

Grimsargh St Michael's C of E Primary School



Use of Direct Central Payment/ Non-Order Invoice and Confirmation Order Routes within FMS

Let your light shine before people so that they may see your good works and glorify your Father in heaven (Matthew 5: v.16)

Inspiring, believing and achieving in our loving Christian community

INTRODUCTION

The use of direct central payments, non-order invoice and confirmation order routes within SIMS FMS have been reviewed.

The audit trail within FMS enables a number of transactions for which confirmation orders were previously required to be processed via the non-order invoice route.

The revised routes are identified below.

DIRECT CENTRAL PAYMENTS

The following transactions may be processed by the direct central payments route:

- Staff Payroll (including non-agency supply and travel/incidental expenses)
- Apprenticeship Levy
- Gas and Electricity (paid centrally)
- Water charges (paid centrally)
- Rates and Rents (paid centrally)
- Parent Pay fees relating to income received.

NON ORDER INVOICE ROUTE

Schools may process catering food provision invoices via the non-order invoice route, in order to minimise administration.

In processing invoices via the non-order invoice route there needs to be evidence of independent checks to satisfy separation of duties. This could be achieved by the following:

Non-Bank Account Schools would need to batch these invoices separately. The Headteacher would need to be satisfied that each invoice relates to legitimate expenditure and initial the batch header as evidence that this check has been undertaken. The batch header would continue to be signed by the school business manager/bursar.

For Bank Account Schools the Headteacher would be required to check the legitimacy of the invoice at BACS/cheque signatory stage and initial the invoice as evidence that the check has been undertaken. These invoices would then be stored separately.

CONFIRMATION ORDERS

Confirmation orders are still required to ensure separation of duties for the following transactions which appear on the monthly Oracle reports:

- Supply premiums
- Repair and Maintenance transactions
- Devolved Capital Projects (paid centrally)
- RAMP (Vehicle repair & maintenance expenditure projects)
- Grounds Maintenance including Tree surveys/felling
- Insurance (buildings, contents, public liability etc.)
- Catering contract
- Cleaning contract
- LCC SLAs
- Course fees, subscriptions and training resources
- Advertising, OHU and other Recruitment Costs (including DBS charges)
- Agency Supply (including LTA)
- Educational Visit charges (LCC establishments e.g. Tower Wood)
- MFP Printing/Copying re-charges
- LCC LEDS (formerly BTLS)
- Journal transfers recharging costs from other schools

Telephone orders to suppliers should be avoided wherever possible. On occasions where a telephone order cannot be avoided, a confirmation order should be raised immediately to ensure that a commitment is raised on the FMS system.

CFR CODING REQUIREMENTS

To ensure schools comply with CFR (Consistent Financial Reporting) requirements, accurate coding of income and expenditure is essential. The Authority currently completes the annual CFR return on behalf of schools. It is important, therefore, that the ledger codes on FMS should match those on Oracle. Schools may process transfers between ledger codes on FMS, however, they should also ensure this position is reflected on the authority accounting system (Oracle) by contacting their Finance Officer to arrange a journal to correct the Oracle coding.

Signed: **Mrs Lindsay Garner / Miss Emma Dewhurst**

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