



**FSSU**  
Financial Support  
Services Unit

# **INTRODUCTION TO SCHOOL BUDGETING 2019/2020**

# Agenda

10.00 – 10.45

- Financial Update

10.45 – 11.30

- New Reporting Requirements including the preparation of the annual census return
- Grant Guideline for the school year 2019/2020

11.30 – 12.00

- Break

12.00 – 1.30

School budget template 2019/2020

# Financial Update

## Topics

Revenue Compliance

Replacement of PRD with ASC

OLCS

School Tours

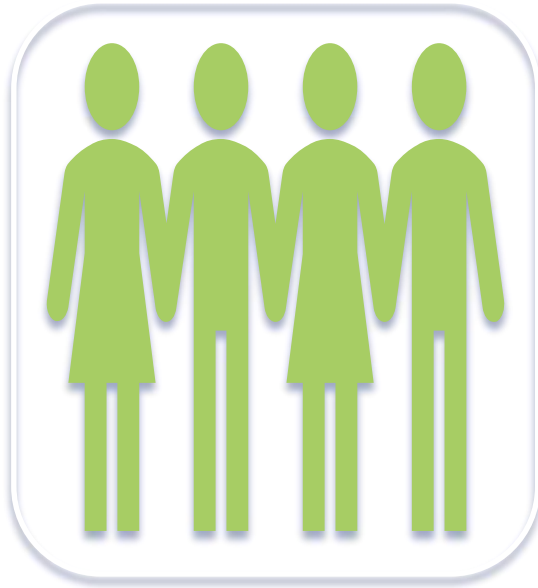
Government Budget 2019

Electronic receipts & payments

Payroll Guideline

Charities Regulator

# Revenue Compliance



Payroll



RCT



VAT

# Payroll



All payments made by the school for services **must be Revenue compliant**



Payments made to teachers and other personnel for services are subject to tax, USC and PRSI



Payments made to teachers for mock exams are **subject to PAYE, USC and PRSI.**



All payments to supervisors and organisers of after school study are subject to tax, usc and prsi

# Payroll



All payments for supervision & substitution are subject to tax, USC and PRSI



Selection committee payments



Revenue guideline on employed/self employed

# Travel & Subsistence Expenses



Board of management should decide on the types & categories of school business for which expenses may be paid



The Civil Service travel rates are the maximum rates which may be paid without incurring a tax liability



The cumulative mileage/kilometres for the year to date must be included and is from all sources



It is not appropriate to claim un-vouched or round sum expenses

# Travel & Subsistence Expenses



Travel & subsistence claims should be submitted as soon as possible



All claims should be submitted on a Travel & Subsistence claim form



Each claim for expenses should be verified & approved by the Principal



Where the principal is the claimant, the chairperson of the board verifies and approves the claim



# Board of Management as a principal contractor for RCT

## Principal Contractor

*“any board or body established by or under statute ... and funded wholly or mainly out of funds provided by the Oireachtas”.*

# How does the RCT system Operate

**The RCT systems operates electronically via Revenue's Online Service (ROS)**

**All Boards of Management must ensure they are registered for ROS and for VAT/RCT**



Sign in to [myAccount](#) or [ROS](#) | [Gaeilge](#)



## Popular topics

[Emergency tax](#)

[Tax credits, reliefs and exemptions](#)

[Health expenses](#)

[PAYE customers - claiming a refund?](#)

### PAYE modernisation – Employer Seminar

Employers register your interest now.

