

Financial Guideline 2014/2015 - 01

APPLICABLE TO FEE CHARGING SCHOOLS ONLY

Changes in relation to the payment of the School Salary Grant

The basic salary deduction/school salary grant in fee charging schools will, from September 1st 2014, be based on the permanent plus part-time less the allocation for substitution allocation of teaching posts to a school as shown on page 1 of the Schedule of Department Supported Posts. From 1st of September 2014 the school salary grant will be paid by the Department of Education and Skills as part of salary to all State paid teachers in fee charging schools. The schools will be billed for the appropriate amount towards the end of the school year. The method of recoupment will be advised at a later date.

The payment by the Department of Education and Skills of the school salary grant amount to teachers in fee charging schools will ensure that pension, PRD, PRSI and USC are deducted and remitted correctly for the individual teachers and this change should reduce the administration involved in accounting for statutory deductions for the schools in question. It will also ensure that all pension contributions under the Single Pension Scheme for new staff will be taken into account when annual pension amounts are calculated in the future. The amount of school salary grant paid will be shown on the payslips of the individuals. **Therefore, fee charging schools should discontinue payment of the school salary grant to individual teachers who are paid through the Department's payroll from 1st September 2014. Please inform the person responsible for processing payroll in the school of this change.**

The Department has forwarded the following information on recoupment of the basic salary deduction for voluntary secondary schools:

'The Department is implementing changes in relation to the payment of the school salary grant from the 1st September, 2014.

*Under the new arrangements the Department will pay full salary including the salary grant to **all** teachers employed in voluntary secondary schools. This will ensure that correct statutory deductions of pension, PRD, PRSI are made from the salaries of **all** teachers including those employed in a regular part-time basis. It will also reduce the level of administration for schools.*

In the case of the fee charging schools the cost of the salary grant for full time and regular part-time teachers will be recouped by the Department annually from the managerial authorities at the end of each school year. Further details regarding the recoupment arrangements will be issued to the managerial authorities of the fee charging schools prior to the end of the 2014/15 school year.'

As further information on the collection process becomes available from the Department, another Guideline will be issued.

The existing arrangements in relation to the recoupment of the value of the salary grant from the capitation payment will continue to operate for schools in the Free Education scheme.

**Louise McNamara,
Director, Financial Support Services Unit**

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