

This summary document consists of key financial control areas, which are intended to serve as a guide for new Principals to develop and implement best practice internal financial controls within their schools.

This list is not an exhaustive list but is meant to highlight the key areas that a new Principal needs to be aware of starting in their role.

Further guidance on internal financial controls can be found [here](#).

Key Internal Financial Control Areas

Governing Documents	
-	Governance Manual for Primary School 2023-2027 Governance-Manual-2023-2027.pdf
Board of Management	
-	Board should meet every 5/6 weeks.
-	Finance must always be on the board agenda
-	All board members should be given a copy of the financial reports at the main board meeting. It is not envisaged that the financial reports are reviewed in detail at the main board meeting by the full board; detailed analysis of the reports is the function of the treasurer and Principal. The financial reports to be presented to the board are: 1. List of balances on all school bank and cash accounts 2. A bank reconciliation statement for each bank account 3. List of payments and receipts for each bank account 4. Income and Expenditure Account Report showing actual versus budgeted figures 5. Balance Sheet Report (if using automated accounts package) 6. List of all creditors/accruals 7. Summary of income/grants received in advance for the next school year and prepayments 8. Capital Income and Expenditure Account Report
-	All board members are provided with a copy of the financial reports, and these are collected and shredded after the meeting. One copy is retained with the board minutes.
Further information can be found on our website here: School Management - FSSU	
Annual Accounts	
-	Ensure that the annual accounts are prepared for the external accountant on a timely basis.
-	2 signatures on the final accounts - must be chairperson and treasurer.
-	Final accounts submission to be made to the FSSU by 28th Feb each year.
-	A copy of the approved annual accounts should be forwarded to the patron yearly.
-	A financial report should be provided to parents of students in the school. This should be prepared by the external accountant as part of the preparation of annual accounts.
Charity Regulation Authority (CRA)	
-	The registered Charity Number of the school should appear on the headed paper, website and any fundraising material of the school and the parents' association.

-	The board must ensure that board member details are correct on the CRA account. Any changes should be made promptly.	
-	The board must ensure that the annual return information is verified by the authorised filed before 30th June each year on the CRA account. Any amendment necessary should be made and the FSSU informed of any amendments.	
-	The school should maintain a register of volunteers.	
Further information can be found on our website here: Charities Regulator		
Fundraising		
-	Any fundraising activities should be approved in advance by the board.	
-	The board should carry out any fundraising activity in accordance with fundraising guidance issued by the CRA.	
Further information can be found on our website here: Fundraising		
School Budget		
-	Request a copy of the current year budget	
-	The budget for the next school year should be prepared and approved by the board by June each year.	
-	Monitor spend against the budget on a monthly basis.	
Further information can be found on our website here: Budget - FSSU		
Expenditure		
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-	The Principal should sign off on purchase orders.	
-	All large amounts must be approved by the board.	
-	The school obtains 3 quotes for purchases and goes to e-tender for purchases over €50,000. All quotes to be kept on file.	
-	SPU can support or answer queries on procurement/tendering www.spu.ie	
-	Tax Clearance Certificates should be requested from suppliers who exceed €10,000 a year in payments.	
Further information can be found on our website here: Procurement/ Purchasing - FSSU		
Bank Accounts		
-	Consider reducing the number of bank accounts to the minimum.	
-	Bank statements must be in the name of the board of management.	
-	Bank statements should be printed, filed and stored in a secure location.	
-	The board should only use business banking online to facilitate 2 approvers of online payments.	
-	The board must approve and implement an electronic banking policy.	
Further information can be found on our website here: Banking - FSSU		
Payments		
-	There must be two cheque signatories/online payment approvers for all school accounts – the chairperson and the treasurer. The chairperson can delegate their approval to another board member but the treasurer <u>must</u> always be one of the approvers on all payments.	
-	The board should start using online banking for all payments if not doing so already. This is more cost effective and efficient for the school.	
-	The board must approve the authorised approvers and update the bank mandate.	