[Read more... →](#)

# Is RCT is applicable ?

## RCT

- Construction Projects
- Emergency & Summer Works
- Installation of prefabs
- Repairs to buildings incl. electrical, plumbing
- Maintenance contracts with repair element

## RCT

- Maintenance Only Contracts
- Routine Cleaning
- Computers & Hardware
- Professional fees ie architect fees etc
- Landscaping except where part of the build
- Other goods and services

**[www.fssu.ie](http://www.fssu.ie)** - Help with VAT/ RCT - Revenue Guidelines for Board of Management

# Is RCT is applicable ?

## RCT

- Construction Projects
- Emergency & Summer Works
- Installation of prefabs
- Repairs to buildings incl. electrical, plumbing
- Maintenance contracts with repair element
- Rendering buildings complete

## RCT

- Maintenance Only Contracts
- Routine Cleaning
- Computers & Hardware
- Professional fees ie architect fees etc
- Landscaping except where part of the build

**[www.fssu.ie](http://www.fssu.ie)** - Help with VAT/ RCT - Revenue Guidelines for Board of Management

# If RCT applies

the builder should provide a  
**zero rate VAT invoice**

with the legend

*‘VAT to be accounted for  
by the principal contractor’*



# RCT - Steps

1

- Notify Revenue of all contract online (**Contract Notification**)

2

- Notify payment 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 when paying the subcontractor

# Filing and Payment of RCT on ROS

**RCT Returns are filed on ROS on or before 23<sup>rd</sup> of the month after period of RCT activity**

**NO** RCT  
activity



**AUTO-  
FILED**  
on ROS

RCT activity at  
**0%** deduction



**AUTO-  
FILED**  
on ROS

RCT activity at  
**20%/35%**  
deduction



**MANUAL FILING**  
on ROS

# VAT – Reverse Charge



If RCT applies VAT applies



School must account for the VAT under the reverse charge



VAT reverse charge does not apply to professionals within the construction industry e.g. architects, surveyors, engineers



# VAT – Reverse Charge



Sub-contractor provides both construction services and other services, as part of a contract they should provide separate invoices



The school should account for the VAT on the construction services



The sub-contractor should account for the VAT on the other services

# VAT – Reserve Charge

File VAT  
3 returns

File  
annual  
return of  
trading  
details

# Replacement of PRD with ASC

## 2019 Annual thresholds and rates

<b>Standard accrual group (member of the contributory pension scheme for full time non – teaching employees of C&amp;C schools)</b>	<b>Single Scheme group (member of the single pension scheme)</b>
First €32,000 @ 0%	First €32,000 @ 0%
Next €28,000 @ 10%	Next €28,000 @ 6.66%
Balance @ 10.5%	Balance @ 7%

# Replacement of PRD with ASC

ASC no longer applies to:

Supervision &  
substitution

State Exams

Un-rostered  
overtime

Selection  
committee  
payments

# OLCS



Circular 0024/2013 &  
Financial Guideline 2013/2014 - 02



Board has responsibility to ensure the integrity of the system is maintained at all times



Under no circumstances should the same person in a school under the role of data entry person and data approver



Report – name of substitutes and part time teachers claimed on the OLCS since the last meeting



Report – absences to individual teacher at least once per term

# School Tours



Circular M20/04 &  
Financial Guideline 2007/2008

1

- School tour policy

2

- Tour authorisation form

3

- Approval sought from the board for all school tours

# School Tours



Circular M20/04 &  
Financial Guideline 2007/2008

4

- Foreign school tours (not including Northern Ireland)

5

- Self financing

6

- Summary report to the Principal & to the board of management outline the achievement of the tour, financial summary & any difficulties or problems with arose during the tour

# Government budget 2019



Financial Guideline 2017/2019 - 14

National minimum wage increased to €9.80

Changes to USC Rates

Changes to tax credits (home carer & earned income)



