

RIGHTFORSUCCESS ACADEMY TRUST

FINANCIAL REGULATIONS

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Rightforsuccess Trust

Financial Regulations

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Version Control Table

Version Control	Updated by	Reviewed by	Authorised by
Financial Regulations version 1.0	Phil Beecher, Head of Finance and Business October 2016	Valerie Moore, Chief Executive November 2016	Board of Trustees December 2016
Financial Regulations version 1.1	Phil Beecher, Head of Finance and Business July 2017	Valerie Moore, Chief Executive July 2017	Board of Trustees July 2017
<p>Contents: Updated to reflect pagination changes and alterations to section titles.</p> <p>Internal Policies Referenced: Entries added for all Finance policies.</p> <p>Section 2 – Organisational Structure: Summarised more concisely with incomplete list of responsibilities removed and reference instead made to Appendix A. Delegation of authority made clear and paragraph added regarding Trust Senior Leadership Team.</p> <p>Section 3 – Maintenance of Accounting Records: Title changed from Accounting System. Procedural and process elements of the section replaced with a principle and policy approach to bring the document in line with other high level policy documents. Procedural documents will be prepared separately that articulate how the principles and policies are applied on an operational basis.</p> <p>Section 4 – Financial Planning, Monitoring and Reporting: Title changed from Financial Planning. Requirement to maintain a budget setting policy included. Details of the budget setting process removed as these have been superseded by the budget setting policy. Monitoring and reporting sections amended to reflect that preparation finance reports is driven by the end users and those charged with governance and minimum requirements of reports added. Additional paragraph added making specific mention of meeting external reporting requirements.</p> <p>Section 5 – Payroll: Sentence added stating that Chief Executive can delegate appointment of individuals remunerated over £30,000 to Heads of School and Headteachers. Paragraph on personnel files updated to reflect that the Trust now has a dedicated HR function.</p> <p>Section 6 – Purchasing: The section on tendering opening process changed from CEO and Business Manager to CEO and member of Trust Senior Leadership Team.</p> <p>Appendix A: High level summary showing delegation of authority added. Statement added clarifying that entries in the scheme of delegation represent the minimum level of authorisation and that authorisation at more senior level is acceptable. Authorisation summary schedules split out into specific areas of delegation and limits and reporting updated to reflect increases in organisation size and scale.</p>			

Organisation Structure on a page

The overall performance of the Multi-Academy Trust is the responsibility of its Members who delegate the day to day oversight of the organisation to the Board of Trustees.

Each Academy within the Trust is led by either a Headteacher or Head of School who has responsibility for day-to-day operation of the Academy and is responsible to that Academy's Local Governing Body.

The Multi-Academy Trust Finance Committee is chaired by one of the Members or Trustees of the Trust and meets at least three times a year and will receive reports on each of the Academies and the Trust as a whole, reporting in turn to the Board of Trustees.

Internal policies referenced

The following policies are referenced by the Trust's Financial Regulations and should be read in conjunction with it and its associated appendices:

- Bad Debt Policy
- Budget Setting Policy
- Business Continuity & Risk Management Policy
- Fixed Asset Policy
- Investment Policy
- Pay Policy
- Reserves Policy

External documents referenced

The following external documents are referenced by the Trust's Financial Regulations and should be read in conjunction with it and its associated appendices:

- Academies Financial Handbook

Rightforsuccess Financial Regulations

1. Introduction

The purpose of this document is to set out the Rightforsuccess Trust's, hereafter the Trust, systems of financial control and governance which conform to the requirements both of propriety and of good financial management.

Furthermore, the Trust must comply with the principles of financial control outlined in the Academies Handbook published by the Education Funding Agency (EFA). This document expands on that and provides detailed information on the Trust's Scheme of Delegation.

2. Organisational Structure

The Trust has defined the responsibilities of each person(s) involved in the administration of each individual Academy and Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for the Trust and staff. These are detailed in the Trust's Scheme of Delegation and Financial Authorisation Summary – see Appendix A.

The Board of Members

The ultimate authority in the organisation lies with the Board of Members who delegate the running of the organisation to the Board of Trustees.

The Members have an overview of the governance arrangements of the Trust and have the power to appoint Trustees and remove these Trustees. Members can amend the articles and may do so to support stronger governance arrangements.

While Members can also be Trustees, retaining some distinction between the two layers ensures that Members, independent of Trustees, provide oversight and challenge. The Trust's approach is that no Members will also act as Trustees to ensure this segregation of duties between the two tiers of governance within the organisation.

