FINANCE

(Financial management & guidelines on sponsorship & donations to school)

INTRODUCTION

We believe as a publicly funded establishment we have a duty to operate the utmost care in all our financial transactions. The purpose of this document is to summarise the policies adopted by the Governing Body in order to discharge its responsibilities for the sound financial management of the school within the financial regulations, standing orders, schemes for the local management of schools issued by Oxfordshire County Council.

The policy document should be used in conjunction with the Schools Financial Value Standard (SFVS) guidance.

FINANCIAL STANDARDS

The key aspects of financial administration of the school fall under the following headings:

1. Organisation of responsibility and accountability
2. Budgeting
3. Internal Control
4. Insurance
5. Computer System
6. Purchasing
7. Personnel and Payroll
8. Security of assets
9. Income
10. Banking arrangements
11. Procurement Cards
12. External Control
13. Bribery and Corruption

1   ORGANISATION OF RESPONSIBILITY AND ACCOUNTABILITY

1.1   The financial role of the Resources Sub-Committee is set out in the Sub-Committee Terms of Reference in the Governors' Handbook.

1.2   The Resources Sub-Committee interacts with the other Committees, to advise on all matters which may have a budget implication and for ensuring that budget plans are drawn up which reflect the educational priorities set out in the School Development Plan

1.3   The Headteacher, is responsible for:

- Overseeing annually a Budget in accordance with 1.2 above and in consultation with the Senior Leadership Team; discussing it with and obtaining the approval of the Resources Sub-Committee and Governing Body; submitting the Budget to the OCC Education Department Schools Finance Team (SFT) and obtaining their approval.

- Ensuring the prompt and accurate recording of all financial transactions on the school's accounting records, ensuring that sound systems of internal control are in place that enables the proper processing of the school's transactions.

- Liaising, through the School Business Manager, with external agencies including major suppliers, OCC Contract Purchasing Services department, the school's bankers and the OCC Education SFT, to ensure the school's best financial interests are met.

- Monitoring all expenditure and acting accordingly.

1.4   Individual fund holders are responsible for ensuring that expenditure necessarily charged to their cost centre is made within the educational priorities of the school.

1.5   The School Business Manager is responsible for the financial administration of the school which includes:

- Preparing an annual budget in discussion with the Headteacher, accounting records; checking approving and authorising of purchase orders and invoices below £5000 placed by other office staff; the placing of approved orders; the processing and payment of agreed invoices by other than the School Business Manager; the periodic production for fund holders of individual fund financial statements; monthly and weekly reconciliation of SAP data with local financial records and bank balances; setting up school budget and financial structure; receiving, recording and banking school income; administration of staff appointments, resignations etc.; maintaining input of personnel data to the RM Integris system; and supervising the financial administration of school trips.

- Working with the Local Authority finance team to ensure effective systems, processes and a high level of budget setting accuracy.

1.6   The school has a Register of Pecuniary Interests for governors and staff, which is kept by the Clerk to the Governors. In addition, anyone involved in purchasing items or services is expected to declare any personal interest in the transaction.

1.7   A strategic development plan must be formulated and agreed for the next three years, the first year to be produced in detail, the following two years in outline. This plan is prepared in the first instance by the Headteacher and is then put to the Resources Sub-Committee for approval, with powers delegated by the full Governing Body.

1.8   It will include details of projected expenditure on buildings (looking at both capital and repairs and renewals), long term contracts and commitments and staff development. The governors must bear in mind long term staffing costs, particularly if restructuring is being considered. The plans must conform to the school's aims and objectives and the principle of ensuring quality teaching, learning and care for all pupils attending Frank Wise School.

1.9   The plan must be reviewed and updated annually with objective criticism, review and assessment minuted.

1.10   Any contravention of procedures must be brought to the attention, in the first instance, of the Headteacher.

2   BUDGETS

2.1   The school's aims and objectives are set out in the School Development Plan as approved by the Governing Body.

2.2   The timing of the preparation of the annual Budget is by necessity largely driven by the provision by OCC Education Department of final allocation figures. Formal submission of the Budget, as approved by the Governing Body, is required by mid May each year.

2.3   The detailed preparation of the Budget is completed with the aid of information provided by the Principal Finance Officer of OCC Education Department.

2.4   Individual cost centres (including staffing, curriculum, administrative and premises) are allocated sums on the basis of costed plans and best estimates. These plans are translated into bids for funding and are accepted alongside previous financial year accounts and bids.

