;

- To ensure that variances between actual performance and budget are analysed systematically and that the timely communication of this information is effected to those with responsibility for expenditure and ensure that where necessary action is taken;
- To be satisfied that there are adequate checks and segregation of responsibilities to ensure the risk of error or fraud is minimised;
- To provide an independent check on the financial activities of the Headmaster;
- To provide an independent review of and assurance to the Governing Board in the College's financial arrangements, the Member responsible for finance should not take an active role in the day to day operation of the finance team;
- Ensure that appropriate accounting policies are followed in the preparation of accounts;
- To report without delay to the Governing Board on any areas of concern.

The Member responsible for finance may choose to commission an appropriate external contractor or peer reviewer to carry out the detailed checking.

3.4 Headmaster (Accounting Officer)

The role of the Headmaster includes specific responsibilities for financial matters. It includes a personal responsibility to Parliament, and to ESFA's accounting officer, for the financial resources under the trusts control. The Headmaster must be able to assure Parliament, and the public, of high standards of probity in the management of public funds, particularly value for money, regularity and propriety.

To effectively carry out their responsibilities the Headmaster shall:

- Have executive responsibility for the financial management of the school;
- Ensure proper and adequate financial systems and controls are in place;
- Approve all orders before they are placed;
- Co-signing cheques or agree appropriate delegation;
- Ensure that the accounts are prepared and maintained as required by the Governing Board and DfE and that these accounts are adequately supported by the underlying books and records of the school;
- Supply to the Member responsible for Finance such financial information as he/she may require in performing his/her duties;

(In practice the Headmaster will delegate most of the financial duties to the Business Manager)

3.5 Business Manager

The Business Manager works in close collaboration with the Headmaster through whom they are responsible to the Governing Board. The Business Manager also has direct access to the Members via the Finance & Buildings Sub-Committee.

The main financial responsibilities of the Business Manager are;

- The day to day management of financial issues including the establishment and operation of a suitable accounting system;
- The management of the College's financial position at a strategic and operational level within the framework for financial control determined by the Governing Board;
- The maintenance of effective systems of internal control including back up procedures;
- Presentation of accounts which are adequately supported by the books and records of the College;
- Preparation of timely monthly or quarterly management accounts;
- Preparation of annual budgets;
- Preparation and presentation of DfE forms;
- Authorising purchase orders;
- Co-signing cheques;
- Preparation of any bids for additional funding.

3.6 Assurance –External Audit

The external auditor is appointed by the Governing Board and provides Members with an independent oversight of the Colleges financial affairs. Its main duties are to ensure the Governing Board with assurance that:

- The financial responsibilities of the Governing Board are properly discharged;
- That, resources are being managed in an efficient, economical and effective manner;
- That there are sound systems of internal financial control and that these systems are being properly maintained;

- That, financial considerations are taken into account when reaching decisions;
- The auditor will undertake a termly programme of reviews to ensure that financial transactions have been properly processed and that controls are operating as stated by the Governing Board. A report of the findings from each visit will be presented termly to the Finance Committee.

3.7 Other Staff

Other staff members, primarily the Assistant School Business Managers and budget holders will have some financial responsibility within the operational aspects of the financial systems and controls.

All staff have responsibility for the security of College property; for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the College's financial procedures.

3.8 Registrar of Interests

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. All Governing Board Members and staff with significant financial or spending powers are required to declare any financial interests that they have in companies or individuals from whom the College may purchase goods or services.

The existence of a register of business interest does not detract from the duties of the Governing Board Members and staff to declare interest where applicable and to not attend that part of any Sub-Committee meeting or other meeting.

The register should:

- Be open to public inspection and is available in the Finance Office;
- Include all business interests such as directorships, share holdings or other appointments of influence within a business organisation which may have dealings with the College. The disclosures should also include business interests of relatives and business partners where influence could be exerted over a Governing Board Member or a member of staff by that person

4.00 Accounting System

The Civica accounting system will be used for modelling, setting and monitoring the budget, generating orders, and recording the income and expenditure of the College.

Entry to these systems is password restricted.

The Business Manager is responsible for implementing a system that will ensure

the passwords are changed on an appropriately regular basis.

Access levels to these systems will be set in line with the requirements and responsibilities of the users.

4.1 Back up procedures

All IT servers at the college are backed up daily to local storage. These backups are copied to our cloud service run by Insight.

