

# **JMB Financial Support Services Unit**

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## **Financial Guideline 02/05**

**To all Principals, Chairpersons/Managers.**

**School Accounts Survey  
Accounts Software  
Grants Update**

### **1. Survey on School Accounts**

I would like to take this opportunity to thank all schools who responded so willingly to the survey on school accounts and financial practice which was distributed some time ago. The response to the survey was excellent and has helped me to direct the work of the Financial Support Services Unit towards the real needs of schools.

Of the 400 schools in the voluntary sector, over 280 replied. Of these, 210 are using a computer package of one sort or another to prepare school accounts. A significant number of schools are interested in installing a recommended computer package or changing from an existing one.

In 80% of the schools who responded, the writing up of accounts on an ongoing basis is done either by the school secretary (55%), a bursar/treasurer (21%) or an accounts secretary/clerk (4%). In the remainder, accounts are maintained by the Principal (12%) or by the Deputy Principal in a small number of cases.

A significant number of schools do submit a forward budget to the Trustees while the vast majority send them a copy of the annual accounts.

### **2. Support and Advice**

One of the main purposes of setting up the Financial Support Services Unit (FSSU) in the JMB is to provide a support to schools on all matters relating to financial control and good practice and to help schools to fulfil the legal requirements imposed on them by the Education Act 1998. The recent survey indicates that schools are looking for practical advice and support particularly in the area of budgeting, financial reports, clear guidelines on financial matters and inservice/support for Principals and Secretaries.

The survey highlighted the following aspects of financial management and control in schools where support would be appreciated:

- Advice on budgeting, control of expenditure, cash flow and financial reports.
- Best practice through financial management guidelines
- A template for school accounts leading to a uniform system
- A recommended computer package and support service
- Ongoing support/advice/helpful information
- Support in the area of payroll – wages/salaries, tax/PRSI, contracts.
- Inservice for Principals, school secretaries, and others doing school accounts
- Legal requirements on schools and DES circulars/regulations.

In terms of support, I would like you to know that I have already met a number of Principals and school secretaries around the country who sought help or advice on financial issues arising in school. I am available to discuss these issues with you at any time either through telephone or email contact or by school visitation. In particular, there seems to be a demand for help with school budgeting which I am quite happy to provide.

### **3. Financial Guidelines**

Since the FSSU came into operation last September, a significant level of progress has been made on each of the areas listed at paragraph 2 above which will be communicated to you over the coming months. A detailed set of guidelines on all aspects of school financial management is currently being prepared and will be launched through a process of inservice during the course of the next school year.

In particular, it is important to state that the FSSU has been working in close cooperation with school Trustees and in particular with representatives of the new Trust bodies to ensure a significant degree of uniformity and acceptance across the voluntary sector. The intention of the FSSU is to ensure that there is no duplication for schools in meeting their obligations to Trustees and to the unit.

#### **4. Accounting Software for Schools**

Following contacts with a number of accountants around the country, who are familiar with school accounts, we are very close to being able to recommend a template for school accounts together with suitable computer packages. It is not essential that all schools adopt the same package provided the one chosen is capable of providing the results required. Further communication in this regard will issue shortly and we expect to be able to make specific recommendations for implementation in the 2005 / 2006 school year.

#### **5. School Accounts 2003/2004**

May I take this opportunity to remind **all** schools that a copy of the school's annual audited accounts should now be sent to the Financial Support Services Unit in the JMB. Under the Education Act 1998, all schools are obliged to make their accounts **“available for inspection by the Minister....” (S.18)**. The Department of Education and Science has made it clear that schools **are** fulfilling this function by sending a copy of school accounts to this unit. In this regard, may I request all schools, who have not already done so, to send in a copy of school accounts for the school year 2003 / 2004 to the Financial Support Services Unit at the JMB as soon as possible.

#### **6. Grants Update**

To assist schools currently preparing forward budgets, the following are the correct amounts for **Capitation** and **School Support Services Grants** applicable from January 1<sup>st</sup>, 2005:

- **Capitation: €286.40 per capita less €562.50 per permanent wholetime teacher**
- **Support Services Grant: €145.04 per capita with the minimum now set at €29,008.**

All other grants remain unchanged.

**Fergus Dunne**  
**Director of Financial Support Services**