# Government budget 2019



Financial Guideline 2017/2019 - 14



Increase in the tax bands

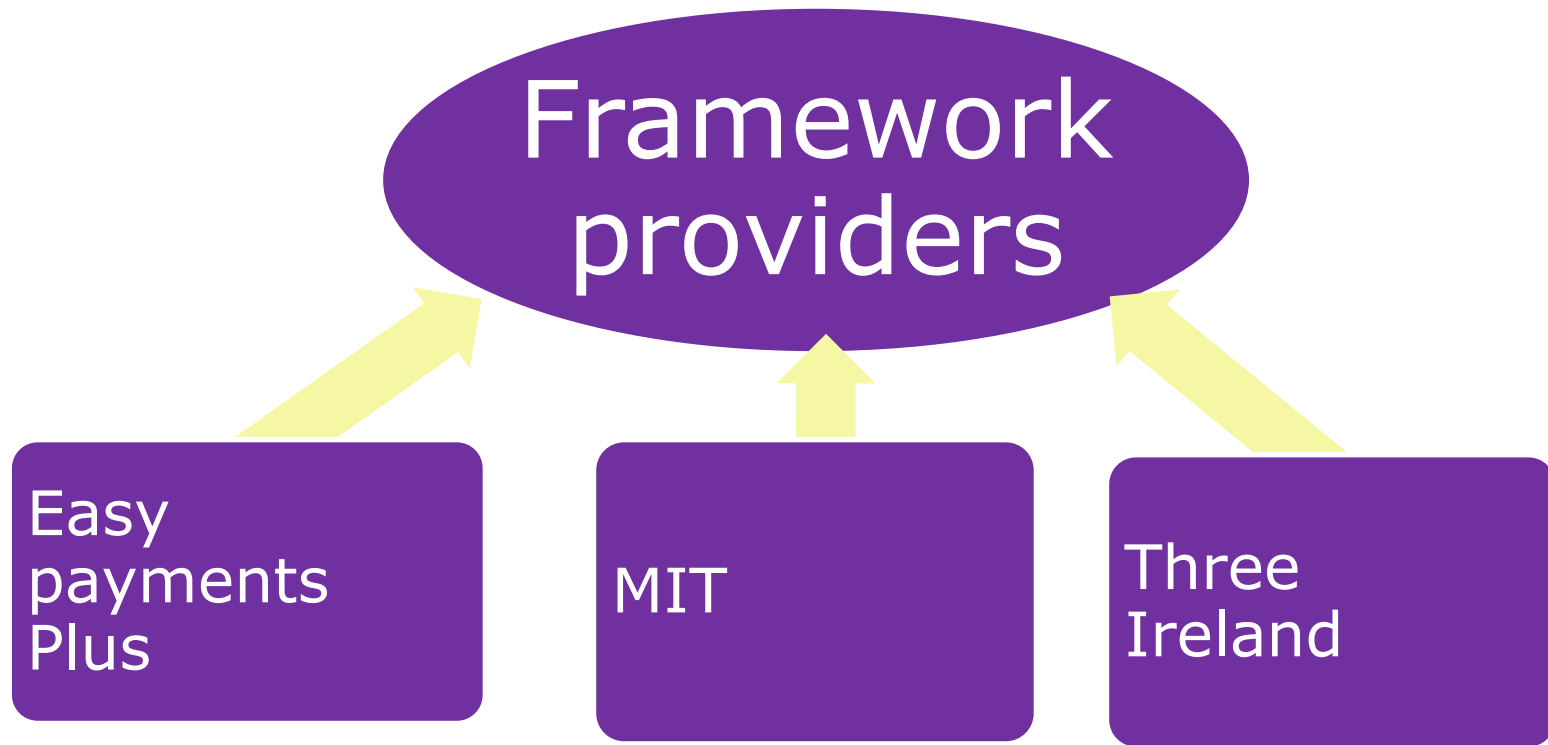


Increase in the employers PRSI



Increase of 5% in the capitation grant to schools from September 2019

# Electronic Receipts



# Electronic Payments



Board of management must approve the use of electronic banking by the school



Electronic payments are have two approvers



The person preparing the electronic payment must not be approving payments