A disaster recovery plan in the event of loss of accounting facilities or financial data should be prepared to ensure that plans are adequate and up to date; this should link in with the assessment of risks made by the College.

4.2 Transaction Processing

All transactions input into the accounting system must be authorised in accordance with the procedures specified in this manual.

The Business Manager will obtain and review system reports to ensure that only regular transactions are posted to the accounting system.

Reconciliations of all Bank accounts and VAT control accounts in the accounting system will be carried out at least monthly.

The auditors/Member responsible for finance will highlight any unusual or long outstanding items of a material value to the Finance & Buildings Sub-Committee who will recommend an appropriate action.

5.00 Financial Planning and Monitoring

The College prepares both medium term and short term financial plans.

5.1 Strategic Development plan

A strategic development plan will be formulated for a 3 year period. It concerns itself with the future aims and objectives of the College and how this can be achieved with the expected resources available.

The form and content of the development plan are matters for the College to decide but due regard should be given to any guidance issued by the DfE.

The completed plan will include detailed objectives for the coming academic year and outline objectives for future years of the plan.

The plan will be prepared on a rolling basis and updated and reviewed annually by the Headmaster and the Senior Leadership Team for approval by the Finance & Buildings Sub-Committee and ratification by the Governing Board.

5.2 Budgets

College expenditure must be appropriate, controlled and given an order of priority against all available resources.

The Business Manager is responsible for preparing the budget.

The budget may need revising throughout the year as circumstances change.

The DfE require the annual budget for the coming year to be approved by the Headmaster and Finance & Buildings Sub-Committee and Governing Board and to be submitted to the DfE no later than the 30th July, subject to advice of final funding.

There must be a clear link between the development plan objectives and the budgeted utilisation of resources.

The budgetary process consists of four phases, planning, budgeting, monitoring and review.

Budgets will be reviewed monthly and reported to the budget holders, Headmaster, Finance & Buildings Sub-Committee and Trustees by the Business Manager.

Any transfer of spend from budget heading to budget heading are subjects to the controls as per appendix 3.

5.3 Fundraising

Any fundraising should be cleared with the charity committee and any monies collected kept in the school safe until the collection has ended. The money can then be paid into the School Fund and a cheque raised from the school to the relevant charity. All funds collected on the behalf of charities will be published on the website.

6.00 Payroll

The Governing Board is responsible for approving executive pay and a staffing structure for the College. The Governing Board must ensure that their decisions about levels of executive pay follow a robust evidence-based process and are reflective of the individual's role and responsibilities. Any changes to the staffing structure can only be made with express approval in the first instance of the Finance & Buildings Sub-Committee who must ensure that adequate budgetary provision exists for any staffing structure changes.

The Headmaster is responsible for appointing College personnel except for Deputy Headteachers and the Business Manager whose appointments shall follow consultation with the Governing Board.

Personal files which include contracts of employment are kept by the College.

6.1 Payroll Administration

The Headmaster will immediately inform the Business Manager of any new appointment to the staff of the College.

The payroll is produced by Strictly Education.

All staff are paid monthly on the 15th of each month or the nearest previous working day to this.

All salary payments will be made by BACS.

All time sheets and overtime claims will be signed by the relevant line manager and certified by the Business Manager.

Any amendments to the payroll will be subject to controls as set out in a formal memorandum by the Governing Board.

Any amendments to the master file must be communicated to Strictly Education in a timely manner by the Assistant School Business Manager with responsibility for payroll.

Strictly Education will supply the Assistant School Business Manager with responsibility for payroll with a printout of the current month's salary payments for review and approval.

Payments to the Teachers Pension Fund, Merseyside Pensions Fund and HMRC will be made by the Assistant School Business Manager with responsibility for payroll.

The Business Manager will be responsible for the update the accounting system with pay information via a journal each month.

The Governing Board are responsible for compliance with filing payroll related annual returns in a timely manner. Returns will be prepared by Strictly Education and checked for completeness by the Assistant School Business Manager with responsibility for payroll.

7.0 Cash Management

7.1 Bank Accounts

The opening of bank accounts must be authorised by the Governing Board, who must set out in a formal memorandum the arrangements covering the operation of the accounts, including transfers between accounts, cheque signing and BACS levels

Any cheque or cash deposits should be entered on a paying in slip for presentation to the bank.