While the Members are not involved in the day-to-day running of the organisation they retain the responsibility for the authorisation of items of material significance which exceed the authorisation limits of the Board of Trustees. All authorisation limits are set out in Appendix A: Scheme of Delegation and Financial Authorisation Summary.

The Board of Trustees

The Board of Trustees has overall responsibility for the administration of all Academies within the Trust and the Trust's Central Functions. The main responsibilities of the Trust are prescribed in the Funding Agreement between each Academy and the DfE and in the Academy's scheme of government.

The Board of Trustees have chosen to delegate the day-to-day operational running of the organisation to the Chief Executive and the Trust's Senior Leadership Team with Governing Bodies for each Academy providing governance and oversight.

The Board of Trustees has also delegated specific areas of oversight and governance to three committees; the Finance Committee, the Audit Committee and the Remuneration Committee.

These committees report into the Board of Trustees, and submit their Terms of Reference for authorisation on an annual basis.

While delegating day-to-day operational running the Board of Trustees retains authorisation rights for significant items as part of an escalating level of authorisation and strategic decisions on policies, budget authorisation and other key matters. All authorisation limits are set out in Appendix A: Scheme of Delegation and Financial Authorisation Summary.

Finance Committee

The Finance Committee has a formal Terms of Reference authorised annually by the Board of Trustees which sets out its responsibilities and remit.

The Finance Committee focuses on procurement, budget monitoring, consideration of financial policies and strategy with decisions or recommendations made to the Board of Trustees in line with the Finance Committee's authorisation limits. All authorisation limits are set out in Appendix A: Scheme of Delegation and Financial Authorisation Summary.

Audit Committee

The Audit Committee has a formal Terms of Reference authorised annually by the Board of Trustees which sets out its responsibilities and remit.

At a high level the Audit Committee focuses on review of the Trust's control environment, authorisation of the Trust's statutory accounts and appointment of the auditors.

Remuneration Committee

The Remuneration Committee has a formal Terms of Reference authorised annually by the Board of Trustees which sets out its responsibilities and remit.

At a high level the Remuneration Committee focuses on approving the Chief Executives recommendations for the pay of the Trust's Senior Leadership Team and accepts recommendations for, and makes a decision on, the Chief Executive's pay.

Academy Governing Bodies

Each Academy has a Governing Body to provide oversight, challenge and governance at an individual Academy level with further sub committees which cover Health and Safety, Finance, Personal Development, Behaviour and Welfare and Educational Outcomes.

Local Governing Bodies do not have delegated authority for authorisation of specific items within the Scheme of Delegation and Financial Authorisation Summary. However, the Chair of Governors signs off the annual budget as part of the budget authorisation process.

Trust Senior Leadership Team

The Trust Senior Leadership Team is led by the Chief Executive, includes all Headteachers and Heads of School as well as all members of the Central Function who hold the title of Manager, Head of Department or Director.

Authority from the Board of Trustees is delegated through the Chief Executive and cascades down through the Senior Leadership Team and below with authority reducing in line with seniority while remaining at practical levels. All authorisation limits are set out in Appendix A: Scheme of Delegation and Financial Authorisation Summary.

All Trust Staff

All employees are responsible for the security of Trust property and assets, for avoiding loss or damage, for ensuring value for money is obtained through economy, efficiency and effectiveness in the use of resources and for conformity with the requirements of the Trust's financial procedures and relevant policies.

Register 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. To avoid any misunderstanding that might arise all Academy Trust members and staff, with significant financial or spending powers, are required to declare any financial interests they have in companies or individuals from which the Academy may purchase goods or services. The register is open to public inspection.

The register shall include all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures shall also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a Trust member or a member of staff by that person.

The existence of a register of business interests does not, of course, detract from the duties of Trust members and staff to declare interests whenever they are relevant to matters being discussed by the Trust or a committee. Where an interest has been declared, Trust members and staff shall not attend that part of any committee or other meeting.

3. Maintenance of Accounting Records

The Trust's finance function, led by the Head of Finance and Business, is responsible for ensuring that adequate and sufficient accounting records are maintained such that at any time an accurate financial position of the Trust and its components is available.

The integrity of accounting records shall be preserved through physical document retention and the maintenance of a general ledger. The retention of physical and digital records shall be in line with all relevant laws and regulations.

Segregation of duties, access rights, business continuity and disaster recovery shall all be considered in relation to the maintenance of accounting records and are the responsibility of the Head of Finance and Business.

Bank and key control account reconciliations shall be prepared on a monthly basis and presented to the Trust's Management Accountant with any issues raised with the Head of Finance and Business.

