



FSSU
Financial Support
Services Unit

**FINANCIAL UPDATE
&
SCHOOL BUDGET 2020/2021
WORKSHOP**

Finance update topics

- ❖ Revenue Compliance
- ❖ Pay Rates 01st Jan 2020
- ❖ ASC
- ❖ Preparing for Brexit
- ❖ eInvoicing
- ❖ Book grant
- ❖ School Tours
- ❖ Electronic Banking
- ❖ School credit cards
- ❖ Government Budget 2020
- ❖ ICT Grant
- ❖ Charities Regulator
- ❖ VAT compensation scheme
- ❖ Sage 50
- ❖ Annual School Accounts 2018/2019

Revenue compliance – PAYE Modernisation

- PAYE Modernisation – 1st January 2019

End of Year Statement



- For 2019 and onwards, an end of year statement will be available to employees in Revenue myAccount.
- This will include details of all pay and deductions from all employments for that tax year.
- This replaces the P60.

Guideline 20-2019/2020 PAYE Modernisation – Changes to
myAccount

Revenue compliance- Payroll



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



All payments for supervision & substitution



Payments made to teachers for mock exams




Selection committee payments


Revenue Compliance - Employed V Self Employed

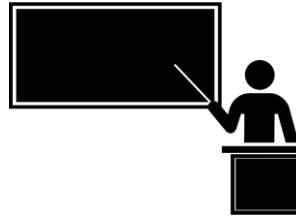
Employee

 Supplies labour only


 Cannot sub contract the work

 Received a fixed rate of pay

 **Directed** how, when and where to work – during the school day




Self Employed

 Owns own business (not a limited company)

 Can subcontract the work

 Sets cost for work

 **Controls** how, when and where work is carried out



Revenue Compliance - Travel & subsistence



- Revenue approved mileage & subsistence rates
- Vouched expenditure on meals and accommodation
- Use the recommended form
- Principal and chairperson approval
- Payable to individuals who work for your organisation on a voluntary and unpaid basis.



Guideline 22-2019/2020 Expense payments to Volunteers

Pay Rates

- Revised pay rates from 1 January 2020:
 - School Secretaries and caretakers **on a** salary scale equivalent to a public service scale
 - Cleaners
 - Other privately paid staff
- School Secretaries and Caretakers who are **not** currently paid on a salary scale equivalent to a public service salary scale were not due a pay increase at this time.

Guideline 24-2019/2020 Revised Salaries from 1st Jan. 2020

ASC

- **From 01st January 2019** ASC replaced PRD
- ASC applies to public servants who are in receipt of **pensionable pay** and applies to a person who is;
 - a) Member of a public service pension scheme or
 - b) Receive a payment in lieu of pension or
 - c) Is entitled to an ex-gratia retirement gratuity (annual or lump sum) on retirement
- Non-pensionable income such as supervision & substitution, selection committee payments, state examination remuneration paid by the school, payments to teachers for privately paid hours, un-rostered overtime, etc. is **exempt** from ASC.

Preparing for Brexit

- Has your school regular business transactions with a company/supplier in Northern Ireland or any other part of the United Kingdom?
- Consider whether you need an EORI (Economic Operators Registration and Identification number).

eInvoicing

- Compliance with the European Directive on eInvoicing (2014/55/EU) will be effective for boards of management of schools from April 2020.

- The Directive will only be applicable in the following circumstances:
 1. Where the invoice relates to a contract or framework that is above EU thresholds
 2. Where the supplier **specifically requests** the board to receive and process the invoice in accordance with the Directive (including the European Standard on eInvoicing)

- Further guidance will follow

Book Grant

Operation of the Book Grant Scheme

- Circular 0023/2008 “School Book Grant Scheme for Needy Pupils” should be available to parents and teachers.
- Clear eligibility criteria and procedures.
- **Book rental scheme**

Guideline 31-2018/2019 School Books Grant Scheme for Needy Pupils

Book Grant

Financial controls for the Book Grant

- Detailed records maintained
- The book grant should be lodged in the school's main bank account
- The book grant disbursements and receipts should be shown as separate entries in accounts.
- A reconciliation of each school year's allocation showing receipts and disbursements supported by appropriate documentation should be performed.
- The book grant is ring-fenced income and therefore cannot be used for any other purpose.
- Unspent portion must be deferred in the annual school accounts

School Tours

- Approval should be sought for all school tours and school outings from the board of management, prior to arrangements being made with students and parents.
- The tour authorisation form in Appendix 1 of the circular letter M20/04 must be completed for all foreign trips.

