

# The Board of Management and School Finance

1. The Education Act 1998 sets out a statutory framework for Irish Education. The Act serves an important purpose in providing transparency and clarity regarding the rights and responsibilities of Patrons / Trustees, Boards of Management, Principals and other stakeholders and in **facilitating best practice, quality outcomes and the effective and efficient deployment of resources.**
2. Section 14 of the Education Act 1998 provides for the establishment on an agreed basis of representative Boards of Management in recognised schools. Subject to the general supervision of the Patron/Trustees, the Board of Management, in accordance with the functions as set out in the Act, **is responsible for the governance and direction of the schools, the use of school resources and the management of its finances.** Section 15 states:

“It shall be a duty of a board to manage a school on behalf of a Patron and for the benefit of students and their parents and to provide or cause to be provided an appropriate education for each student at the school for which the board has responsibility.”

“A board shall consult with and keep informed the patron of decisions and proposal of the board.”

“A board shall **have regard to the efficient use of resources (and in particular the efficient use of grants provided under Section 12) the public interest in the affairs of the school and accountability to students, their parents, the patron, staff and community served by the school.**”
3. Community and Comprehensive Schools Governance Manual (GM C & C) is intended to be read in conjunction with the First and Second Schedules to the Model Lease for Community Schools, instruments and articles of management for Comprehensive Schools or the lease actually executed in the case of the individual school as appropriate. **The manual is applicable to all areas of the school’s operations including activities not funded by the Department or otherwise within the purview of the Department.**
4. **The Board of Management is responsible for the financial administration of the school.**
5. Section 18 of the Act states that  
**“the board shall keep all proper and usual accounts and records of all monies received by it or expenditure of such monies incurred by it and shall ensure that in such year all such accounts are properly audited or certified in accordance with best accounting practice; accounts kept in pursuance of this section shall be made available by the school concerned for inspection by the Minister and by parents of students in the school, in so far as those accounts relate to monies provided in accordance with section 12.”**
6. The Board of Management is responsible for the governance and direction of the school, the use of school resources and the management of budgetary allocations made to the school by the Minister. To discharge its duty in this regard, the Board should ensure that there is an adequate system of control, delegation and accountability in place to ensure the smooth and efficient operation of school services and school administration. While the Board may delegate many of its responsibilities to the Principal and in some circumstances to sub committees of the Board, it must remain aware of its responsibilities and of its accountability to the Minister. (S 2.1 GM C & C)

7. It is the duty of the Board to manage the school on behalf of the Patrons. In carrying out this duty the board is obliged to consult with and keep the Patrons informed of decisions and proposals of the boards. (S 2.12 GM C & C)
8. The Board is accountable for all activities carried on under its auspices including those activities not financed or controlled by the Department. (S11.1 GM C & C)
  - a. It is the responsibility of the Board to establish its own system of monitoring to ensure that proper budgetary control mechanisms and procedures are in place to ensure that expenditure is planned, monitored and controlled so as to ensure that the approved financial allocation is not exceeded (S 8.3 Gm C & C)
  - b. The Board must keep such books and accounts as are necessary to ensure good management, comply with any requirements set down by the Minister from time to time and satisfy any legal requirements of the Board. (S 11.2 GM C & C)
  - c. These books must be kept on the school premises and be available for inspection by Department officials and officials from the FSSU. (S 11.2 GM C & C)
  - d. External school Accountants/Auditors are requested to prepare the annual school accounts to the 31st August. The annual school accounts should be formally adopted by the Board of Management before submission to the FSSU by the 28th February following the year end. (S9.2 GM C & C )
  - e. The Board must submit the annual school budget to the Department of Education & Skills for the following financial year by the 30th June each year. (S7.2 GM C & C)
  - f. The Board should ensure that there are adequate controls over bank accounts (S 20.6 GM C & C)
  - g. There should be two signatories for all school cheques drawn from a panel approved by the Board for the purpose, one of whom should be the Principal (18.1 GM C & C)
  - h. All financial decisions in relation to the school must be authorised and ratified by the Principal.
9. Boards should set-up and operate a Finance Sub-Committee of the Board of Management to monitor school systems and school finances more closely. (S 12.3 GM C & C)
10. It is the duty of Principals and Boards of Management to ensure that expenditure on travel and subsistence is strictly appraised and monitored and only essential travel is undertaken and that every effort is made to keep expenditure to a minimum (S23.2 GM C & C)
11. The general indemnity (State Indemnity) to community and comprehensive schools is set out in the Second Schedule to the Deed of Trust. (S25.2 GM C & C)
12. The Boards of Management of schools with sports complexes must satisfy themselves that there are adequate controls in place over the operation of these complexes. (S26.1 GM C & C). Audited accounts should be presented to the Board for approval and submitted to the Department annually not later than six months after the year end. (S26.4 GM C & C).

13. The Board is responsible and accountable for all fund raising carried out under its auspices and appropriate control arrangements should therefore be put in place. (S29.2 GM C & C)
14. The Board must ensure that the school is in compliance with taxation laws and ensure that all tax liabilities are paid on or before the relevant date due (S 2.23 GM C & C)
15. Under the Charities Act 2009 there is a requirement for each Board to have its school registered with the Charities Regulatory Authority (CRA) and to verify this information once a year. (S 4 GM C & C)
16. All proposals for lease, rental of equipment and rental/lease of additional facilities or accommodation must be submitted to the Department for advance approval. (S21.6 GM C & C)
17. Third party use of the school facilities should be formally approved by the Board of Management (S 24.1 GM C & C)

While the Board may delegate many of its responsibilities to the Principal and in some circumstances to sub committees of the Board, it must remain aware of its responsibilities and of its accountability to the Minister.