

**Honiton Community College
Academy Trust**



This policy was adopted by the Governing Body
of Honiton Community College Academy Trust
on the 12th July 2017
and will be reviewed annually.

FINANCE POLICY

Finance Policy

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Finance Policy Statement

This statement sets out the Governors policy on the management of finances within the college. It applies to all funds delegated or devolved within the provisions of the Schools Standards and Framework Act 1998.

1. The Governors have overall responsibility for securing the efficient and effective administration of the College and its' resources. Accordingly, the Governors regard proper control of the College finances as being of utmost importance. The Governors endorse and have adopted the principles of good practice contained within the Academies Financial Handbook.
2. All staff involved in financial transactions are required to be fully aware of and to comply with these requirements and also those directions found in the College Finance Procedures Manual. There are two main strands to this:
 - Operational control over spending and income collection
 - Monitoring and control of the budget
3. The Principal is accountable to the Governors for the exercise of delegated authority and in turn staff are accountable through their line management to the Principal. Staff must not exceed their delegated authority which must only be exercised within the above framework of overarching rules and College policies and will be held accountable for their decisions and actions. Any matter of financial consequence shall be drawn to the attention of the Governing body in a timely manner.
4. All financial dealings are to be conducted:
 - in a framework of openness thereby allowing proper scrutiny and evaluation and
 - with absolute integrity and regard for the good reputation of the College
5. Proposals for the deployment of financial resources shall be properly supported and each proposal shall demonstrate Best Value and its sustainability in the light of the resources likely to be available. The published College Finance Procedures should be followed and used as a reference document in finance transactions.
6. The regular comparison of spending against budget is intended to highlight those areas where the budget is under pressure to enable effective remedial management action and to identify those areas where resources may be released to fund un-resourced elements within the College Development Plan. This process should take place at two levels:
 - Formal reporting to Governors
 - Ongoing Internal monitoring
7. The Governors regard the passage of timely and accurate information as being central to the success of their policy. The Principal is responsible for putting suitable arrangements in place to ensure the financial data within College are both up to date and accurate so that any member of staff responsible for control of a budget can have an accurate position statement upon request. Internal monitoring is to take place not less frequently than monthly. Separate statements for each fund are required.
8. The staff identified as budget holders within this document are responsible for controlling those aspects of the budget and ensuring that the Principal is kept fully informed of spending against budget.

9. The Principal is responsible for ensuring regular monitoring of all budget lines and formal reporting to Governors. Formal reports with explanatory commentaries including information about changes in non-financial data (e.g. student numbers) are required to be circulated no less than 7 days in advance of the relevant meeting. It is essential that the forecast year end position together with the implications for at least the next two years is kept under ongoing review.
10. Where routine budget monitoring reveals budgetary pressures requiring urgent attention which cannot await the next programmed meeting the Principal shall notify the chair of the Resources Committee with a view to a meeting being convened.

The tables below set out the delegated authority and responsibilities of individuals together with the frequencies at which tasks and reports must be completed.

This policy was approved by the Governing Body on 12th July and is signed on its behalf by the Chair of Governors.

Key to all tables

Frequency (FR)	Functions (F)	Notes
O = Ongoing	O = Oversee	# Substitute name of fund or budget holders
W = Weekly	S = Supervises	£ Insert individual limits
M = Monthly	R = Reports	* Acts within delegated powers and if required
H = Half Termly	C = Co-ordinates	
T = Termly	✓ = Does	
Y = After Year-End	A = Assists as required	

Value for Money

High value orders must be proven to be good value according to the table below:

Goods valued £1000 - £2500	3 verbal quotes/screen prints of prices
£2500 (£5000 for works) - £10000	3 written quotes (email acceptable)
£10000 - £50000	3 formal quotes
£50000 – EU Threshold	Tenders

Table of Delegated Authority / Responsibility - Financial Management

Function	Governing Body	Chair of Governors	Resources Committee	Performance and Pay Review Committee	Nominated Governors	Principal	Vice Principal	Director of Finance and Resources	Finance Officer	Finance Assistant	Budget Holders	Clerk to the Governors
Comply with Financial Regulations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Comply with Minimum Standards	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ensure separation of duties	✓					✓		✓	✓	✓		
Ensure internal controls operate correctly	✓					✓		✓	✓	✓		
Ensure Governors Policies are complied with	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
College Development Plan: updated annually	✓		✓			✓		✓				
Prepare including costings (new + next 2 years)						✓		✓				
Sets spending priorities	✓					✓		✓				
Approves costed items for new year budget	✓					✓		✓				
Review plan outcomes	✓		✓			✓						
Annual Revenue Budget and Five Year Revenue Budget												
Prepare								✓				
Approve	✓		R									
Monitor	✓		✓			✓		✓				
Register of Interests	✓	✓	✓	✓	✓	✓	✓	✓				✓
Register of Eligibility to Serve												✓