# Payroll Guideline



Circular 0073/2018  
Financial Guideline 2018/2019 - 17

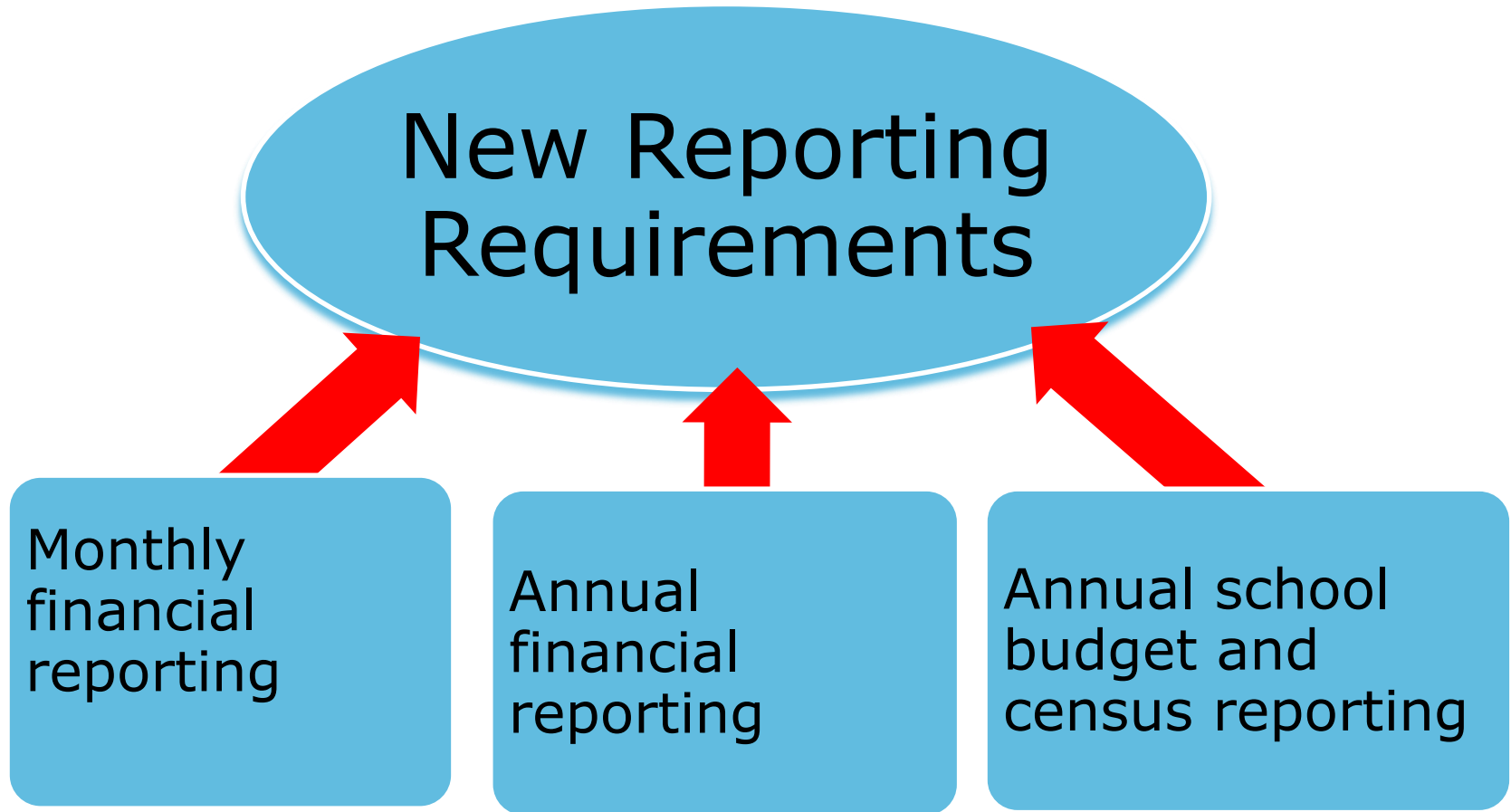
From 01/01/2019,  
annualised salaries  
up to €30,000  
increased by 1%

Revised salary  
scales included in  
Circular 0073/2018  
-includes the 1%  
increase

# Charities Regulator

- 1 School must be registered
- 2 School must have its Registered Charity Number (RCN)
- 3 RCN must be on school's headed paper
- 4 New board of management members must be updated on the schools CRA account

