



NEW CHARTER
ACADEMY

**POLICY FOR THE DELEGATION OF THE FINANCIAL
POWERS AND DUTIES OF THE GOVERNING BODY**

Approved by the Governing Body on

4th June 2008

Review Date

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POLICY REGARDING THE DELEGATION OF GOVERNING BODY FINANCIAL POWERS AND DUTIES

The Governing Body of New Charter Academy is responsible for the financial management of the academy to ensure the best possible education for its pupils.

Many governing body responsibilities can be delegated to committees or individuals. To ensure sound financial control, this policy statement specifies the decisions of the full governing body with regard to which financial functions it chooses to delegate to a committee and which to an individual. Where responsibility has been delegated, all decisions and actions taken will be reported back to the full governing body and properly recorded.

The policy takes into account:

- i) The National and local Scheme for Financing Academies
- ii) The Academy's Financial Regulations
- iii) The Academy's Financial Procedures
- iv) The Academy's Standing Orders on Procurement and Contracts

Governors do not incur any personal liability in respect of anything done honestly, reasonably and in good faith in exercising their power to spend the academy's budget share, or delegating that power to the Executive Director. The governing body, as a corporate body, is accountable for all actions taken in its name by individuals or committees to which it has delegated functions. Where the Executive Director delegates tasks to other members of staff, the Executive Director remains accountable to the governing body.

The full governing body will review this policy annually.

Signed:
Chair of Governors

Dated:

**TERMS OF REFERENCE FOR THE DELEGATION
OF THE FINANCIAL POWERS AND DUTIES OF THE GOVERNING BODY**

The governing body is responsible for the financial management of the academy. In order to allow the academy to function efficiently, delegation to the Executive Director, and possibly to other members of staff, will be necessary. The extent and level of any such delegation is for the governing body to determine, although it is suggested that the governing body consider delegating as many responsibilities as practicable to the Executive Director. The Executive Director may then delegate to other staff as appropriate.

In this document a shaded box indicates that such delegation is not permitted because of national or local regulations or would not be best practice. Where committees exist, the name of the committee to which the function is delegated will be specified either in the column heading(s) or in the Comments column. Further comments may also have been added to provide clarification.

Activities are listed in alphabetical order and not according to level of importance.

Activity	Gov. Body	Committee(s)	Executive Director	Staff	Comments
Accounting					
1. Adhering to accounting policies and guidelines issued by the Scheme for Financing Academies				✓ D of F	
2. Maintaining accurate, reconciled and up to date records to provide financial and statistical information.				✓ D of F	
Assets					
3. Arranging security of buildings, furniture, equipment, stock, stores and cash.				✓ D of F	
4. Maintaining an inventory of all movable items of equipment and security marking				✓ D of F	

Activity	Gov. Body	Committee(s)	Executive Director	Staff	Comments
such items.					
5. Checking annually the inventory to verify the location and condition of each item of equipment.				✓ D of F	
6. Authorising the disposal of unusable or obsolete equipment included in the inventory.	✓				
7. Maintaining a record of all property borrowed by staff.				✓ D of F	
Audit					
8. Availability of records and documents for inspection by the Academy's auditors.				✓ D of F	
9. Implementing recommendations arising from an audit inspection.			✓		
10. Receiving the report from an audit inspection and the response to the Action Plan.	✓				
11. Adopting and promoting a Confidential Reporting Policy.	✓				
12. Maintaining a register of pecuniary and business interests for governors.	✓				
13. Maintaining a register of pecuniary and business interests for staff.			✓		
14. Providing reconciled bank statements to the Academy's Auditors within notified timescales.				✓ D of F	
15. Maintaining a record of all cash holdings in the academy.				✓ D of F	
16. Signing of all cheques drawn.				✓ D of F	
Budget					
17. Overseeing the preparation of the annual				✓ D of F	

Activity	Gov. Body	Committee(s)	Executive Director	Staff	Comments
budget plan and ensuring it links to the priorities established by the academy.					
18. Approving the final budget.	✓				
19. Notifying the approved budget to the DCFS by the agreed timescale (30 June).				✓ D of F	
20. Monitoring income and expenditure and ensuring corrective action taken where necessary.	✓				Monitored on at least a monthly basis and reported to Committee at least once per term
21. Approving transfer between budget headings (virements) within agreed limits.				✓ D of F	Limits for Executive Director to be agreed. All virements must be reported to the next meeting
Governor Expenses					
22. Establishing procedures for governors to claim expenses	✓				
Income (including lettings)					
23. Approving a lettings policy and fees	✓				
24. Rendering accounts promptly. Receipting and banking promptly all income intact. Not cashing personal cheques. Recording cash passed from one person to another				✓ D of F	
25. Notifying Internal Auditors of receipts of £10,000 or more				✓ D of F	
26. Writing off of debts	✓				
Information and Communication Systems					
27. Controlling systems, security and privacy of data				✓ D of F	

Activity	Gov. Body	Committee(s)	Executive Director	Staff	Comments
28. Registering under Data Protection legislation				✓ D of F	
Insurance					
29. Reviewing insurance cover in the light of a risk assessment				✓ D of F	
Investments					
30. Setting aside funds in Accumulating Fund	✓				
Orders and Paying for Goods, Works and Services					
31. Ensuring that all contracts and agreements conform with the Standing Orders				✓ D of F	
32. Accepting quotations/tenders and authorising orders/contracts for goods, works and services up to £75,000				✓ D of F	
33. Accepting tenders and authorising contracts for goods, works and services between £75,000 and £150,000 in value	✓				
34. Receipting and custody of all tenders				✓ D of F	
35. Authorising staff to open tenders	✓				
36. Not making payments unless goods have been received to the correct price, quantity and quality standard				✓ D of F	
37. Paying the correct person and the correct amount supported by an invoice				✓ D of F	This is the responsibility of the cheque signatory (See 16)
38. Retaining and storing invoices, vouchers and other financial records in a secure way for the defined period				✓ D of F	
39. Approving applications for Business/	✓				

Activity	Gov. Body	Committee(s)	Executive Director	Staff	Comments
Credit Cards					
Salaries, Wages and Pensions					
40. Certifying pay documents and other time records				✓ D of F	
41. Approving salary policy and annually reviewing Executive Director's salary	✓				
Taxation					
42. Complying with VAT and CIT regulations				✓ D of F	
Voluntary Funds					
43. Administering of voluntary funds				✓ D of F	
44. Appointing an independent Examiner / Auditor	✓				
45. Receiving audited annual accounts	✓				