2.5   Budget Monitoring reports are developed and variances are highlighted for discussion and appropriate action. A budget report will be produced for the Resources Sub-Committee in advance of their termly meetings. This is to be used to monitor expenditure against budget. The reports produced, after approval from the Resources Sub-Committee, will be submitted to the full Governing Body. The Headteacher and fund holders are provided with budget reports on request.

2.6   Up to £5000 (excluding staffing) can be vired at the Headteacher's discretion without prior approval. However, all virements must be reported at the next Resources Sub-Committee meeting. Sums larger than this and any virement of staffing cost centres must have prior approval of the Resources Sub-Committee.

3   INTERNAL CONTROL

3.1   All elements of the approved Budget are in the charge of the respective fund holder on whose authority monies may be spent from that fund.

3.2   Under the OCC SAP system the School Business Manager is authorised to release purchase orders and approve payment of invoices under £5000 if they have not been placed upon the system by said School Business Manager. It is understood that that the final responsible person is the Headteacher and any queries concerning orders will be referred up for his attention.

3.3 The bulk of financial orders are made by means of numbered purchase orders being produced from the OCC Central SAP System. These are usually generated by the Resources Manager from hand-written purchase order requisitions, authorised and usually prepared by fund holders. Purchase orders are then authorised by either the Head, or, if below £5000, by the School Business Manager before being dispatched to suppliers. Invoices arising from Purchase Orders do not require further authorisation from the Headteacher or School Business Manager if the sum and quantity are as authorised on the Purchase Orders

3.4 Supplier invoices are checked to a copy order and delivery note for quantity, price and calculation. Invoices, not arising from an approved and authorised Purchase Order, will be passed for review and, if appropriate, authorisation by the Head, or School Business Manager. Invoices resulting from an approved and authorised Purchase Order are checked to confirm receipt of goods/services. and entered onto the SAP Workflow system as received, the SAP system will assign an invoice number linking it to the PO in the SAP Workflow System. Invoices are then filed. Payment is made through the OCC SAP system and sent directly from the nominated OCC cheque payment centre to the Payee.

3.5 The School Business Manager has access to detailed procedures relating to the school's financial systems via the Local Authority online system and is responsible for ensuring procedure comply with LA requirements. When new LA procedures are issued the School Business Manager is responsible for alerting staff and governors, updating the school's procedures as required and keeping copies of the latest LA procedures.

3.6 All staff, including the School Business Manager, who deal with financial matters are trained in the appropriate procedures and records are kept of this training. All the duties of the School Business Manager are recorded. In the event of long-term key personnel absence the OCC Bursary Service will be employed to carry out financial routines with IDs and Passwords supplied from a secure source.

3.7 Financial records are required to be kept for at least six years. This is a requirement laid down by both Customs and Excise and the Inland Revenue.

3.8 Any suspected irregularity will be reported to the LA.

4   INSURANCE

4.1 The Governing Body must take out such insurance as it sees fit and/or as it is advised, and to comply with statutory requirements. The Governing Body must obtain the minimum insurance cover as detailed in the Insurance Arrangements for Schools document provided by the County Treasurer.

4.2 All risks should be reviewed annually to ensure that the cover is adequate.

4.3 All contractors must have public liability insurance before they are allowed to undertake work on school site. Appropriate advice is sought before voluntary workers undertake tasks on site.

4.4 Hirers of the school premises and facilities are covered by the school's liability insurance, however it is the responsibility of the hirer to have suitable liability insurance to cover participation in their activities.

4.5 The Headteacher should inform the Insurance Section of all new risks, property and equipment, and also of any accident, losses or incidents which may give rise to a claim.

5   COMPUTER SYSTEMS

5.1 The school's principal accounting records, together with other administrative areas - Personnel, Pupil records, are held on the administrative computer network, using RM Integris and SAP software, together with proprietary commercial software e.g. Microsoft Excel. OCC School Finance have access to the school's SAP and BPS and OCC through its data and analysis team can retrieve data from our Integris data.

5.2 The school and OCC are separately registered with the Information Commissioner's Office in compliance with the General Data Protection Regulation 2018.

5.3 The SAP financial accounting ledger system is backed up on the OCC central server, and the RM Integris data system is backed up through RM.

5.4 The network is under the overall control of the Headteacher. All users have login identities and passwords, which are encouraged to be changed on a regular (at least termly) basis.

6   PURCHASING

6.1 The immediate responsibility for ensuring the school obtains best value for money in its buying decisions lies with individual fund holders, the skill and wisdom with which they make these decisions will clearly have an impact on their area of activity and thereby their overall effectiveness. We also make use of expertise within the private sector to support effective price matching and contract negotiation.

