



**FSSU**  
Financial Support  
Services Unit

# **FINANCIAL UPDATE & SCHOOL BUDGET 2018/2019 WORKSHOP**

# FINANCIAL UPDATE

- Revenue Compliance
- BOM Reports
- OLCS
- School Tours
- Timetable for School Accounts
- Government Budget 2018
- Electronic Receipts & Payments
- Tendering Procedures
- Payroll Financial Guidelines
- Charities Regulator
- Sage 50
- ICT Grant

# Revenue Compliance -Payroll

- All payments made by the school must be Revenue Compliant.
- All school employees including part-time teachers, external supervisors and non-teaching staff are paid by cheque or electronically having deducted tax, USC and employee PRSI due.
- Payments made to teachers and other personnel for services such as after school study are subject to tax, USC and PRSI.
- Tax, USC and PRSI are not deducted where payments are made for such services to a person or company registered as self-employed. In such cases a consult the Revenue guidelines on employee/self employed

# Revenue Compliance- Payroll

- Preparing for PAYE Modernisation-January 2019
- Selection committee payments
- Retention of documentation
- Register of Employees- FSSU Financial Guideline 2013/2014-16
- Submission on time of Revenue reports & payments

(ROS- register for ROS and all returns can be made online by the school)

# Travel & subsistence

- Board sets the rate
- Use the recommended form
- Principal and chairperson approval
- Interview related costs

# RCT-Principal Contractor

A school as a “**Principal Contractor**” must :

1. Notify Revenue of all contracts online (**Contract Notification**)
2. Notify payments online (**Payment Notification**)- Penalties apply where prior notification to the Revenue is not obtained.
3. Provide a copy or details of the **Deduction Authorisation** to the Subcontractor
4. Review monthly/quarterly returns online (**Deduction Summary/Return**)
5. Make payments of RCT deducted on or before 23<sup>rd</sup> day after end of return period
6. Revenue Site Identifier Number (SIN)
7. Revised Revenue Guideline issued December 2016

# VAT- Reverse Charge

- Where a Principal Contractor receives construction services other than haulage for hire, they must account for VAT under the VAT Reverse Charge.
- Where a sub-contractor provides both construction services and other services, as part of a contract, they should provide separate invoices.
  - The school should account for VAT on the construction services
  - The sub-contractor should account for the VAT on the other services
- VAT Reverse Charge does not apply to professionals within the construction industry e.g. architects, surveyors, engineers.
- Must file VAT 3 returns and Annual Return of Trading Details.

# Revenue Audit

The School may choose to handle the audit directly or to engage their accountant. If the school decides to handle the audit directly here are some basic do's and don'ts to follow:

1. Be organized.
2. Review the information provided by Revenue and understand your rights and obligations.
3. Carefully review all relevant transactions in the period under review.
4. Ensure all transactions have been treated correctly in line with legislation and Revenue statements of practice.
5. Consider whether transactions outside the period under review warrant disclosure to Revenue.
6. Give Revenue only the documents needed to support the deduction being questioned.
7. Never give Revenue more or less information than is requested.
8. Prepare a written voluntary disclosure and have it reviewed by an experienced professional.
9. Answer all questions honestly, but briefly.
10. Never give an inspector the only copy of a document.
11. Do not leave your original records with Revenue.
12. Don't chatter or exchange casual conversation.
13. Stay calm, don't be argumentative or belligerent.
14. Keep copies of anything that you sign.
15. Keep records of your meeting including questions asked and responses given



# Regular/Monthly Financial Reports for the Board

- 1) Balances on ALL School Bank Accounts
- 2) Bank Reconciliation Statement for each Bank Account
- 3) Receipts and Payments Account / Income and Expenditure Account showing Current and Budget figures
- 4) Balance Sheet
- 5) List of all creditors / list of accruals / income for next year and prepayments *and prepare a manual list of invoices not processed on Sage 50.*
- 6) Capital Income and Expenditure Account

# OLCS

- **Board of Management** has a responsibility to ensure that at school level the integrity of the system is maintained at all times.
- **Board of Management** is advised that **under no circumstances should the same person in a school undertake the role of Data Entry person and Data Approver.**
- **Schools should ensure that documentation** in relation to the completion of OLCS details are retained securely e.g. medical certs., attendance at in-service/in-career, parental leave and carer's leave.
- **The Board of Management** should be made aware that a facility exists on OLCS to produce a report of all absences taken by teachers and SNAs in a defined period.

# OLCS – Circular 0024/2013

- A short report should be read into the minutes of every Board of Management meeting listing the names of all substitutes and part-time teachers for whom claims have been made on the OLCS system since the last board meeting.
- There is a facility on OLCS to print reports.
  - If a staff member requires details of their absences the relevant report should be generated, printed and given to the staff member.
  - A report on all absences recorded on the OLCS should be supplied to each staff member at intervals recommended by the Board of Management of the school but at least one report should be produced in each school term. Each staff member should sign the absence report and a copy to be retained in the school.