Details of any deposits or withdrawals must be entered in a supporting book. All cheques and other instruments authorising withdrawal from College bank accounts will be subject to controls as set out in a formal memorandum by the Governing Board.

The Business Manager is responsible for ordering cheques from the Bank and once received the security of the same.

Cheques not yet made out will be kept in the safe or any other appropriate safe and secure location.

The Finance Team will inform the bank of the details of any cheques to be stopped.

Any cheques that appear to be lost, will not be re-issued until the bank have been instructed to put a stop on the cheque and until the payee issues an indemnity to the College.

The Business Manager will ensure bank statements are received on a regular basis.

The Finance Team will be given access to the online banking system to allow statements to be downloaded. No other transactions can be processed via the online system without prior authority from the Headmaster.

The Finance Team will ensure all College bank accounts are reconciled to the College's cash books at regular intervals.

All transactions should be entered onto the College accounting system in a timely manner

7.2 Petty Cash

The College will maintain a maximum petty cash balance of £500 except in exceptional circumstances.

Petty Cash will be administered from within the Finance Team.

The only deposits to petty cash should be from cheques cashed from the College bank account specifically for this purpose.

Petty cash claims above £20 are to be made using petty cash vouchers authorised by the budget holder and countersigned by the Business Manager/Assistant Business Manager.

All claims for petty cash must be substantiated by receipts where possible.

Petty Cash claims will be limited to a maximum of £50 except in exceptional circumstances and when authorised by either the Headmaster or Business Manager. Occasionally petty cash will be paid out to suppliers where invoices

cannot be obtained. In these cases the amount can be over £50 subject to obtaining a receipt.

Spot checks will be made to ensure that records are up to date, balances are correct and that transactions are being accounted for correctly.

Petty cash will be kept in a lockable container in the College safe.

All transactions should be entered onto the College accounting system in a timely manner

7.3 Credit Card

The College will maintain a credit limit of £20,000.

The Headmaster, Site Manager and Finance Staff will be the only cardholder's.

Credit Cards will be used to make College purchases only.

Credit Card purchases will be approved by both the Headmaster and Business Manager via the College purchase order form when goods are being purchased via purchase orders.

Any out of pocket spend on credit cards will be supported by receipts on all occasions and checked for appropriateness when used for hotels, travel and out of pocket expenses by the Business Manager (subject to limits and regulations as per 8.3 staff travel expenses.)

Credit cards will be kept either in the College safe or on the card holder's person.

Cash withdrawals will not be allowed.

Goods purchased over the counter by credit card will be delivered to the budget holder as soon as possible. The budget holder will inspect the goods and sign the relevant receipt as received.

Receipts for over the counter purchases will be attached to the credit card authorisation form and goods will be delivered to the budget holder as soon as possible.

Goods purchased via the internet will be treated as per the College delivery of goods/service procedure.

Receipts for goods purchased via the internet will be attached to the credit card statement. When no delivery notes are received this will be treated as a delivery note and the budget holder will sign the form as authority to process when the goods are received.

The Credit card statement will be processed as an invoice in the purchase ledger, all approval forms relating to the statement will be attached and the

Business Manager will check all forms for correctness and sign the statement as approved for entry on to the purchase ledger.

The Credit Card balance will be paid by direct debit from the College current account in full every 28 days.

7.4 Cash Flow Forecasts

The Business Manager will prepare regular cash flow forecasts to ensure the College has adequate liquid funds for working capital.

7.5 Investments

Investments can not be made at the expense of working capital.

Investments other than longer term deposits of funds are subject to authorisation from the Governing Board.

All investments must be recorded in sufficient detail to enable a current market value to be calculated at any time.

All income received from any investments should be recorded separately.

No investments can be undertaken where there is a risk to the original capital investment.

All transactions should be entered onto the College accounting system in a timely manner.

8.00 Purchasing & Payment procedures

College purchases will be paid for using mainly public funds and as such they need to maintain the integrity of these funds by following the general principles of, probity, accountability and fairness.

The College will not purchase goods for resale to other non-related parties except in exceptional circumstances and where appropriate.

All College purchase orders will be subject to controls as set out in a formal memorandum by the Governing Board.

8.10 Tenders

Full consideration should be given to:

- Object of project;
- Overall requirements;
- Technical skills required;
- After sales service requirements;
- Form of contract;

- EU Threshold rules, (purchase over threshold have to be advertised in EU journal);

If a restricted tender is to be issued then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

The College's invitation to tender will include the following:

- Introduction/background to the project;
- Scope and objectives of the project;
- Technical requirements;
- Implementation of the project;
- Terms and conditions of tender;
- Form of response with deadline date;

On receipt of tenders consideration should be given to the financial aspect and suitability of the tender. All tenders submitted should be recorded and opened at the same time.