# New Reporting Requirements



# New Reporting Requirements

## Monthly financial reporting

- For the School year 2019/2020
- Recommend Financial Reports must be printed on a monthly basis
- By the 10<sup>th</sup> of the month the reports must be reviewed by the Principal
- The most up to date recommend financial reports must be reviewed by the finance sub committee
- The finance sub committee presents a summary of the reports to the board of management
- No requirement to submit monthly reports to the Department of Education or the FSSU

# New reporting requirements

## Monthly Reports

### **Bank Reconciliation Statement for all Bank Accounts**

Income and Expenditure Account showing actual versus budget figures

Balance Sheet

List of creditors and Accruals

Prepayments and Advance Income

Capital Income and Expenditure Account(s)



# Preparing for the New Reporting Requirements



- Minimise number of bank accounts



- Ensure proper purchasing procedures are in place



- Engage the services of an accountant

# New Reporting Requirements

## Annual Reporting Requirements

- Applicable for the School year 2019/2020
- External school accountant/auditors are required to access a secure online cloud based system to input the schools annual return and upload the schools accounts for the 2019/2020
- The deadline for the schools annual return is the 28<sup>th</sup> February 2021

# New Reporting Requirements

## School budget & census

- Applicate for the school budget for the 2019/2020 year and the census for 2020
- Deadline to be submitted to the Department of Education is the 30<sup>th</sup> June 2019
- FSSU does not require a copy of the budget and census



## All Topics

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[After School Study](#)

[Banking](#)

[Budgeting](#)

[Charitable Donations](#)

[Charities Regulator](#)

[Fees](#)

[Fixed Asset Register](#)


## Budget Templates – C&C Schools

### Community & Comprehensive Schools

In accordance with the Governance Manual for Community & Comprehensive Schools, the Board of Management are advised to prepare an annual budget each year.

#### Title

[Budget Preparation Information C&C 2019/2020](#)

[C&C Budget Template 2019/2020-Non DEIS](#)

[C&C Budget Template 2019/2020-DEIS](#)

[C&C Budget Template 2019/2020-PPP](#)


# Non Pay Grant



From 01/09/2019 €269 per pupil including PLC Pupils

+ PLC Allocation: additional €91 per pupil

+ Minor works allocation: €10,000 + €6.00 per pupil  
(including PLC pupils)

PPP School:  
25% reduction to the Non Pay Grant & PLC allocation.  
Minor works grant not payable to PPP Schools

