

JMB Financial Support Services Unit

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Finance Guideline 05/05

To all Chairpersons / Managers and Principals

School Accounts

1. Submission of School Accounts

In recent days, the Department of Education and Science has issued a circular letter to all voluntary secondary schools outlining their legal obligations under the Education Act 1998 with regard to school funding and accountability.

Having set up the Financial Support Services Unit under the aegis of the JMB, the DES has clarified that all schools in the sector, including fee-paying schools, must submit a copy of their annual accounts to the unit each year. In future years, the accounts must be submitted by December 1 following the end of the previous school year. As requested in previous communications, a copy of the accounts for the school year 2003/2004 should have been submitted already.

Sincere thanks to all those schools which have complied. The receipt of accounts will be acknowledged and confidentiality regarding details in school accounts is guaranteed.

There are still a number of schools which have not yet returned annual accounts for the school year 2003/2004. A separate note **for those schools only** is included with this documentation and they are earnestly requested to comply by the end of June at the latest.

2. Computerised Accounts

As outlined at the Annual Conference in Killarney, we are now in a position to recommend an agreed computerised accounts package which is being adapted for school use. Following discussions with Sage Ireland, we have made arrangements for the bulk purchase of the **TAS 2 accounts package** which will include **a template of accounts for a voluntary secondary school together with a facility to produce the required financial reports**. Following discussions with representatives of the Trustees, we have

also agreed on a standardised format of accounts which all schools will be expected to adopt.

The annual school budget will also be drafted in a similar format and the TAS 2 package can be used for this purpose. The package will also be configured to produce periodic financial reports for the Board of Management.

We are aware that some schools have already committed themselves to buying and installing a different accounts package such as Sage Instant or Sage Line 50. We would like to assure you that there is no requirement to change to TAS 2 at this stage provided the accounts can be prepared in the format required and that the recommended financial reports can be produced. However, all training and support provided by the Financial Support Services Unit over the next few years will be based on the TAS 2 package only.

3. Timetable for Implementation

It is intended to begin the implementation of the standardised accounts format from the beginning of the 2005/2006 school year. To this end, we are inviting any school which has not yet installed a computerised accounts package or who wishes to change to TAS 2 to return the enclosed Application Form by Friday, June 24th next. It is intended to train and support between 100 and 120 schools in the use of the accounts package over the course of the next school year and preference will be given to those who apply.

It is our intention to train 20 to 30 people nationwide who will, in turn, train and support a number of schools in their own areas. Training will be available locally to school secretaries/treasurers/bursars or whoever is responsible for maintaining school accounts. Apart from initial training, the trainers will be available to the schools on a one to one basis for a number of half days and on an incidental basis thereafter. There will also be a telephone support service for those using the TAS 2 package based in the JMB Secretariat.

For obvious reasons, one of the conditions required is that the school accounts person receiving the training must be available uninterrupted for the duration of that training. In this regard, it is imposing an unrealistic burden on one person if he/she has to perform all the duties of a school secretary as well as maintaining the accounts. Ideally, a dedicated accounts secretary/bursar, whether part time or full time, should be employed in all schools and it is our intention to try and persuade the DES to provide the necessary funding to achieve this. It is not good practice to have the Principal writing up or maintaining school books of account. (See Memo on Financial Management enclosed).

4. Pricing Structure

A. The basic **TAS 2 software** package including discount **€345** plus 21% VAT

The software will include a disc with the Chart of Accounts coded in accordance with the required accounts format. Individual schools will not have to enter account codes except where additional accounts peculiar to the school are required.

B. **Support:** Direct **technical** support from Sage Ireland will be available to schools for the first twelve months after purchase. The JMB has arranged with Sage Ireland to train Secretariat personnel to enable us to provide a full technical and backup service. The JMB will purchase a Corporate Support Licence to cover all schools into the future and each school will be required to purchase an individual Support Contract for **one year only**.