The Headmaster and the Business Manager or other delegated members of the Senior Leadership Team will open all received tenders.

After opening details of all tenders received should be logged and signed by the people present at the opening.

Where required by the conditions attached to specific grant funding, approval must be obtained from the relevant sources before an acceptance of a tender.

The accepted tender should be the one that is economically most advantageous to the College, where service requirements are satisfied. All parties should then be informed of the decision.

The supplier of the accepted tender will be issued with a College Purchase Order.

8.2 Routine Purchasing

Budget holders will be informed of the budgets available to them in advance of the new academic year.

Budget holders will use the College's Purchase Order (appendix 5) to request purchases. It will remain a purchase requisition until it has been approved.

Purchase orders will be coded/department coded to represent differing areas of funding.

Any reasons for rejecting the requisition will be clearly marked on the Purchase Order, a copy will be filed in the rejected requisition file and a copy will be given to the Budget Holder within 48 hours of the requisition being rejected.

Requests for the supply of work, goods or services placed as a matter of urgency, other than by approved orders will be considered approved when the relevant invoice is signed by the budget holder. (Only works, goods or services that relate to emergency repairs of the building will be purchased in this way.)

The Business Manager will be responsible for allocating a nominal ledger code to the purchase order and for allocating it against the correct budget holder.

Authorised Purchase requisitions will be input into the College's accounting system and the purchase order number generated will be entered onto the Purchase Order.

The original purchase order will be dispatched to the supplier, one copy will be kept in the finance office.

8.2.1 Delivery of Goods/Services

Goods received at the College will be signed for as unchecked and delivered internally to the budget holder.

The budget holder will check the contents of the delivery against the purchase order, sign the delivery note if available, and return it to the finance office.

If the goods are incorrect or do not match the order the budget holder will return the goods, the delivery note and the purchase order number together with an explanation as to the problem with the goods to the finance office.

The Delivery note will be kept in the Finance office.

8.2.2 Invoicing

All supplier invoices should be delivered to the Finance Office.

The invoice will be registered on the accounting software and matched to the correct signed delivery note.

In case of supply of goods or services where there is no delivery note, the invoice will be passed to the budget holder for them to sign as notification of receipt of goods or services.

The invoice details will be checked in the Finance Office.

Invoices will be entered (and purchase orders cleared) on to the College accounting software in a timely manner.

Invoices will be considered as passed for payment if there is a delivery note attached and the invoice matches the relevant purchase order or the budget holder has signed the invoice.

Any invoices that do not match relevant purchase orders / do not get signed will be put in query and not paid.

Budget holders must inform accounts if there are any other reasons as to why invoices should not be paid at the earliest possible time.

Invoices and matched delivery notes will be filed alphabetically.

Supplier statements will be pursued each month by the Finance Office and reconciled to the College Purchase Ledger Listing.

8.3 Staff Travel Allowances & Out of pocket expenses

A refund of actual expenditure may be obtained by the members of staff who have completed the appropriate form.

Claims for travel expenses or out of pocket expenses must be made via either the petty cash claim form or a cheque request form.

No 1st class rail travel will be allowed except in exceptional circumstances or evidenced with train line documentation showing standard class to be more expensive or where the employee is happy to contribute the difference in cost (the Headmaster will be allowed first class rail travel when the cost is discounted with a suitable railcard.)

Hotels for any overnight accommodation must not be above a 4 star rating, it is accepted that London accommodation can be expensive but in all cases must not exceed £400 per night.)

Subsistence rates will be £5 (breakfast and lunch) £15 for a late meal when staying overnight (current HMRC guidance).

Rates per mile will be determined by the Business Manager in line with Inland Revenue guidance.

Claims must be authorised by claimants line leader or in respect of the Headmaster, the Chair of the Governing Board or other non-employed trustee.

The Business Manager will be responsible for allocating a nominal ledger code to any claims and for allocating it against the correct budget holder.

Any refund of Member's expenses must be at a level in accordance with the scheme approved by the Governing Board.

Claim forms will be entered on to the College accounting software in a timely manner.