School Tours

- All foreign trips must be booked through a bonded tour operator and money for travel and accommodation must be paid directly to the school tour company and not to the school.
- Separate financial records should be maintained for each school tour and provided to board of management members.
- A summary report of the trip/tour should be prepared.

Electronic Banking

Electronic Receipts-Online Systems e.g. Easy Payments Plus, MIT Education Solutions, Three Ireland (Way2pay)

Electronic Payments

- Numerous 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”

School Credit Card

- Written approval required from Trustees/Patrons
- Controls to be implemented
- Only to be used where other payment methods won't suffice
- No debit cards allowed

Government budget 2020

- Minimum wage increase due from the 01st Feb 2020 (by 30c to €10.10)
- Changes to Employers PRSI from 01st Jan 2020 (Class A increased by 0.1%)
- Grants to increase from 01st Sept 2020;
 - Capitation by 2.5%
 - Special class grant for mild to moderate learning disabilities by 7.5%
 - Traveller grant by 7.5%
 - The school salary grant deduction from the standard capitation grant of €562 per each permanent/CID whole time equivalent teacher will be reduced by 20% from September 2020.

ICT Grant

Circular 0018/2019 – Grant scheme for ICT Infrastructure – 2018/2019 SCHOOL YEAR

- All schools received a lump sum of €2,000 (€1,000 in respect of fee-charging schools) in each of the five years and, in year 3, a per capita amount was to be paid as follows:
 - €50 per student
 - €55 per student in DEIS schools
 - €25 per student in fee-charging schools
- All schools open prior to 2015 are supported under the scheme
- Awaiting details on the grant for the 2019/2020 school year

ICT Grant

- The board must engage in a tendering process when acquiring the services of the ICT maintenance supplier. Tendering documentation should be retained on file.
- The board must establish a set of procedures governing purchasing and should set out the arrangement for tendering and buying of goods, payment of invoices and maintenance of accounting records.
- A tax clearance certificate should be provided by suppliers who provide greater than €10,000 of goods and/or services in any 12-month period.

Charities Regulator

- Schools are required to show registered charity number on school's headed paper, website and fundraising materials
- New board- Have the details of BOM members been updated on school's CRA account?
- Schools have been contacted to complete a return on the Charities Regulator website for 2017 and 2018
- From 2019 onwards, the return will not be required as the information will be communicated directly from the FSSU to the Charities Regulator on behalf of the board of management

Guideline 18-2019/2020 Charities Regulator – Registering & Updating BOM Details

VAT Compensation Scheme

- Schools as charities may be able to reclaim some element of their VAT costs arising in 2019 based on the level of non-public funding they receive

To apply must be:

- registered with the Charities Regulator
- have tax clearance and
- Be able to provide a set of audited accounts for the year in which the claim is being submitted.

Guideline 21-2019/2020 VAT Compensation Scheme 2019

Sage 50

- Updated Chart of Accounts
- Training ongoing:
 - Classroom
 - Webinars
 - Remote Access Training

Guideline 13-2019/2020 Revised FSSU Chart of Accounts

Submission of annual Accounts

- Due by 28th February 2020
- Sign off by Chairperson and one other board member – not the Principal
- Electronic copy only must be submitted by February 28th 2020
- School must have it's Charities Registration Number to make the submission
- Late filers will be subject to audit

School Budgeting

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

School Budgeting

Budget Templates

**Budget Templates –
C&C Schools**

**Budget Templates
-Voluntary
Secondary Schools**

Make sure to download correct budget template:

- VSS Budget Template 2020/2021 – NON DEIS
- VSS Budget Template 2020/2021 – DEIS
- VSS Budget Template 2020/2021 – PPP

FSSU Website

**For more information visit the
our website**

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

Thank You for Attending