4. Financial Planning, Monitoring and Reporting

The Trust shall prepare both an annual budget at a Trust level and for each identifiable component and undertake medium term financial planning.

The annual budgets are the financial articulation of service delivery plans over a twelve month academic year for revenue and capital income and expenditure. The Trust will maintain a budget setting policy detailing the organisation's approach to budget setting and the components that form part of it.

The medium term financial plan is the financial articulation of the organisations long term strategy and identification of any material changes to the organisation or the environment within which it operates and their financial effect. This shall extend into the future as far as is practical but at a minimum shall forecast the Trust's financial position at least three years ahead.

Monthly monitoring of the Trust and its identifiable components will be undertaken by the finance function. The monitoring will at a minimum include actuals, budget, variances between the two and forecast outturn. Monthly monitoring information will be shared with all budget holders and other Trust employees and those charged with governance as appropriate.

Formal reports will be prepared by the finance function for every Governing Body, the Trust Finance Committee, the Audit Committee, the Board of Trustees the Board of Members and at any other instance where it is required by budget holders or those charged with Governance.

The finance function will ensure that all external financial reporting requirements are met including, but not limited to, EFA budget forecast submissions, reports to Companies House, VAT returns to HMRC and Annual Statutory Accounts.

5. Payroll

The main elements of the payroll system are:

- staff appointments;
- payroll administration and
- payments.

Staff Appointments

The CEO in conjunction with the Head of School/Headteacher/Governing Body has authority to appoint staff within the authorised establishment levels except for Headteacher, whose appointments must follow consultation with the Trust members.

Any staffing appointments remunerated at over £30,000 must be approved by the Chief Executive or by the Head of School or Headteacher where this has been delegated by the Chief Executive.

Any staffing appointments remunerated at over £50,000 must be approved by Trustees.

The HR function maintain personnel files for all members of staff which include contracts of employment. All personnel changes must be notified to the finance function to enable financial records to be updated accordingly and reciprocally the HR function will be notified of any personnel changes required by any other department.

Payroll Administration through Norfolk County Council

The Trust's payroll is administered via the Payroll Department at Norfolk County Council. Access to the system is password controlled. Password control procedures and back-up arrangements are in place.

All staff are paid monthly through the Norfolk County Council payroll package. A master file is created for each employee which records:

- salary;
- bank account details;
- taxation status;
- personal details and
- any deductions or allowances payable.

New payroll master files shall only be created by the Payroll Department on receipt of an official Trust New Starter payroll forms, authorised by the Trust CEO. The CEO may delegate this authorisation to the Head of School/Headteacher. Amendments to payroll master files, including leavers, shall only be actioned on receipt of Trust Staff Contract Amendment forms, authorised by the Trust CEO, or Head of School/Headteacher if delegated.

Senior academy staff are responsible for reporting any staff sickness and other absences, to the Finance Officer, on a daily basis. The finance officer shall consolidate this data and, on a monthly basis, sending in a Staff Absence Schedule to the Business Manager, who will determine which absences are to be paid. The Business Manager shall forward this report to the Trust HR department, with a copy to the Finance Officer, who shall in turn forward to the Payroll Department to apply.

The Finance Officer shall submit staff additional hours, casual hours and staff expense reimbursements to NCC Payroll in accordance with the payroll timetable. Such payments shall only be submitted to payroll if presented by staff on official Trust payroll forms, which are fully completed and authorised by either CEO, Headteacher, Head of School or an authorised approver.

Payments

In accordance with the Payroll timetable, prior to payment, the Payroll Department shall distribute a Final Run Results report to the Finance Officer, which shall detail Gross Pay per Employee for the current month. The Finance Officer shall review this report to ensure the gross per employee is correct, reconciling gross pay to the staff payroll register and authorised additional hours paperwork.

Any issues or errors shall be reported to the Payroll Department immediately and recorded by the Finance Officer. The Finance Officer shall follow up such issues to ensure that amendments are made by the Payroll Department to the current month's payroll, and record the action taken. The Finance Officer will notify the Payroll Department when the Final Run Results are accurate, to action payment.

All salary payments shall be made by BACS, on the 19th of the month (or the nearest working day prior to 19th) taken directly from the relevant Trust bank account. The Payroll Department shall remit Third Party Payments (HMRC, Pensions etc.) by the 5th of the month following payroll, with one BACS taken from the relevant Trust bank accounts on the same day.

The Payroll Department shall provide a suite of reports to each Finance Officer following each payroll run, detailing all aspects of payroll costs and deductions.