9.00 Income

9.1 Grants

The College's annual funding letter is scheduled to be issued by the ESFA on or

around the 1st April of each year.

The ESFA will transfer funding directly into the College bank accounts.

The Business Manager will be responsible for ensuring all grants due to the College are collected and entered on to the College accounting software.

9.2 Other Income

Other income received will be accounted for as it is banked.

Cash and cheques must be banked regularly and a receipt given for cash.

Cash and cheques left on school premises must be in line with insurance policies.

Any cash collected must not be replaced with personal cheques.

Invoices will be raised for Sales by the school and filed numerically.

The Business Manager is responsible for ensuring that all Sales Invoices are paid.

The Business Manager and Headmaster must both authorise write off of any monies due to the College.

Write off of Sales Invoices above £1000 requires authorisation by the Finance & Buildings Sub-Committee and ratification by the Governing Board.

9.3 School Trips

Cost of School Trips will be decided by the Headmaster and Deputy Headteachers.

A lead teacher will be appointed for each school trip. The lead teacher must prepare a list of each student who intends going on the trip for the Finance Office.

Students will pay monies for trips using Parent pay.

Money received for school trips will be banked in a timely manner.

A separate bank account will be used for non- educational school trips and other income or expenditure which is consistent with the operation of a school fund. All transactions processed through this account will be included within the College Annual Accounts.

9.4 Gifts in Kind

Assets

Gifts in kind should be included in the College's accounts in the accounting period they are receivable.

The value placed on gifts in kind should be either a reasonable estimate of their gross value to the College or the amount actually realised if the goods have been donated for resale.

Services and Facilities

Gifts in kind should be included in the Colleges accounts when the benefit to the College is reasonably quantifiable and measurable.

This would usually be limited to donations by an individual or entity as part of their trade or profession.

Contributions from volunteers or organisations that would normally provide that time should not be included in the College accounts.

Donations which are included in the College accounts should be valued at open market price.

10.0 Assets

The College must maintain an asset register, which will include:

- Date of Acquisition;
- Description of assets including serial numbers;
- Supplier;
- Cost;
- Source of funding;
- Location of asset;
- Depreciation method;
- Details of any disposals, write offs or revaluations;

All individual assets purchased with a value over £1000 must be entered in the asset register.

All assets in as much as possible must be kept in a safe and secure manner.

The System Manager is responsible for the Asset Register.

Assets will be entered onto the Register on receipt of a processed invoice.

The System Manager is responsible for ensuring all assets are security marked which must include the asset register number.

The System Manager is responsible for annual asset check in consultation with the Business Manager.

Items which are to be disposed of by sale or destruction must be put on an Asset Disposal Approval Form (appendix 4) which are kept in the Finance Office

and approved by the Headmaster before being passed to the Business Manager.

No deletions may be made from the register without written authority from the Finance & Buildings Sub-Committee.

Before disposals of assets can be made the Governing Board should check to see if they require authorisation from the DfE or other body.

10.1 Loss of Equipment

Actual or suspected loss of equipment must be notified to the Finance Office immediately, investigated and if substantiated, reported to the Headmaster.

The Headmaster has the option to take such steps as deemed to be necessary.

The Finance Office will put in a claim for any losses to the Colleges insurer and discuss with the Budget Holder the necessary actions required for the replacement of the items.

An Asset Disposal Approval Form (appendix 4) should be completed.

10.2 Loan Procedures

Items of College property may not be removed from the premises without record.

The loan of any property requires approval by the Headmaster.

Details of any loans of property will be kept in a loan register which will be kept in the Finance Office and will be signed for by the borrower.

On return of any loaned property the Loan Register shall be updated.

11.0 Insurance

The Business Manager and Headmaster are responsible for the College's insurance strategy which identifies the risks facing the College, the types of cover to protect against these risks and the level of cover provided.

The strategy will be considered and approved or amended each year by the Governing Board through the Finance & Buildings Sub-Committee.

12.0 Supply Teachers

Absences of staff up to 3 days will be covered internally whenever possible.

The Cover Manager will book any other cover as directed by the Headmaster or Deputy Headteacher.

Any supply teachers will provide the College with a completed timesheet which has been signed off by a nominated budget holder and authorised by the Cover

Manager. A copy will be made and kept in the Finance Office and used as a Delivery Note.

The Supply Agency or Supply Teacher should provide the College with a relevant purchase invoice which will be processed as per the Purchasing procedure.