6.2 To support fund holders in the above, the school subscribes to the OCC Contract Purchasing Service. This enables the school to take advantage of discounts agreed with suppliers on a countywide basis, which may be greater than can be negotiated locally. The school is also able to obtain the advice of the Contract Purchasing Service on product choice, this is of particular use with expensive electrical items e.g. photocopiers.

6.3 When purchasing major items costing over £3,000 a check must be made with Contract Purchasing Services to utilise fully their expertise. Three written quotations will be obtained if possible. If the chosen supplier is not the cheapest then a record is required as to why the more expensive supplier was chosen. All such items must be reported to the Resources Sub-Committee.

6.4 For items over £10,000 tenders are required from an authorised suppliers list and Contract Purchasing Services must be consulted. The Local Authority's model tendering documentation will be used.

6.5 For items over £100,000 the model tendering documentation will be followed. Advertising for tenders will take place.

6.6 Orders for goods and services are, unless exceptional circumstances dictate otherwise, made using formal order documentation generated from SAP as detailed in 3.3 above.

6.7 The SAP computer system records orders generated by it as commitments against the particular budget allocation; orders, which would exceed the balance of uncommitted funds, cannot be produced by the system.

7 PERSONNEL

7.1 The payroll is administered by OCC on behalf of the school, as part of the school's subscription to the "Admin Plus" service. Amendments to payroll data e.g. appointments, resignations, pay changes and overtime, are made based on pre-printed documentation originated in school and authorised by the Headteacher. These documents are prepared by the School Business Manager on instruction, forwarded to Education Staffing and copies retained in the school office.

7.2 Personnel information is held in secure manual files in the school office, and separately on the RM Integris system, for which relevant registration under the Data Protection Act is held as detailed in 5.2 above.

7.3 All staff are paid monthly by bank credit transfer. This proportion of the school's budget allocation is kept in a specified Cost Centre identified for Frank Wise School within the one Oxfordshire County Council account.

7.4 Each month OCC provide the school through the SAP system with a detailed electronic payroll print-out showing names and amounts. This is checked by the School Business Manager and Headteacher to ensure that only valid employee names appear and that salary amounts are as expected. In addition, OCC provide a monthly Revenue Transactions print-out which shows total costs charged by OCC to the school's Budget, including payroll costs. Any details of staff transactions which are not recognised, (for example, where a payroll payment had been made to an employee whose details on RM Integris Personnel do not match exactly those on the payroll) are investigated internally by the School Business Manager in the first instance and then through the HR and Payroll Team if necessary and appropriate corrective measures taken.

8 ASSET SECURITY

8.1 The Tangible Assets of the school fall into the following categories : Land and Buildings; Furniture, Fittings and Equipment; and Consumables.

8.2 The Site Manager produces an annual plan which sets out the priorities for building matters, within the overall context of the School Development Plan, and giving due consideration to security and health and safety issues.

8.3 The immediate responsibility for the safeguarding of equipment lies with the end user departments; in support of this the school provides security measures, including a full time Site Manager, burglar alarm systems, inventories, security marking, maintenance and support agreements where appropriate, and insurance cover via the OCC scheme.

8.4 Consumable items e.g. stationery are safeguarded by school office staff. The Resources Manager keeps a watching brief on quantities ordered and frequency of ordering.

9 INCOME

9.1 The school derives additional income from the following main areas:
   - Donations, sponsorship and grants (see section on Sponsorship and Donations)
   - Hiring of premises and facilities

9.2 Charges can also be made to pupils to defray the costs of certain activities and a separate paper "Policy on Charging for School Activities" sets out the details.

9.3 Premises hire arrangements are agreed by the Resources Sub-Committee and charges are informed by OCC recommended levels and comparison with similar facilities.

9.4 Lettings bookings are made through the Office Co-Ordinator and the Hydrotherapy Pool Manager. Payments are usually required before the start of the hire and invoiced on a termly basis.. This is recorded as school income into the relevant cost centre on the SAP system and receipts are issued.

9.5 All income should be banked promptly and intact.

9.6 Any outstanding income should be reviewed each month and pursued to ensure the school receives all monies due. Debts should only be written off in accordance with LA regulations.

10 BANKING

10.1 The school holds a Local Expenditure Bank Account (LEBA) with Lloyds TSB Banbury. The main bank account is held with Lloyds Corporate Banking by OCC and administered through the OCC SAP Finance System; the school funding is held centrally in this account and is available to the school from 1st April each financial year.