The Finance Officer shall prepare a Monthly Payroll Reconciliation in accordance with instructions detailed in the Financial Procedures Manual. This report shall reconcile Payroll data, Bank Payments and external stakeholder payments (including HMRC, Pensions etc).

The Finance Officer shall present the Monthly Payroll Reconciliation to the Headteacher / Head of School for review each month.

Before the close of each accounting period, the Finance Officer shall transfer payroll data for the month in to the ledgers via journal entry, in accordance with Finance Processes.

On a regular basis the Head of Finance and Business shall check a sample of payroll records to ensure that payroll transactions in the ledgers agree to payroll reports and staff records held with HR.

6. Purchasing

The Academy wants to achieve the best value for money from all our purchases. This means they want to get what they need in the correct quality, quantity and time at the best price possible. A large proportion of their purchases will be paid for with public funds and they need to maintain the integrity of these funds by following the general principles of:

- Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy;
- Accountability, the Academy is publicly accountable for its expenditure and the conduct of its affairs;
- Fairness, that all those dealt with by the Academy are dealt with on a fair and equitable basis.
- The trust and all staff adhere to the Financial Authorisation Levels summary (see appendix A).

Routine Purchasing

Budget holders will be informed of the budget available to them at least one month before the start of the academic year. It is the responsibility of the budget holder to manage the budget and to ensure that the funds available are not overspent. A report detailing actual expenditure against budget, and a full transaction list, will be provided to budget holders each month. Budget holders are encouraged to keep their own records of orders placed but not yet accounted for in these reports.

Routine purchases in accordance with current delegation of authority (see appendix 6) can be ordered by approved budget holders only. In the first instance a supplier should be chosen from the list of approved suppliers maintained by the Finance Office. A quote or price must always be obtained before any order is placed. If the budget holder considers that better value for money can be obtained by ordering from a supplier not on the approved supplier list the reasons for this decision must be discussed and agreed with the Finance

All orders must be made, or confirmed, in writing using an official Purchase Order form, stocks of which are held in the Finance Office. Requisitions must conform to the model detailed in the Finance Procedures Manual or they may be rejected by the Finance Officer.

Orders will be produced automatically by the PSF accounting system, MyPortal, allocated a purchase order number and emailed automatically to the supplier where possible. The Finance officer shall retain the Purchase order paperwork in the finance office.

On receipt of goods, an authorised person, other than the person ordering the goods, shall undertake a detailed check of the good received against the supplier's goods received note (GRN) and make a note of any discrepancies. On collections of the goods, the staff member who initiated the order shall sign and date the GRN, and take the GRN to the Finance Officer, as proof of delivery. The Finance Officer shall attach the GRN to the Purchase Order. Any discrepancies or problems with the order, such as damages, should be reported to the Finance Officer immediately, who shall contact the Supplier to resolve.

On receipt of the Purchase Invoice, the Finance Officer shall compare it to the original order and GRN to ensure accurate and in line with the original order price and specification. Any queries shall be investigated with the supplier immediately, by the Finance Officer.

The agreed purchase order and GRN shall be attached to the supplier invoice by the Finance Officer, who will then stamp the invoice with a grid, against which the following can be recorded:

1. Goods/services received
2. Invoice arithmetically correct
3. VAT correct
4. Invoice authorised for payment
5. Nominal (budget) codes
6. Accounting system invoice reference
7. Payment reference – generated by accounting system

For invoices that have gone through the appropriate purchase order route, box 1 may refer to the attached GRN, provided the GRN is signed in accordance with official procedures.

Box 4 shall be authorised by the budget holder. Boxes 2, 3 and 5 shall be completed by the Finance Officer, and will be checked again upon entry in to the accounting system, which automatically matches items to the original purchase order. Boxes 6 and 7 shall be completed by the Finance Officer using reference numbers generated by the accounting system.

In exceptional circumstances a purchase invoice may not have a purchase order, in which case all seven boxes of the stamp must be signed and dated. The budget holder must sign boxes 2 to 4, another authorised person must sign box 1.

In accordance with the terms of payment for suppliers, the finance officer shall process payment of purchase invoices, in line with Trust Cash Management procedures. The accounting system will produce an automatic payment reference number, which should be noted in box 7 of the invoice grid.

Paid purchase invoices shall be filed in a logical and methodical manner by the Finance Officer in the Finance Office.

It is not Trust practice to make payments in advance of receipt of goods or services. However, in exceptional circumstances advance payments may be required, for example telephone rental, County Services, and in such cases approval from the Head of Finance and Business and CEO is required.