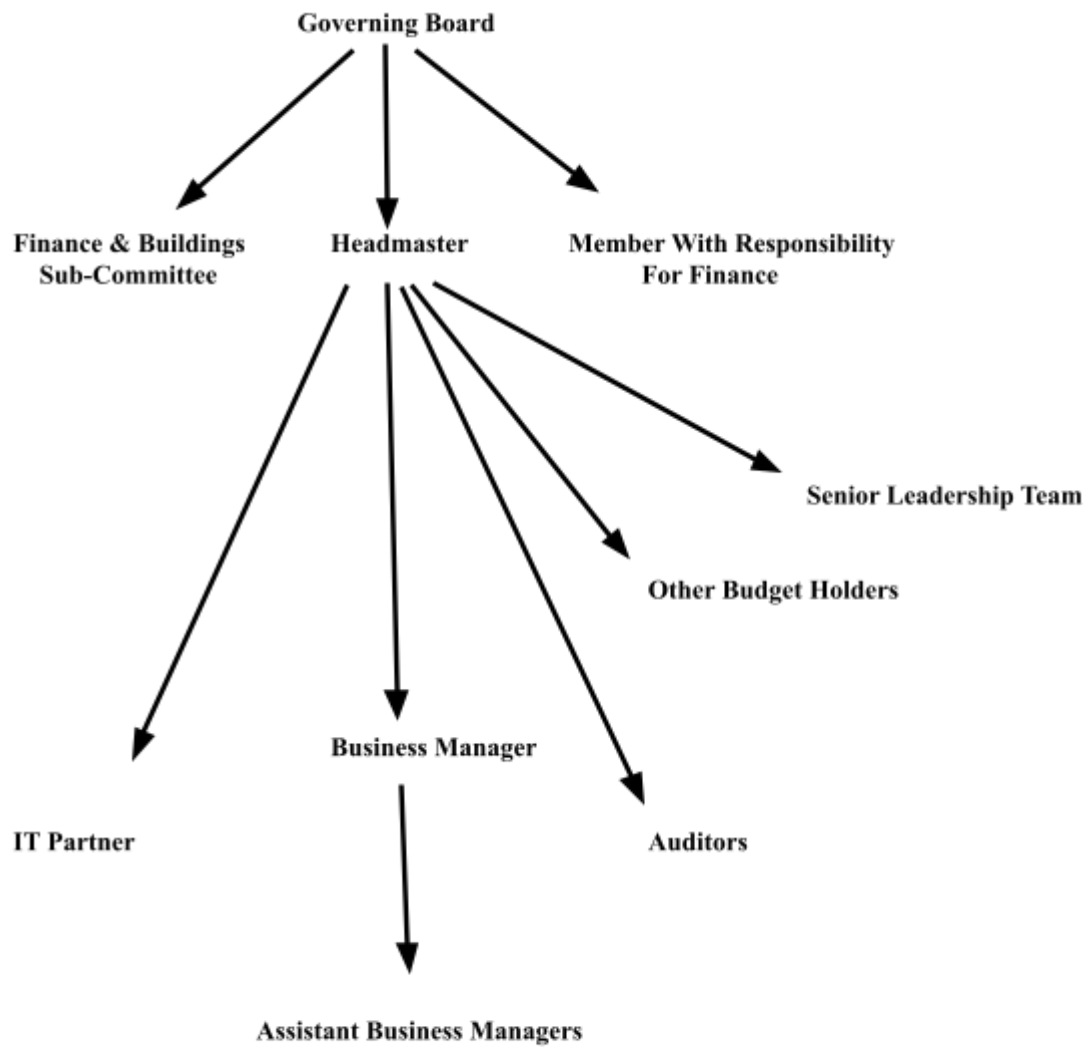
Supply invoices are paid for as per the Purchasing procedure.

13.0 Retention of Records

The College will in order to comply with legal requirements and the needs of internal audit, external audit, Inland Revenue and Customs & Excise are required to retain records normally for the current year plus six previous years.

The Business Manager will be responsible for storage of and dispensing of retained records.

