Financial Management Policy

Policy Code:	F5
Policy Start Date:	1 August 2023
Policy Review Date:	31 July 2024

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2.3.1.4 approval and issuing of a

2.9.1.3 for conformity with the requirements of the Trust/Academy's financial procedures.

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4.7.3.2 All virements/overspends up to the agreed value are reported to the FE for information purposes.

4.7.3.2 Settlement costs – Any and all to be approved by Remuneration and Nominations Committee.

4.7.4 All approvals must be sought prior to the service/goods being ordered in accordance with the guidance in section 4.10. If this procedure isn't followed, this may result in the Trust invoking disciplinary procedures in line with CIT policy.

5. Staff and Payroll

5.1 Payroll Administration

5.1.1 The Trust payroll is administered by the Central Finance Team and all data is held in the Cloud through a payroll software provider. The Academy Office/HR Representative/SOM are responsible for updating the payroll information and passing Finance wit C

6.1 CIT will attempt to achieve the best value for money from all purchases. This means getting what is needed in the correct quality, quantity and time at the best price possible. A large proportion of purchases will be paid for with public funds and there is a need to maintain the integrity of these funds by following the general principles of:

6.1.1 Probity, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy;

6.1.2 Accountability, the Academy is publicly accountable for its expenditure and the conduct of its affairs;

6.1.3 Fairness, that all those dealt with by the Academy are dealt with on a fair and equitable basis.

CIT will work closely with all the Academies within the Trust to support the development of cross-Trust buying power. Please refer to Procurement Policy and Terms and Conditions for

6.3.2.3 Rolling contracts – It is advisable to set a maximum time frame on the contract, but state when negotiating that the contract should run on a monthly rolling basis and that the Trust has the right to give 30 days' notice of cancellation of said contract at any time during the agreed period with no get out clauses or penalties. That the supplier has to give a minimum of 60 days' notice of termination and must complete any and all on going commitments or be liable for any and all costs arising for breach of commitment.

6.3.3 **Due Diligence during Contracted Period**

6.3.3.1 Prior to entering a contract with a supplier, a meeting should be arranged with said supplier to ascertain the following information:

- Financial stability – Profit and Loss accounts for the current and previous two full years should be checked by the Chief Financial Officer.
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7.3. Trips and School Lunches

7.3.1 A trip organiser must be appointed for each trip to take responsibility for liaising with the School Operations Manager regarding costs and organising the collection of sums due.

7.3.2 Payments for school lunch are recorded individually by administrative staff. A record of the lunches paid for is kept electronically via the cashless payment system. Where the cashless payment system is not yet in operation, all monies are checked and then passed to the School Operations Manager or appointed delegate for paying in to the bank.

7.4 Lettings

7.4.1 The School Office/Site Manager is responsible for maintaining records of bookings of sports facilities and other accommodation and for identifying the sums due from each organisation. Payments must be made in advance for the u1 3m (o)105.3/P <</MCID/28dentif

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8.10.2.3 The Academy must seek and obtain the explicit and prior approval of the Education Secretary, through the ESFA, for transactions above these limits.

8.10.2.4 Records of debts that have been written off will be retained for six years plus the current year.

8.10.2.5 Any debtors that fail to settle a debt will be informed that in future they will be required to pay for any services in advance.

9. Fixed Assets:

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9.1 Asset Register

9.1.1 All items purchased with a value over the Academy's capitalisation limit must be entered in an asset register (This also includes group purchases totalling the Academy's capitalisation limit and multiple items which may be below the limit, but in total exceed the limit on the invoice).

9.1.2 Depreciation is calculated using the straight-line basis over its expected useful life as detailed in the Financial Operational Procedures Manual.

9.2 Security of assets

9.2.1 Stores and equipment must be secured by means of physical and other security devices. Only authorised staff may access the stores.

9.2.2 All the items in the register should be permanently and visibly marked as the Academy's property and there should be a regular (at least annual) count by someone other than the person maintaining the register. Discrepancies between the physical count and the (onal)2.7 (han)10.6 (t)-6.6 (he)10.5 431, (t)-6000(hers)5.2 (t0s

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reasons, the item should be accepted. The matter should then be brought to the attention of the CIT Chief Financial Officer as soon as possible who may decide to return the gift, or may donate it to a charitable cause.