-	When payments are presented for signature, they are accompanied by supporting invoices or other documentation and initialled by the chairperson (or delegate) and treasurer as evidence of approval.	
-	Under no circumstances should a blank cheque be signed by a signatory.	
-	No post-dated cheques, unsigned cheques or partly completed cheques should be used or stored.	
-	No debit card allowed.	
Further information can be found on our website here: Banking - FSSU		
Credit card		
-	The patron must approve the use of the credit card by the school.	
-	The board of management must approve the use of a credit card by the school.	
-	The Principal is the only person that should have a school credit card.	
-	A credit card policy should be developed and adopted by the board of management. The policy should set out the limit, principles, terms and conditions and procedures governing the issue, use, administration and retention of the school credit card.	
-	Credit card statements must be signed off by the Principal and chairperson each month. Supporting documentation must be attached to the statement.	
Further information can be found on our website here: Credit Cards - FSSU		
Petty Cash		
-	One person should be responsible for petty cash.	
-	The petty cash float should be set by the board of management for example €200.	
-	The petty cash expenditure limit should be set by the board of management for example at €50 maximum for each transaction.	
-	Petty cash docket/voucher should be recorded and signed for each petty cash transaction by the person making the claim/receiving the cash and the person responsible for the petty cash.	
-	All petty cash transactions must be recorded in a petty cash book which is balanced off at the end of each month and signed by the Principal.	
-	The school should draw a petty cash cheque to replenish the petty cash funds when needed.	
-	All cash receipts should be lodged intact to the school's main bank account.	
Further information can be found on our website here: Petty Cash - FSSU		
Income		
-	An income solutions system should be introduced to facilitate the handling of payments from parents to schools electronically.	
-	Where cash is received, a receipt must be issued to the individual and must be signed by the person accepting the cash and paying by cash.	
-	The teacher must issue a receipt to anyone from whom money is collected more than €10.00.	
-	The teacher should hand over any money received daily together with the supporting documentation. Before the money is given to the school office it should be fully counted and all coin bagged and ready for lodging.	
-	The money should be counted by the teacher and the accounts person together and a pre-numbered receipt issued to the teacher by the secretary.	
-	A school safe must be in place to keep cash safe.	
-	Two people must prepare the lodgement.	
-	Where possible two people must take the lodgement to the bank.	
-	All cash income must be lodged intact.	

-	The board of management needs to be aware of the maximum cash amount that can be held on the school premises for insurance purposes.	
-	The insurance company must be made aware if a large amount of cash will be on the premises.	
Further information can be found on our website here: Cash & School Income - FSSU		
OLCS guidelines		
-	The Principal should be the approver of the claims submitted.	
-	A second approver should be set up on the system to approve claims where the Principal is on the claim.	
-	The inputter is usually the secretary/clerical officer and must have their own username and password.	
-	Passwords and usernames for the inputter and approvers must be kept securely by the user and never shared.	
-	The board should formally approve the roles of personnel involved in the OLCS and include this in board minutes.	
-	The board should be provided with a copy of Circular 24/2013 Operation Guidelines for boards & staff designated to Online Claims System in Recognised Primary & Post Primary Schools.	
-	A 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.	
-	In accordance with DES Circular 24/2013, absence reports from the OLCS must be distributed to all relevant staff once per term. One copy should be approved by the staff member and returned to be filed. The staff member may retain a second copy.	
-	Backup documentation should be retained securely by the Principal.	
Further information can be found on our website here: On line Claims System (OLCS) - FSSU		
Ring fenced grants		
-	All Ringfenced Grants e.g. ICT, Minor works etc must be spent in accordance with their circulars.	
-	Any unspent COVID-19 PPE or cleaning capitation funds from prior years must be returned to the DE where applicable.	
-	The School Meals grant must be spent in accordance with DSP guidelines. A separate bank account must be maintained where the grant is €10,000 or more per annum.	
-	The Bus Escort grant should be reconciled annually, and this return sent to the DE.	
-	There must be a contract in place for Bus Escort employees.	
-	The correct rate of pay must be in place for the Bus Escort as per DE Circulars.	
-	All capital grants must be spent for the purpose given.	
Further information can be found on our website here: Grants - FSSU		
Free Schoolbook Scheme Grant		
-	Free schoolbook grant can only be spent according to the guidance from the DE.	
-	Parents must not be asked to contribute towards books, copybooks or workbooks.	
-	The grant must be reconciled at the end of the year.	
-	There must be a plan in place for spending the unspent balances.	
-	As a ringfenced grant, any unspent grant at the year-end should be notified to the external accountant and included in the balance sheet of the annual accounts.	
Further information can be found on our website here: Free Schoolbooks Grants - FSSU		
RCT/VAT		
-	The board must be registered for VAT and RCT.	