Appendix 1 Financial Organisation



Appendix 2 Terms of reference for the Finance & Buildings Sub-Committee

1.0 Terms of Reference

The committee is authorised to:

- 1.1 Consider and recommend acceptance/non-acceptance of the College's budgets at the start of each financial year
- 1.2 Receive reports from the Business Manager on the management of the College's budget and areas of expenditure for each year and ensure either remedial action is taken if necessary or make recommendations to the use of any balances or contingency ensuring the compatibility of all such proposals with the development priorities set out in the development plan. In all cases liaison must be maintained with the appropriate Committees and the action reported to the Governing Board.
- 1.3 To contribute to the College's development plan including its formulation, through the consideration of financial priorities and proposals, in consultation with the Headmaster.
- 1.4 Monitor the financial administration of the College and ensure compliance with the overall financial plan for the College.
- 1.5 Consider and if appropriate approve amendments to the Finance Manual recommended by the Member responsible for Finance, for ratification by the Governing Board.
- 1.6 Monitor the Investment policy and report changes in the investments to the Governing Board.
- 1.7 Review and action any reports made by the Auditors as to the effectiveness of the financial procedures and controls or prevailing relevant accounting standards and recommend to the Governing Board action as appropriate in response to audit findings.
- 1.8 Recommend to the Governing Board the appointment or reappointment of the auditors to the Academy.
- 1.9 Recommend to the Governing Board the annual insurance requirements.
- 1.10 Review the College's Health & Safety policies on a regular basis with the Member responsible for Health & Safety, Headmaster, Business Manager, and the Site Manager and recommends any changes or improvements to the Governing Board.

- 1.11 Recommend to the Governing Board the terms, conditions and scale of charges for the letting of school premises reviewing the situation on an annual basis.
- 1.12 Oversee in conjunction with the Site Manager and the Headmaster the buildings improvements, maintenance and capital projects.
- 1.13 Deal with any other financial matters the Governing Board may refer from time to time.

Appendix 3 Authorisation Levels

Approval Level	Quotes Required	Purchase Orders	Payments	Budget Transfer	Payroll Additions	Write Offs
£0 to £999	#	H & BM	H/SLT/BM/PA (2 from 3)**	H/BM	H	H/BM & FC
£1000 to £9,999	2*	H & BM	H/SLT/BM/PA (2 from 3)	H/BM	H	H/BM & FC
£10,000 to £19,999	3	H & BM	H/SLT/BM/PA (2 from 3)	H & FC	FC	FC
£20,000 to £49,999	3	H & BM	H/SLT/BM/PA (2 from 3)	FC	FC	FC
£50,000 + (must go to tender)	3	H & BM & FC	H/SLT/BM/PA (2 from 3)	FC	FC	FC

- # = Budget holders to ensure best value achieved.
Quotes may be sought or input from Finance re framework agreements
- * = Orders **may** be authorised without quote.
Budget Holder accepts best price has been achieved
- H = Headmaster (Deputy Headteacher in absence)
- FC = Finance & Buildings Sub-Committee
- GB = Governing Board
- SLT = Senior Leadership Team member authorised to sign cheques
- BM = Business Manager
- PA = Headmaster's Personal Assistant

The authorisation levels above apply to non-routine expenditure and exclude regular high level payments (eg. Payroll cheques and service level agreements).

PURCHASE IN EXCESS OF OJEU THRESHOLD MUST GO TO FORMAL TENDER UNDER EUROPEAN RULES

Summary of financial authorisation levels

Delegated Duty Method	Value	Delegated	Authority
Ordering goods and services (raising requisitions) Signatories for cheques, BACS payment authorisations and other bank transfers	Up to £500	Budget holder	
	£1,000 to £4,999	Business Manager	
	£5,000 to £14,999	Headteacher	Minimum of three quotes
	£25,000 to £99,999	As above plus Finance Committee	Formal tendering process, including advertising in OJEU (if over the OJEU threshold)
	£100,000 and over	Trust Board	
	Authority to accept other than lowest quotation or tender	Approval from the delegated authority at the next level up	
Signatories for DFE grant claims and DFE returns	Any	One signatory (or as required by DFE) from: - Headteacher	
Disposal of assets (Excluding land and buildings: DfE approval needed)	Up to £999	Business Manager	
	£1,000 to £19,999	Headteacher	
	£20,000 and over	As above plus Finance Committee	
Write-off of bad debts	Up to £1,000	Business Manager plus Headteacher	
	£1,000 to £45,000	As above plus Finance Committee	