Where an invoice has been paid in full and a credit note is obtained for whole of part of the charge, the credit note should be certified and recorded like a non order invoice, and should be used to offset part of the charges in subsequent invoices. If no further invoices are expected from the supplier issuing the credit note, the Finance Officer shall endeavour to obtain a cash refund from the supplier.

It is not the Trust's practice to make payments in advance of the receipt of goods or services because of the difficulties that have been caused in the past due to non-supply or businesses ceasing to trade, except for supply of goods, collected day to day, mainly provisions (however, there are many services that have to be paid in a different manner because of the change in procedures that have come about over recent years, for example British Telecom Line Rental, County Services for Schools Contracts, depositions for trips and it is advisable to pay these by Barclaycard).

Credit Notes-Where an invoice has been or is being paid in full and a credit note is obtained for the whole or part of the charge, the credit note should be certified and recorded like the invoice and should be used to offset part of the charge contained in the next invoice.

Orders over £1,000 but less than £5,000

At least two estimates or price lists shall be obtained for all orders between £1,000 and £5,000 to identify the best source of the goods/services. Written details of documents obtained shall be prepared and retained by budget holders for audit purposes. Telephone quotes are acceptable if these are evidenced and faxed confirmation of quotes has been received before a purchase decision is made.

Orders over £5,000 but under £20,000

At least three written estimates shall be obtained for all orders between £5,000 and £20,000 to identify the best source of the goods/services. Written details of documents obtained shall be prepared and retained by budget holders for audit purposes. Telephone quotes are not acceptable.

Orders over £20,000

All goods/services ordered with a value over £20,000, or for a series of contracts which in total exceed £50,000 must be subject to formal tendering procedures. Purchases over £156,344 excluding VAT may fall under EU procurement rules which requires advertising in the Official Journal of the European Union. Guidance on the OJEU thresholds is given in the Academies Financial Handbook.

Forms of Tenders

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure shall be used are described below.

Open Tender: This is where all potential suppliers are invited to tender. The Business Manager must discuss and agree with the Headteacher /Head of School how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.

Restricted Tender: This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- there is a need to maintain a balance between the contract value and administrative costs,
- a large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the Academy's requirements,
- the costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.

Negotiated Tender: The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances:

- the above methods have resulted in either no or unacceptable tenders,
- only one or very few suppliers are available,
- extreme urgency exists,
- additional deliveries by the existing supplier are justified.

Preparation for Tender

Full consideration shall be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract.

It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

If a restricted tender is to be used 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.

An invitation to tender shall 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 and
- form of response.

Aspects to Consider

Financial

Like shall be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision.

Care shall be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.

- Is there scope for negotiation?
- technical/Suitability
- qualifications of the contractor
- relevant experience of the contractor
- descriptions of technical and service facilities
- certificates of quality/conformity with standards
- ensure that the appropriate Trust personnel are consulted on these structures.

Quality control procedures

Details of previous sales and references from past customers.

Other Considerations

- Pre sales demonstrations
- After sales service
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

Tender Acceptance Procedures

The invitation to tender shall state the date and time by which the completed tender document shall be received by the Academy. Tenders shall be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes shall be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline shall not normally be accepted.

Tender Opening Procedures

All tenders submitted shall be opened at the same time and the tender details shall be recorded. Two persons shall be present for the opening of tenders as follows:

- For contracts over £50,000 the CEO and another member of the Trust Senior Leadership Team

A separate record shall be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

Tendering Procedures

The evaluation process shall involve at least two people. Those involved shall disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

Full records shall be kept of all criteria used for evaluation and for contracts over £50,000. A report shall be prepared for the Finance can highlight the relevant issues and recommending a decision. For contracts under £50,000 the decision and criteria shall be reported to the Finance Committee.

Where required by the conditions attached to a specific grant from the DFE/EFA, the department's approval must be obtained before the acceptance of a tender.

The accepted tender shall be the one that is economically most advantageous to the Academy. All parties shall then be informed of the decision.

The Academy's regulations and procedures for obtaining competitive tenders and/or quotations may be set aside only with the prior written approval of the CEO, Head of Finance and Business without reference to the Finance Committee where:

- i. the supply is proposed under special arrangements negotiated by the Academy in which event the said special arrangements must be complied with
- ii. the timescale genuinely precludes competitive tendering. Failure to plan the work properly is not a justification for single tender
- iii. specialist expertise is required and is available from only one source
- iv. the task is essential to complete the project, arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate
- v. there is a clear benefit to be gained from maintaining continuity with an earlier project. However in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering.

