Southbourne Junior School

Terms of Reference – Finance committee

Membership

The membership of the finance committee will be 3 members and the headteacher, subject to annual review by the Governing body. The head teacher will automatically be a member.
The finance committee can co-opt persons who are members of the Governing body, subject to a maximum of 2 members.

The finance committee will meet six times a year (one as a FGB).

Quorum

The quorum will be 3 members**.**

Procedure

- To elect a chair of committee annually. A governor who is employed by the school cannot be elected chairperson.
- To recommend to the Full Governing body Approval on the annual budget plan and cash flow forecasts for the forthcoming financial year.
- To determine the school's financial priorities through the school development plan.
- To receive half termly management reports to facilitate the monitoring of the schools actual financial performance compared with budgeted priorities and cash flow, and to make remedial action as necessary. Such action will be reported to the governing body. In all cases liaison must be maintained with other appropriate committees.
- To make decisions on requests from other governors responsible for other sectors of the school that will have an impact on the schools financial position.
- To make decisions on expenditure within the committee's delegated powers.
- To make decisions on virements within agreed budgets, within the committee's delegated powers and authorising any budgetary adjustments made.
- To advise the governing body on the appropriateness, or otherwise, of virements to be made outside the committee's delegated power.
- To review annually the school's financial regulations and scheme of delegation.
- To ensure the register of business interests is kept up to date. To annually review all on going on contracts (including local authority contracts).
- To review the various leasing agreement schemes and options available to the school.
- To award contracts by tender up to a specific limit.
- To agree and sign annually an annual best value statement.
- To monitor all spending and income received in the school i.e. local authority (LA), Delegated/ devolved budgets.
- To ensure that funding from the LA and other sources is used only in accordance with any conditions attached.
- To receive and comment on the content of any audit report relating to LA funding and to monitor the implementation of the agreed action plan.
- To receive and approve / ratify the annual audited account of the School Funds.

- To ensure the school adheres to the policies and procedures as specified by the department for education and its school financial value standard (SFVS).
- To ensure the school has appropriate internal financial controls in place.
- To ensure that all financial controls are adhered to via regular testing and management checks in order to protect against fraudulent or improper use of public money and assets and enable satisfactory completion of the statement of internal control. (SIC)
- To review appropriate financial benchmarking data, in order to compare the School's financial performance with other similar schools.
- To review and monitor budget projections/medium term financial plans to ensure the school's budget is realistic and any financial decisions are sustainable.

Meeting

The chair will make a record of all proceedings at each meeting. Minutes will be circulated to members within 7 days of the meeting.

The committee will liaise with such other governors and invite members to attend it's meeting as should be deemed appropriate.

Any matters which may be in conflict with the work of another member must be referred to the governing body.

Expenditure

The finance committee will be responsible for ensuring that expenditure is approved in the following manner:

Virements
The School Business Manager to carry out all virements under the direction of:
Head Teacher under £1000
Finance Committee over £1000

Purchasing levels
School Business Manager up to £1500
Head Teacher up to £5000
Finance Committee over £5000 (reports to the FGB)

Secondary Signatures
Monthly reconciliation and credit cards signed by School Business Manager, Headteacher and Assistant Headteacher
BACs runs approved by SBM and authorised by the Headteacher

Writing off Debts
Head Teacher under £250
Finance Committee over £250 (reports to the FGB)