	Over £45,000	As above plus DFE approval	
Purchase or sale of any freehold property	Any	DFE approval required	
Granting / take up of any leasehold or tenancy agreement exceeding 3 years	Any	DFE approval required	
Raising invoices to collect income	Up to £50,000	Business Manager	
	£50,001 to £100,000	As above plus Headteacher	
	Over £100,000	As above plus Finance Committee	
Payroll	BACs Run	Finance Officer	Business Manager and Headteacher review and approve
	Discretionary payments from £1,000 to £49,999	Headteacher plus Trust Board	
	£50,000 and over	As above plus ESFA	

Appendix 4

ASSET DISPOSAL APPROVAL FORM

Asset Owner:

No:

(From Finance Team)

Description	Value	Asset No	Serial No	Reason for Disposal

DISPOSAL – RECOMMENDED METHOD

(NB When Assets include a data storage media then confirmation of the eradication of all data must be included above)

Asset owner signature

Disposal Approved: (Headmaster)

Asset Register updated for disposal: (Site Manager)

COMPLETED FORM TO BE HELD BY THE FINANCE OFFICE

Appendix 5 Staff Recruitment

The staffing at St Francis Xavier's College's accounts for the majority of the expenditure. Therefore it is essential to ensure that staff are recruited in such a way to limit the risk to school finances, to ensure value for money and to ensure that recruitment is conducted in a fair and just manner.

The following indicate the essential recruitment levels for roles in the school.

Headteacher Appointment - A panel of at least 3 Members

- The Chair of the Governing Board.
- The total of Governors appointed by the Trustees must be greater than the total of any other Governors.
- Any other relevant member as invited by the Chair of Governing Board

At least one member will have received 'Safer Recruitment' training.

Deputy Headteacher Appointment - A panel of at least 3 members

- The Headmaster.
- The Chair or Vice Chair of the Governing Board.
- Other Governing Board Members or Diocesan Representatives, as invited.

The Headteacher will have received 'Safer Recruitment' training.

Assistant Headteacher Appointment - A panel of at least 3 members

- The Headmaster.
- The Deputy Headteachers.
- Any other relevant School Leader, as invited in order to gain interviewing experience but must be on a higher Leadership range than the post that is advertised.

All members of SLT will have received 'Safer Recruitment' training.

School Business Manager - A panel of at least 3 members

- The Headmaster.
- A Governing Board Member with responsibility for Finance
- A Deputy Headteacher

All members of SLT will have received 'Safer Recruitment' training.

Curriculum Leaders - A panel of at least 3 members

- The Headmaster.
- The SLT member with Line Management responsibility for the Curriculum Team.
- Another invited member of the SLT.

All members of SLT will have received 'Safer Recruitment' training.

Chaplain - A panel of at least 3 members

- The Headmaster.
- The Curriculum Leader For Religious Studies.
- A Priest or Religious.
- A Diocesan representative.

The Headmaster will have received 'Safer Recruitment' training.

FOR ALL OTHER APPOINTMENTS IT IS PREFERABLE FOR THE HEADTEACHER TO BE INVOLVED, HOWEVER THIS MAY NOT BE POSSIBLE.

Assistant Curriculum Leaders - A panel of at least 3 members

- The Headmaster.
- The SLT member with Line Management responsibility for the Curriculum Team.
- The Curriculum Leader.
- Any member of SLT to deputise for any of the above if necessary.

All members of SLT will have received 'Safer Recruitment' training.

Any Other Promoted Post Within A Curriculum Team Below Assistant Curriculum Leader - A panel of at least 3 members

- The SLT member with Line Management responsibility for the Curriculum Team.
- The Curriculum Leader.
- An Assistant Curriculum Leader.
- Any member of SLT to deputise for any of the above if necessary.

All members of SLT will have received 'Safer Recruitment' training.

Class Teacher - A panel of at least 3 members

- The SLT member with Line Management responsibility for the Curriculum Team.
- The Curriculum Leader.
- An Assistant Curriculum Leader.
- Any member of SLT to deputise for any of the above if necessary.

All members of SLT will have received 'Safer Recruitment' training.

Trainee Teachers

For trainees that are graduates and already appointed in the school, the decision to employ as an unqualified teacher will be taken by the Headmaster in liaison with the Deputy Headteacher with responsibility for Teaching & Learning and the appropriate Curriculum Leader.

Non-Teaching Staff - A panel of at least 3 members from below.

- At least one relevant member of SLT associated with the management of the post holder.
- The Business Manager
- A member of the non-teaching staff that will have day-to-day management of the post holder.