Purchase Cards

The Trust maintains a number of credit cards to assist in the purchasing of “on-line” items. All procedures covering approval and payments are the same as for normal purchases. The main exception being that the all statements must be signed by the CEO or Business Manager.

Trustees/Directors/Staff Expenses

- Academy staff expenses shall be checked by their line manager and then passed to the Finance Officer for checking, then approved by the Headteacher, Head of School/Department Head.
- Trust staff expenses are signed off by the Business Manager or CEO.
- Staff expenses are checked by their line manager and then passed to the Finance Officer for final checking and they are signed off by the Headteacher / Head of School.
- SLT expenses are signed off by the CEO
- The CEO expenses are checked and signed off by the Trustees.
- Directors expenses are checked and signed off by the Trustees
- Trustees expenses are checked and signed off by CEO and reported to Finance & Audit Committee

Telephones

A number of senior staff including the CEO, Performance Director, Head of School, Business Manager/Site Manager all have contract mobile telephones. The bills from these mobiles are checked prior to payment so that any private calls are paid for as the nature of their jobs make it almost impossible to work it any other way. Some Academies have other mobiles for the Health & Safety reasons ie. to use in school times. The Academy possess two other mobile telephones which are connected to the new telephone system. These calls can be traced and can be itemised. These phones can be used for Junction, Class Camps and days out.

7. Income

The main sources of income for the Academy are the grants from the EFA/DFE. The receipt of these sums is monitored directly by the Finance Officers and the Head of Finance and Business who are responsible for ensuring that all grants due to the Academy are collected.

The Trust also obtains income from:

- Parents/carers, primarily for trips and meals
- Other charitable trusts
- The Local Authority, Norfolk County Council
- Other educational establishments for provision of education and staff training

Trips & Activities – Under the Academies charging and remissions policy (see Appendix 4) all activities are open to all students. A contribution towards the cost of these activities may be provided by parents/carers.

A lead member of staff must be appointed for each trip, and must prepare a schedule of trip costs to determine the contributions required by parents/carers to make the trip viable. This must be sent to the Finance Officer along with a record of all students participating. The Finance Officer is responsible for recording and monitoring student monies as they are submitted.

Trip and Activity payments should be handed in to the academy front office or Student Services office. A receipt must be issued by the Finance Officer for all monies collected and the value of the receipt and the receipt number recorded against the student account for the trip. An individual payment card per student may be used in place of receipts.

The Finance Officer shall maintain an up to date record for each student showing the amount and date paid, and the amount outstanding. This record shall be sent on a regular basis to the member of staff responsible for organising the trip, to pursue the outstanding amounts.

Unit Drawers: If available in the academy, all pupils within the main site residential units have the choice of whether they wish to own a lockable draw to house their personal possessions. If they wish to purchase a key they will inform their Personal Tutor who will notify the designated senior who is in charge of getting the key. The pupil will be charged in accordance with the current rate of replacing a key, should it be lost (currently £2.50). The deposit is kept in a separate lockable tin and a receipt is issued and kept on the pupil's casework file. When the key is returned, the deposit is returned and should the key be lost by the pupil, the deposit is used to replace it with a new key.

Day Lockers-The same procedure follows for day pupils who wish to have a key for a locker, as above with unit drawers.

Custody

Official, pre-numbered cash book receipts shall be issued for all cash and cheques received. All cash and cheques must be kept in the safe prior to banking. Banking shall take place twice a week if the sums collected exceed £500 otherwise banking will take place once a week or in the case of an Academy that is in excess of 3 miles from a bank, this will take place on an agreed rota with the Head of Finance and Business.

Monies collected must be banked in their entirety in the appropriate bank account. Monies owed shall not be offset against monies received without the express approval of the Finance Director. The Finance Officer is responsible for preparing reconciliations between the sums collected, the sums deposited at the bank and the sums posted in to the accounting system.

To ensure segregation of duties and to comply with recommended audit controls, the Finance Officer and one other member of staff must count and counter sign any monies received and banked, in accordance with the Finance Procedures Manual.

8. Cash Management

Bank Accounts

The opening of bank accounts must be authorised by the Trust, through the Finance Committee. The Finance Director shall administer the addition and deletion of bank accounts, authorised signatories and members of staff authorised to collect cash from the bank, with the approval of the Finance Committee.

Deposits

Particulars of any deposit must be entered on a counterfoil pay in slip, and recorded on a Banking Schedule.

Payments and withdrawals

All cheques shall bear the signature of two authorised signatories, therefore negating the risk of one person being able to order, acquire and pay for goods and services.