10.2 The Local Bank Mandate requires signatories from two of the following:
   - Headteacher (1)   }
   - Headteacher (2)   } The authorised account signatories are held on
   - Deputy Head (1)   } bank mandate forms.

10.3 Local Expenditure Bank Account (LEBA) Statements are received monthly and are reconciled to the school's record; i.e. the difference between the Current Account balance shown in each is identified, as being for example cheques drawn but not yet presented through the Bank. The reconciliation of the current account is completed by the School Business Manager and reviewed and approved by the Headteacher.

10.4 The arrangements with the Bank, which allow free banking, do not permit the school to become overdrawn.

10.5 In exceptional circumstances, where neither school cheque nor an official order, for a purchase collected by a member of staff, payments are made on the school's behalf by the individual member of staff. The school then makes reimbursement based on the supporting documentation and authorised in the normal way.

11 PROCUREMENT CARDS

11.1 The school does not deal with petty cash, and where payments cannot be processed via the normal ordering procedures, procurement cards can be used.

11.2 The 5 registered holders of procurement cards in the school are the Headteacher, the Deputy Headteacher, the Resources Manager, Assistant Headteacher and the Site Manager.

11.3 Purchasing by a procurement card still follows the guidelines set out under point 6 (Purchasing) of this finance policy. Each procurement card has a monthly maximum spending limit of £1,500; this limit can only be increased on a month-by-month basis with permission from the OCC Procurement Team. VAT receipts must be obtained whenever possible.

11.4 The procurement card holder will follow OCC requirements to complete a monthly report of expenditure, with attached receipts to support purchases, on the card and this will be reviewed by the School Business Manager and processed in accordance with the Schools Finance Team.

11.5 On a monthly basis, expenditure will be journaled from the procurement card to the appropriate fund or cost-centre to enable accurate budget monitoring as required by the Schools Finance Team.

12 EXTERNAL CONTROL

12.1 The school is subject to a regular internal audit by OCC Internal Audit Services.

12.2 The Resources Sub-Committee reviews all controls and procedures of financial systems operating within the school. The committee carries out a self-assessment via the Schools Financial Value Standard, a copy of which is sent to the Local Authority.

12.3 The school conducts monthly budget monitoring and staff reconciliation processes and raises any query or concern with the school's OCC School Finance Team as it feels necessary.

13 BRIBERY AND CORRUPTION

13.1 The Bribery Act became law on 1 July 2011. There are four key offences under the Act :
   - Section 1 Bribing another person

- Section 2 Taking a bribe
- Section 6 Bribing a foreign public official
- Section 7 Failing to prevent bribery

13.2   Bribery is a serious criminal offence and the School does not and will not, pay bribes, offer or accept improper inducement to or from anyone for any purpose.

13.3   Definition of bribery: Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.

13.4   The School requires that all staff and all working or performing any service on or on behalf of the School neither accept nor give bribes. Staff must:

- Act honestly with integrity at all times to safeguard the School's resources for which they are responsible
- Comply with the law (both in spirit and in the letter)
- Abide by this policy

13.5   Scope: The policy applies to all of the School's activities including its work with strategic partners, third parties, suppliers, and others.

13.6   Ownership: The policy has the approval of the Governing Body. The policy applies equally to all staff, regardless of grade whether permanently employed, temporary agency staff, contractors, agents, all elected and non-elected Governors, volunteers and consultants.

13.7   It is unacceptable to:

- Give, promise to give, or offer payment, gifts or hospitality with the expectation or hope that a favourable advantage will be received, or to reward a favourable advantage already given
- Give, promise to give, or offer payment, gifts or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure
- Accept payment from a third party that is offered with the expectation that it will obtain a favourable advantage for them, whether known or suspected
- Accept a gift or hospitality from a third party if it is offered or provided with an expectation that a favourable advantage will be provided by the School in return, whether known or suspected
- Retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- Engage in activity in breach of this policy

13.8   Prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the School or under its control. All staff, including third parties working or performing any service on or behalf of the School, are to avoid activity that breaches this policy, and must:

- Ensure that they read, understand and comply with the policy
- Raise concerns as soon as possible if they suspect that this policy has been breached

13.9   Adequate procedures cover:

- *Risk Assessment*
  That the School assesses the nature and extent of its exposure to potential bribery from inside and outside. The School should know who it is doing business with and whether this has risk implications.