Table of Delegated Authority / Responsibility - Budget Monitoring

Function	Governors		Resources Com.		Principal		Director of Finance and Resources		Finance Officer		Budget Holders	
	F	FR	F	FR	F	FR	F	FR	F	FR	F	FR
Maintenance of records					S		✓	W	✓	W		
Download of Data					S		✓	W	✓	W		
Reconciliation of Data					S		✓	M	✓	M		
Updates forecasts & resource forecast model					S		✓	M				
Monitoring of budget lines/cost centres					C	M	✓	M			✓	M
Maintain forecast of year-end position.					✓	O	✓	M				
Initiates management action*					✓		✓					
Prepares formal budget monitoring statement for each fund					✓	M	✓	M				
Prepares commentary					✓	M	✓	M				A
Presents updated resource forecast model					✓		✓	M				
Receives report			✓	H	✓	M						
Initiates management action* /makes recommendations to Governors			✓									
Receives report	✓	T										
Amend CIP (if required)	✓											
Outturn report	✓	Y			✓	Y	✓	Y				

Table of Delegated Authority / Responsibility - Policy Review

Function	Governors	Resources Committee	Performance and Pay Committee	Nominated Governor	Principal	Director of Finance and Resources	ELT	Clerk to Governors
Finance Policy								
Prepare						✓		
Approve	✓							
Initiate annual review								
Remission of Fees & Charging Policy								
Initiates Annual review						✓		
Recommendations		✓			✓	✓		
Approve	✓							
Lettings Policy								
Initiates Annual review						✓		
Recommendations					✓	✓		
Approve		✓						
Insurance review								
Initiates Annual review						✓		
Recommendations					✓	✓		
Approve		✓						
Governors Expenses								
Initiates Annual review								✓
Recommendations		✓						
Approve	✓							
Personnel: annual review of salaries								
Initiates Annual review						✓		✓
Recommendations			✓		✓			
Approve	✓	✓						

Income								
Determine policy for advancing credit								
Purchase of Services								
Initiates review						✓		
Recommendations					✓	✓	✓	
Approve	✓	✓						
Appointment of Auditors								
Initiates review						✓		✓
Recommendations		✓			✓	✓		
Approve	✓	✓						

Table of Delegated Authority / Responsibility - Financial Administration

Spending Decisions	Full Governors	Resources Committee	Nominated Governors	Principal	Director of Finance and Resources	Principals PA	Budget Holders	Finance Officer	Vice Principal **	Finance Assistant
Authorise appointment of staff/contracts	✓			✓						
Prepare payroll						✓				
Prepare Supply/Temporary Payroll								✓		✓
Authorise payroll forms				✓	✓				✓	
Authorise spending on approved budgeted items provided in current years budget.*	✓			✓	£7,500		£1,000		£7,500	
Authorise spending on other items (non-routine /not identified in plan)*	✓	£20,000		£15,000	£5,000		£500		£5,000	
Open tenders	✓		✓	✓	✓				✓	
Accept tenders	✓		✓	✓						
Evaluate tenders	✓		✓	A	A					
Accept formal quotations*	✓	£5,0000		£15,000						
Receive goods				✓	✓		✓	✓	✓	✓
Verify invoices					✓			✓		✓
Authorise invoices for payment				✓	✓		✓		✓	
Use of College charge card				£1,000	£6,000			£6,000		

Sign Charge Card reconciliation					✓					
Signing Cheques/Authorising BACS				✓	✓				✓	
Purchase items using Pay Pal					✓			✓		✓
Purchase items using Amazon					✓			✓		✓
Bank Control										
Authorise Signatory for the Bank				✓	✓				✓	
Reconcile Bank Statement								✓		
Counter sign bank reconciliation					✓				✓	
Petty Cash										
Petty cash authorise payments				£50	£50				£50	
Sign Petty Cash reconciliation				✓	✓				✓	
Ensure correct attribution of costs					✓			✓		✓
Income										
Cash receipting					✓			✓		✓
Approve writes off (cash or assets)	✓	£20000		£15000	£1000				£1000	
Virement										
Authorise Virement		£100000		£10000	£5000		£1000		£5000	

* Subject to compliance with Governors Best Value requirements

** Unless standing in for Principal when post would assume Principals delegated authority

Table of Delegated Authority / Responsibility - Asset and Data Responsibility

Asset Protection	Governors	Resources Committee	Nominated Governors	Chair of Governors	Principal	Director of Finance and Resources	Clerk to Governors	Network Manager	Finance Officer	Receptionist	Finance Assistant
Receipt of Assets and registration										✓	✓
Security of Property & assets					✓	✓					
Security of Cash						✓			✓		✓
Data protection registration						✓					
Compliance with data protection rules	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Maintain back-up of data								✓			
Maintain security of data								✓			
Maintenance of Inventories						✓		✓	✓		✓
Checking and certification					✓	✓					

Honiton Community College Academy Trust

**A list of specimen signatures & Initials are held in a separate register
– Contact Director of Finance and Resources**