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13.4.5.4 Invitations to attend charity or fund-raising events as a guest if considered to be for a good cause and of reciprocal benefit to the

The Chair of any FE

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each Full and Associate Member of the committee and to the Chair of the CIT Trust Board, no later than five working days before the meeting.

15.8 Proceedings of Committee meetings

Full Member present in person shall be entitled to one vote.

Resolutions are passed by a majority vote of the Full Members

Where there is an equal division of votes the Chair shall have a further casting vote.

A register of attendance shall be kept for each Committee meeting and published annually.

15.9 Authority

The Committee is authorised by the Trust Board to:

Carry on any activity authorised by these terms of reference; and

Seek any appropriate information that it requires from any officer of the Trust and all officers shall be directed to co-operate with any request made.

15.10 Minutes of meetings

The Clerk to the Board of Trustees shall minute the proceedings and decisions of all meetings of the committee, including recording the names of those present and in attendance, and prepare minutes for distribution.

Minutes shall be approved and signed by the committee Chair prior to distribution, and the committee Chair will determine the distribution, which will always be to all Full Members and to the Chair of the CIT Trust Board (whether present at the meeting or not), will normally be to all Associate Members and may be to others present (in full or in part), depending on interests in matters discussed and requirements to ensure appropriate confidentialities.

The minutes of meetings of the committee shall be considered at the next CIT Trust Board meeting following distribution.

15.11 Reporting Responsibilities

The Committee Chair shall report to the Board on its proceedings after each meet0(eac)-2 (h)0a8(nsi)-6

Any Trustee may attend a meeting of the Audit and Risk Committee, including those who are not members of the Audit and Risk Committee.

The Chief Executive Officer/Accounting Officer and Chief Financial Officer should also attend meetings.

16.3 **Resignation and removal**

A person serving on the Audit and Risk Committee shall cease to hold office if:

He/she resigns their office by giving notice in writing to the Clerk or Chairman

The Trustees terminate the appointment of the Committee member, whose presence or conduct is deemed by the Trustees, at their sole discretion, not to be in the best interests of the Trust.

16.4 **Quorum**

The quorum necessary for the transaction of business shall be three full members or where greater, any one third (rounded up to a whole number) of full members.

16.5 **Frequency of meetings**

Meetings shall be held at least three times per year and on the basis of a pre- determined timetable agreed by the committee in meeting. Additional meetings may be held in order to meet urgent business requirements, upon notification to the Clerk to the Board of Trustees or to the committee Chair of any Full or Associate Member supported by at least 2 other Full or Associate Members.

16.6 **Agendas and Notices of Meetings**

Agendas shall be prepared by the Clerk to the Board of Trustees and approved by the committee Chair prior to issue. Agendas will always contain items such as apologies, determination of quoracy, declarations of interest, approval of the previous minutes and matters arising from the previous minutes. Inclusion of any other item may be requested by any Full or Associate Member, such inclusion being at the discretion of the committee Chair.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each Full and Associate Member of the committee and to the Chair of the CIT Trust Board, no later than five working days before the meeting.

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Seek any appropriate information that it requires from any officer of the Trust and all officers shall be directed to co-

- Advise the Trustees on the adequacy and effectiveness of the Academy Trust's systems of internal control and governance processes, securing economy, efficiency, and effectiveness (value for money).

- Consider the appropriateness of executive action following internal audit/internal scrutiny reviews and tiny6 (er)-6 (nal)2.6 ( )aa(he T)11.1 (r)-5.9 (us)8.sor62 0 T

Schedule 2

The general **audit, risk and internal control** duties for ultimate approval by the Trust Board, include the following:

1. Ensuring that there a programme of work annually to deliver internal scrutiny that provides coverage across the year
2. Ensuring that there is a programme of work driven and agreed by the audit committee, and informed by risk (the risk register)
3. Ensuring that the recommendations of internal audit and other assurance activities (including ESFA, financial management and governance reviews, funding audits and investiTw 9.25 o0 ((e)11 (i129n6.6 (and)11.5 (t)-6.6 10.5 (tbJ10.5 (i)2pa5 o0 ((e2p8.25 o00Et)-6.6