- *Top Level Commitment*
  That the Governing body is committed to preventing bribery. That there is a clear statement that bribery is not acceptable. That this is clearly communicated to all staff and partners of the School.

- *Due Diligence*
  That the School has policies in place and is aware of who it does business with. The School is confident that its business relationships are transparent and ethical.

- *Clear, practical and accessible policies and procedures*
  That the School's policies and procedures to prevent bribery being committed on its behalf are clear, practical, accessible and enforceable.

- *Effective Implementation*
  The anti-bribery policy and procedures are embedded in the induction of staff and operational policies.

- *Monitoring and Review*

That the School monitors and reviews its policies and procedures on a regular basis to ensure that there is compliance.

13.10 Staff who breach this policy face the possibility of civil and criminal prosecution. They also face disciplinary action, which could result in dismissal for gross misconduct.

SPONSORSHIP AND DONATIONS

The school is approached and supported by a wide range of initiatives from businesses, organisations and individuals within the local community. We very much welcome this assistance, without which the school could not provide the quality and range of activities it currently offers. Usually, this support is in the form of donations to support particular curricular activities or to allow us to purchase much needed specialised equipment. We feel it is very important that all donations and sponsorship offer integrity and educational value, therefore, we have agreed the following framework to help us judge the acceptability of such activities to our particular school.

Donations : All donations to the school, whether financial or goods, will only be accepted if they :
- support teaching and learning within the aims of the school
- demonstrate positive aspects/achievements of our pupils and their disabilities
- support a professional image of the school
- do not jeopardise in any way the good name of the school
- demonstrate as far as possible that they have been raised honestly and responsibly
- are not given for individual pupils
- gifts of goods are safe and fit for purpose

All donations and gifts will be recorded and fully acknowledged and the donor told how the money was used. Donations of money with an unspecified purpose will be paid into the Friends of Frank Wise School account, a registered charity with the sole aim of supporting the work of the school.

Sponsored Materials and Activities in School : We believe it is essential that all materials or activities used at Frank Wise School reach the high standards of quality, balance and integrity expected of educational resources. The following guidelines have been drawn up to help identify good practice and ensure the marketing message is balanced by genuine educational benefit to our pupils. Not all of the guidelines will apply to every sponsored activity, what is important is that sponsorship is based on sound principles and is of educational benefit to the school and its pupils.

Educational value and curriculum relevancy.
We believe materials and activities should :
- be relevant to our pupils' ages and abilities
- be relevant to the school's curriculum framework
- enhance the teaching and learning of our pupils
- not encourage unsafe or unhealthy activities

Balance and objectivity.
We believe materials and activities should :
- give a balanced view of an issue and acknowledge the existence of alternative views
- use up-to-date and accurate information
- distinguish between factual statements and expressions of opinion
- acknowledge the sponsor's market interests

Avoiding stereotypes.
We believe materials and activities should :
- promote positive images of people with disabilities
- reflect and represent a multi-cultural society
- present a balanced view of the opportunities open to all
- avoid expressed or implied prejudice in relation to gender, class, disability, age, politics, sexuality and religion

Unsolicited marketing activities.
We believe sponsors and their agents should :

- only send publicity/flyers to schools inviting them to apply for materials or to participate in promotional activities

- not leave or send samples of their products for pupils or staff without the school's permission

- not distribute or send unsolicited material of any kind directly to pupils

Sales and promotional messages.
We believe materials and activities should not include :
- explicit encouragement to buy branded or own-brand products or services

- messages that play on children's fears, loyalty or lack of experience

- merchandising slogans or logos, other than the logo used solely for sponsor identification

- purely promotional material

- claims that particular products or services are superior or inferior to others, unless they are based on documentary evidence and presented fairly and clearly

- illustrations or text that imply that particular products or suppliers are the only ones available in their class or group

Sponsored gifts, awards, voucher schemes and other promotional/marketing activities.
We believe that these kind of activities should :
- not actively encourage children to pester parents about buying a specific company's products or services

- not offer the sponsor's products as prizes or rewards for pupils' everyday academic performance or behaviour

- include clear information on :

  how the scheme works, for instance a voucher exchange rate, any necessary extra financial outlay, the minimum offer and the time limit for claiming any offer

  the retail value and a full description of any items on offer and, if they involve electrical or computer equipment, their range of compatibility;

  the nutritional value of any food or drinks products involved in the scheme

Reviewed by: Simon Knight   **Date:** February 2021

Approved by Governors: *Richard Howard*   **Date:** February 2021