-	All invoices for repairs and construction should be processed through RCT/VAT on ROS.	
-	The treasurer must review all returns for VAT and RCT.	
-	Capital works must be processed through VAT and RCT.	
Further information can be found on our website here: RCT/VAT - FSSU		
Payroll		
-	Review register of employees and ensure all employees have an employment contract – any HR queries refer to your management body.	
-	Review all rates of pay and working hours for current employees.	
-	The Principal must approve payroll before it is processed.	
-	All payments for small gift benefit (vouchers) must be reported on ROS under Enhanced Reporting Requirements (ERR) (see further information here).	
Further information can be found on our website here: Payroll - FSSU		
Loans & Leases		
-	Relevant approval must be obtained from the trustee/patron and board before entering any borrowing arrangements (including lease purchase, hire purchase or similar arrangements).	
Parents association		
-	A member of school management should attend parents' association meetings and report back to the board.	
-	The Principal should be a signatory on this bank account	
-	The bank statements for the parents' association must be in the name of the school and addressed to the school address.	
-	A summary of transactions of the parents' association should be presented to the board at the end of each school year.	
-	The accounts of the parents' association should be included in the school's final accounts.	
-	Any fundraising activities should be approved in advance by the board.	
-	The level of funds retained in the parents' association bank account should be enough only to meet its on-going day to day costs and activities as approved by its members and by the board. Where fundraising takes place, the proceeds may be lodged in the association's bank account initially but should be transferred to the main school bank account as soon as practicable.	
Further information can be found on our website here: Parents Association - FSSU		
Fixed assets		
-	A fixed asset register should be maintained to safeguard the fixed assets of the school and ensure accountabilities for all such assets.	
-	The board must approve the purchase of fixed assets.	
-	The patron must be informed in advance of any modification to the building or grounds.	
-	The board should satisfy itself that adequate insurance is in place.	
Further information can be found on our website here: Fixed Asset Register - FSSU		
External users of the school premises		
-	External users of the school must be approved by the board.	
-	External users of the school must complete the use of school premises form.	
-	A copy of insurance of such users must be obtained annually.	
Further information can be found on our website here: Use of School Buildings - FSSU		
Travel & Subsistence		
-	The board should approve a travel and subsistence policy.	

-	A Revenue approved claim form should be used.	
-	Civil service mileages rates should be used.	
-	The treasurer must approve the claims of the Principal.	
-	The Principal must approve all claims from school staff.	
-	All tax free payments to employees and board members for T&S must be reported on ROS under Enhanced Reporting Requirements (ERR) (see further information here)	
Further information can be found on our website here: Travel & Subsistence - FSSU		
School tours		
-	A school tour policy should be in place.	
-	All school tours are to be approved in advance by the board.	
-	Travel and accommodation for school tours outside the island of Ireland must be booked through a bonded travel agent.	
-	All payments for the tour outside the island of Ireland are to be paid directly to the travel agent by the parent/student and not collected by the school.	
-	At least 2 teachers should be involved in the organisation of the tour.	
-	The teacher responsible for the tour must prepare a report including a financial report on the school tour and present it to the board within 2 weeks of returning from the tour.	