# School Tours

- Payments for School Tours
- Travel to Northern Ireland

# Timetable for submission of annual School Accounts

<b>Stages of School Annual Accounts Preparation</b>	<b>Date Deadline</b>
The school supplies all necessary financial information to the <b>accountant</b>	<b>September 30<sup>th</sup></b>
The draft annual accounts are returned by the <b>accountant</b> .	<b>November 30<sup>th</sup></b>
Once the school <b>Board of Management</b> is satisfied that the accounts are an accurate reflection of the school's financial situation, they are formally ratified by the Board, <u>signed by the Chairperson and one other Board member</u> and then two copies forwarded to the <b>Trustees/Patron</b> for approval.	<b>December 31<sup>st</sup> or earlier as required by the Trustee/Patron</b>

# Timetable for submission of annual School Accounts

<b>Stages of School Annual Accounts Preparation</b>	<b>Date Deadline</b>
The accounts should be signed by the <b>Trustee/Patron</b> and one copy returned to the school	<b>January 31<sup>st</sup></b>
A hard copy of the school's Annual Accounts duly signed by the Board of Management and the Trustees is forwarded to the FSSU.	<b>February 28<sup>th</sup></b>
<b>School accountants</b> are required to access a secure online cloud based system and to input the school trial balance.  <b>Late submissions will be subject to audit</b>	<b>February 28<sup>th</sup></b>

# Government budget 2018

- Minimum wage
- Changes to USC
- Changes to tax credits (home carer & earned income)
- Changes to tax bands
- Changes to Employers PRSI
- VAT Refund Scheme for Charities

# Electronic Receipts and Payments

**Electronic Receipts**-Online Systems e.g. Easy Payments Plus, School Space, VShare.

## Electronic Payments

- Benefits
- Article 15(e) of the AOM- “All electronic transactions shall be independently authorised by the Principal and by one other person approved by the board”
- FSSU 2009/2010 Financial Guideline 03 - Electronic Banking



# Tendering Procedures

## Tendering Procedures – Non Capital Goods & Services

- Legal requirement to engage in competitive process
- The Department of Education and Skills Circular 0056/2015 on the use of Central Procurement Arrangements states that:

“School management have the choice to undertake procurement individually. It is not mandatory for schools to use central procurement arrangements. Schools are, however, reminded of the importance of achieving value for money in the use of public monies and that central procurement arrangements are targeted at securing best value for money. It is Government policy that public bodies, where possible, should make use of all such central arrangements “

- The current financial thresholds for purchase of non-capital goods and services are as follows:

## EU Thresholds for Non Capital Goods & Services

Financial Threshold	Requirement
• Less than €25,000	Three written quotes
• Between €25,000 and €206,999.99	Advertise on <a href="http://www.etenders.gov.ie">www.etenders.gov.ie</a>
• Over €207,000	Advertise on <a href="http://www.etenders.gov.ie">www.etenders.gov.ie</a> & in The Official Journal of the European Union (OJEU)

# Payroll guidelines

- Revised pay rates
- Circular 0079/2017
- Increase in SSSF, Secretarial & Caretaker grants

# Charities regulator

- School should be registered
- Has the school received their Registered Charity Number (RCN)
- Schools are required to show registered charity number on school's headed paper.
- New Board- Have the details of BOM members been updated on school's CRA account?

# Sage 50

- Training ongoing in Emmet House
- Webinars
- Remote Access Training

# ICT Grant

- Circular 0011/2018
- All schools will receive a lump sum of €2,000 (€1,000 in respect of fee-charging schools) in each of the five years and, in year 2, a per capita amount will be paid as follows:
  - €31.22 per student
  - €34.42 per student in DEIS schools
  - €15.22 per student in fee-charging schools
- All schools open longer than 3 years qualify for funding, and school buildings built prior to 2013 are supported under the scheme

# School Budgeting

Under Article 15 (c) the board is required to submit an annual budget to the Trustees.

- To control the school's financial resources
- To maximise the use of available resources
- To eliminate ad hoc decision making
- To develop systems for the efficient running of the school

**For more information visit the  
our new website**

**[www.fssu.ie](http://www.fssu.ie)**

# Welcome to the Financial Support Services Unit

The FSSU is a support mechanism for the school management in the Voluntary Secondary and Primary School sectors which assists them in complying with the provisions of the Education Act 1998 in terms of transparency, accountability and financial responsibility for State and other funding.

The FSSU addresses the financial interests and responsibilities of the Department of Education & Skills, Boards of Management, Principals and other partners as defined by the Education Act. The FSSU is fully funded by the Department of Education and Skills and is under the aegis of the Joint Managerial Body.

**PRIMARY**



**POST-PRIMARY**



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## Popular Topics

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-  Motor Rates
-  RCT & VAT

## Current Issues

-  Guideline on Registering with the Charities Regulator
-  Budget Workshops: 6th, 7th & 8th February
-  New Circular: Operation of the Financial Support Services Unit (FSSU)
-  Revised salary rates applicable from 1st January 2018
-  Latest Circulars: Revision of Salaries from January 1st 2018

## Remote Support



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# Thank You for Attending