Four instalments: January, April, July and October

# Non Teaching Pay Grant

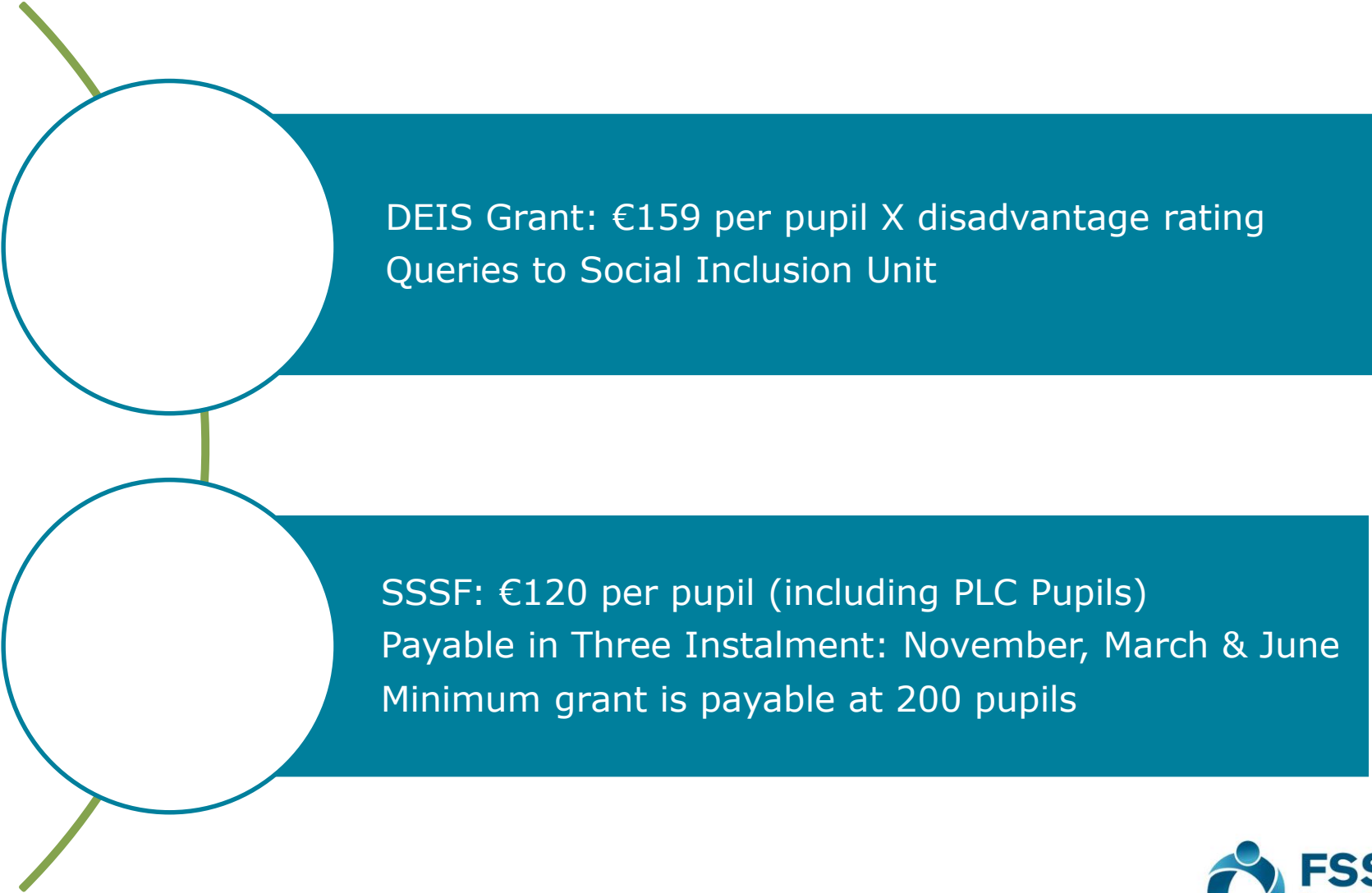


Based on the sanctioned staff numbers and salary

Information taken from the School Census

Four instalments: January, April, July and October

# School Grants 19/20



DEIS Grant: €159 per pupil X disadvantage rating  
Queries to Social Inclusion Unit

SSSF: €120 per pupil (including PLC Pupils)  
Payable in Three Instalment: November, March & June  
Minimum grant is payable at 200 pupils

# Programme Grants



LCA Grant: €151 per pupil in LCA (5<sup>th</sup> & 6<sup>th</sup> year)


JCSP Grant: €60 per pupil in First year of JCSP

TY Grant: €95 per pupil in TY

Physics and Chemistry: €13 per pupil in 5<sup>th</sup> and 6<sup>th</sup> year



# School Grants 19/20



Book Grant: €24 per pupil in non-DEIS and €39 per pupil in DEIS school

Special Class Grant: €191 per pupil assessed as having a mild or moderate learning disability and who participate in NCSE approved special classes

Traveller Pupils Grant: €201 per pupil

Supervision & Substitution Grant: Where a teacher has opted out of the S&S scheme, the school will receive a grant, €1,769 per annum for teachers employed pre-01 Jan 2011 & €1,592 for teachers employed post 31 Dec 2010

# School Budgeting

- 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 schools

# 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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- [Grants](#)
- [Payroll](#)
- [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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## Forms & Templates



# Thank You for Attending