The operation of internet banking and BACS to make payments or transfer between Trust bank accounts shall be subject to the controls detailed in the Finance Procedures Manual:

Administration

The Finance Officer must ensure bank statements are received regularly and that reconciliations are performed at least on a monthly basis. Reconciliation procedures must ensure that:

- all bank accounts are reconciled to the Academy's cash book;
- reconciliations are prepared by the Finance Officer;
- reconciliations are subject to an independent monthly review carried out by the Head of Finance and Business or in her absence the Responsible Officer (RO) and
- adjustments arising are dealt with promptly.

Petty Cash Accounts – where appropriate (this is not the case of all academies).

The Academies maintain a maximum cash balance of £500. The cash is administered by the Finance Officer and is kept in the safe.

Foreign Currency

Due to the Headteacher's involvement with the Commenius Project and other foreign trips for pupils the school keeps £1,000 in foreign currency and will always try to access currency at its highest current rate.

Stamps

Only the Head of School, Finance Officer and School Secretaries are able to access stamps in any academy. Stamps must be kept in a secure, locked drawer or safe.

Deposits

The only deposits to petty cash shall be from cheques cashed specifically for the purpose. The receipt shall be recorded in the petty cash system with the date, amount and a reference, normally the cheque number, relating to the payment. All other cash receipts for whatever reason shall be paid directly into the bank.

Payments and Withdrawals

In the interests of security, petty cash payments will be limited to £50, unless the Head of Finance and Business approves a higher payment at Headteacher's/Head of School's request. Higher value payments shall be made by cheque directly from the main bank account as a cash book payment.

Administration

The Finance Officer is responsible for entering all transactions into the petty cash records on a regular basis and regular as well as unannounced cash counts shall be undertaken by the Principal Finance Officer to ensure that the cash balance reconciles to supporting documentation.

Physical Security

Petty cash shall be held in a locking cash box which is put in a locked cupboard in the locked finance office overnight which has a higher security key on available to the CEO, Head of School/Headteacher, Business Manager.

Cash Flow Forecasts

The Finance Officer is responsible for **reviewing** cash flow forecasts to ensure that the Academy has sufficient funds available to pay for day to day operations. If significant balances can be foreseen, steps shall be taken to invest the extra funds. Similarly plans shall be made to transfer funds from another bank account or to re-profile General Annual Grant (GAG) to cover potential cash shortages.

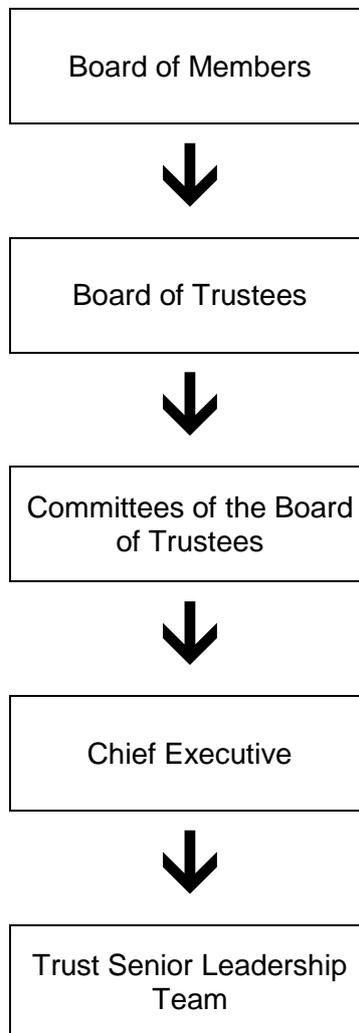
Investments

Investments must be made in accordance with the Trust's investment Policy.

Appendix A: Scheme of Delegation and Financial Authorisation Summary

The Trust has set out Financial Authorisation levels for the organisation. The individuals, committees or boards set out in the Trust's Scheme of Delegation represent the minimum level of authorisation needed and authorisation by a more senior body is entirely permissible.

At a summary level the Trust's scheme of delegation is as follows:



Authorisation limits for individual items within the Trust's Scheme of Delegation are set out in the tables below categorised by area.