Cost of Support Contract per school: **€125** plus 21% VAT

C. **Training cost per school:** **€500** in total (Estimate)

The training cost estimate is based on a minimum of three half days one to one training plus some follow-up support. Arrangements for payment of trainers will be made directly between them and the Financial Support Services Unit. Any training or support over and above the agreed amount will become a matter for each individual school.

In summary, the total cost to the school is as follows:

<u>Software plus Support</u> (payable to Sage Ireland)	€482.50 + VAT
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(The school will not be liable for any other payments to Sage Ireland unless the TAS 2 package is upgraded. This will only occur after sanction from the Financial Support Services Unit).

<u>Training Costs:</u> (payable to the JMB Secretariat)	€500 (Maximum)
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5. Payroll Software:

A number of schools have enquired regarding the purchase of a software payroll package. There are a number of excellent payroll packages on the market which will satisfy the needs of an average school. In our negotiations with Sage Ireland we have made an agreement with them to enable schools to purchase **Sage Quickpay** at an annual cost of **€249 plus VAT**. The price includes support directly from Sage. (Although helpful, there is no obligation on any school to purchase a payroll package).

The package requires very little prior knowledge of payroll or technology. The annual update is necessary to acquire all changes in tax and PRSI announced in the government's annual budget.

A key advantage of this package is that it links directly to TAS 2 Accounts thereby transferring all wages, salaries, PAYE, PRSA's, and PRSI calculations to the school accounts.

Both TAS 2 and Sage Quickpay may be purchased directly from Sage Ireland in Citywest, Dublin. To avail of the prices quoted above please quote the reference "Secretariat of Secondary Schools" with all orders.

**Address purchase queries to: Paddy Carr or Leonard Brennan
Tel. 1850 321 459 or 1800 222 123**

As training will not be available until the new school year, it might be advisable to wait until August next to arrange any purchase.

6. Training the Trainers

During August and September, the Financial Support Services Unit, with the help of Sean Brereton of the St. Helen's CBS Education Office, will be organising training sessions for the people designated as local trainers for different parts of the country. In this regard, we would appreciate your advice on any local person with knowledge of school accounts, knowledge of the TAS 2 package and with good computer skills whom you would nominate to become a local trainer to a number of schools. This could be a local accountant or bookkeeper who would be willing and available to take on this role on a part-time, paid basis. The local trainers would then be allocated to schools under the guidance of the Financial Support Services Unit.

7. Format for School Accounts

At the start of the new school year we will distribute a template to all schools of the recommended format for school accounts which the school in turn will supply to the accountant.

It is our understanding that in future all schools will be required to have their annual accounts properly audited in order to comply with the Education Act 1998 and the guidelines for accountants will take this into account.

8. Financial Guidelines for Schools

Apart from the standardisation of school accounts, it is equally, if not more important to have robust internal control in place to ensure the proper management of school finances and accountability for funds. A detailed set of guidelines is being prepared for schools in the voluntary sector which will be launched and distributed in the new school year. It is intended to hold a series of regional seminars and inservice sessions around the country to explain the guidelines and to assist in their implementation.

All of these guidelines have been prepared with the support and cooperation of Trustee representatives to ensure standardisation across the sector and to avoid unnecessary duplication.

With best wishes to all for a restful and enjoyable summer holiday.

Fergus Dunne, Director, JMB Financial Support Services Unit.

June 13, 2005.

TAS 2 Accounts Software for Schools

Applications are invited from schools interested in installing and using TAS 2 Accounts Software for schools with effect from September 2005.

Name of School _____

Address _____

Tel _____ **Fax** _____ **Email** _____

Principal's Name _____

Please return this form to: JMB Financial Support Services Unit, Secretariat of Secondary Schools, Emmet House, Dublin 14.

Principal's Signature _____

Cost

(a) Software: €345 + €125 (support) + €12.50 (delivery) + VAT

(b) Training €500 (Approx.) Payable to JMB at later date

Conditions of Acceptance

1. The school agrees to use TAS 2 software to prepare accounts for the school year 2005/2006 in the recommended format.

2. The person trained to use the programme is available uninterrupted for the required training and ideally given adequate time and resources to maintain school accounts.