Delegated Duty	Value	Delegated Authority	Method
Budget Setting Premises Development Plan	N/A	Business Manager and Head	Submitted to Head of Finance & Business for consolidation to Annual Budget
Budget Setting IT Development Plan	N/A	IT Network Manager and Head	Submitted to Head of Finance & Business for consolidation to Annual Budget

Delegated Duty	Value	Delegated Authority	Method
Budget Setting School and Residential Development Plan	N/A	Head	Submitted to Head of Finance & Business for consolidation to Annual Budget
Budget Setting Annual Budget	N/A	Board of Trustees	
Budget Revision Budget Virement	N/A	Donor and recipient budget holders	Notification provided to Head of Finance & Business
Budget Revision In-Year Revision to budget	N/A	Board of Trustees	Reported to Board of Members
Expenditure Authorisation of Purchase Order or Invoice	Up to £500	Sites Manager and IT Network Manager	Selection from preferred supplier list unless agreed otherwise with Business Manager/Head
	Up to £1,000	Budget holder in conjunction with Head Other staff with financial responsibilities in conjunction with Head or Chief Executive	
	£1,000 to £3,000	Head Business Manager	
	£3,000 to £50,000	Chief Executive	
	Over £50,000	Trustees	
Cash Management Authorisation of BACS payments	Any	Business Manager, Head of Finance and Business, Heads, Deputy Heads	Invoices or invoices matched to purchases orders already authorised
Cash Management Authorisation of intra-group transfers	Any	Business Manager, Head of Finance and Business	
Cash Management Petty Cash	Up to £15	Finance Officer in conjunction with Head	Cash balance limited to £500 float
	Over £15	Head	
Income Raising Sales Invoices	Under £5,000	Finance Officer	
	£5,000 - £30,000	Head	Head of Finance and Business to be notified
	£30,000 to £50,000	Head of Finance and Business	
	Over £50,000	Chief Executive	
Income VAT reclaims	Any	Chief Executive, Business Manager	
Income Authorisation of grants	Any	CEO, Business Manager or Head	Head of Finance and Business to be notified

Delegated Duty	Value	Delegated Authority	Method
Expenses Academy staff	Any	Head	
Expenses Trust staff	Any	Business Manager or Chief Executive	
Expenses Senior Leadership Team excluding Business Manager or Chief Executive	Any	Chief Executive	
Expenses Chief Executive or Business Manager	Any	Finance Committee	
Expenses Trustees	Any	Board of Members	
Expenses Members	Any	Board of Members	
Recruitment Staffing Changes/ Appointments	Remuneration up to £30,000	Head	
	Remuneration £30,000 to £50,000	Chief Executive unless specifically delegated to Head	
	Remuneration over £50,000	Board of Trustees	
Remuneration Incremental increases for academy staff excluding Head	Any	Head	
Remuneration Incremental increases for trust staff excluding Senior Leadership Team	Any	Chief Executive	
Remuneration Senior Leadership Team	Any	Remuneration Committee	Recommendation to be received from Chief Executive
Remuneration Chief Executive	Any	Remuneration Committee	Recommendation to be received from External Educational Consultant, Trustee and Chair of Trust
Contracts Authorisation of new or extensions of existing contracts excluding External Audit	Up to £30,000	Chief Executive	The value is over the length of the contract not an annual amount
	Over £30,000	Finance Committee	
Contracts Authorisation of new contract or extension of existing contract for External Audit	Any	Audit Committee	

Delegated Duty	Value	Delegated Authority	Method
Non-Current Assets Capitalisation of asset	Any	Head of Finance and Business	
Non-Current Assets Disposal of assets	Up to £100 or residual value of asset	Head of Finance and Business & Trust Business Manager	Sale is through public auction or competitive tendering
	Up to £100 or residual value of asset	Chief Executive	Sale is not through public auction or competitive tendering
	£100 to £1,000	Chief Executive	
	£1,000 to £10,000	Trust Finance Committee	To be reported to the Members
	Above £10,000	Members	Any amounts considered to be of significance to be reported to the EFA
Non-Current Assets Purchase or Sale of any freehold property	Any	Members to refer to DFE/EFA for approval	
Non-Current Assets Granting or take up of any leasehold or tenancy agreement	Any	A business case to be submitted to EFA for approval.	Reported to the EFA & Finance and Audit Committees
Special Payments Severance Payments / Compensation Payments	Up to £25,000	Chief Executive	Based on a legal assessment
	£25,000 to £50,000	Board of Trustees	Based on a legal assessment
	Over £50,000	EFA approval only	
Special Payments Ex Gratia payments	Any	EFA approval only	
Write Offs Write-off of bad debts	Up to £500 individually or in aggregate	Chief Executive	Reported to Finance Committee
	£500 to £1,000 individually or in aggregate	Board of Trustees	Reported to Finance Committee
	£1,000 to £45,000 individually or in aggregate	Members	
	Over £45,000 individually or in aggregate	EFA	