

Guidance Manual for the Treasurer of a Board of Management in a recognised Primary School

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Welcome

I would like to thank you for becoming treasurer of the board of management. Together with the chairperson and the other board members, the role of treasurer is an important support to the Principal in their day-to-day running of the school and to the board of management in meeting its statutory obligations.

The Team in the FSSU values your contribution as a volunteer and endeavour to support you in this role.

The remit of the Financial Support Services Unit was expanded in 2017 to provide support to school management in the primary school sector. As a statutory body, the board of management must comply with its statutory obligations and operate within a sound governance framework.

Our role includes the provision of guidance and support to school management on all aspects of good financial practice.

Please visit our website www.fssu.ie/primary where you will find information and templates to support you in your role as treasurer.

Training is provided by the FSSU throughout the year through webinars and the provision of training videos. One-to-one training is also available.

Our contact details are listed below and I encourage you to contact us. Send us your contact email and school roll number to primary@fssu.ie. This will ensure that you receive all the guidelines issued and notifications of training webinars.

We are here to provide practical advice and support to you and welcome the opportunity to do so.

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Financial Support Services Unit

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Friday – 9am to 5pm

Introduction

Under the Education Act 1998, the board of management is responsible for ensuring that the financial governance responsibilities of the board are met.

The board must:

- Adhere to the provisions of the Education Act 1998
- Comply with the requirements of the 'School Governance Manual for Primary Schools' issued by the Department of Education every 4 years
- Adhere to the requirements of the Charities Regulator
- Comply with guidance and requirements from the Revenue Commissioners
- Promote and adhere to best financial practice.

Section 12 of the 'School Governance Manual for Primary Schools 2019-2023' relates to the role of the treasurer and states the following:

- *Each board of management shall elect a treasurer from amongst its members*
- *The chairperson, Principal or the teacher nominee shall not be the treasurer*
- *The treasurer shall keep the school accounts and ensure that proper books of accounts are kept in line with best practice guidelines. A bank reconciliation statement for each school account is prepared once a month*
- *The treasurer should monitor all grants from the Department of Education*
- *The treasurer shall present at each meeting of the board an up-to-date statement of the school accounts, giving details of income and expenditure since the previous meeting*
- *The treasurer shall be a signatory on all school bank accounts*
- *The treasurer shall retain vouchers of expenditure for inspection and audit by the school accountant and officials from the Department of Education*
- *All documentation relating to financial transactions and purchasing is signed by the treasurer.*

This list is not exhaustive. However, there is no implication that the treasurer must physically carry out all of the tasks outlined above. Many of these tasks can be delegated, for example to the school secretary, who in many schools maintains the accounting records for the board. It is the responsibility of the school board of management to ensure that the necessary structures are in place as the board is responsible for all business carried out in connection with or on account of the school.

Overview of the main functions of the treasurer

In order to adhere to the above requirements, the following list outlines the main functions of the treasurer. How to carry out each of these functions is explained in detail in the following sections:

1. **Budget preparation for the next school year – [page 4](#)**
2. **Preparing the financial report for the board meeting – [page 5](#)**
3. **Organising the preparation and submission of annual accounts – [page 11](#)**
4. **Overseeing the school's asset register – [page 14](#)**
5. **Ensuring that recommended school internal controls are put in place and followed – [page 15](#)**
6. **Ensuring that the requirements of the Education Act 1998 and of the school's governance document in relation to school finances are fulfilled – [page 16](#)**
7. **Other functions of the treasurer – [page 18](#)**

How to prepare the budget for the following school year

The budget is a useful tool to plan effectively and allocate income and expenditure efficiently. It supports the board in ensuring that planned income and expenditure is occurring and most importantly, allows the board to address any issues in a timely manner.

WHO	WHEN	ACTION POINTS
Treasurer, Principal, Board Members	Term 2	Attend FSSU Budget Training Webinar
Treasurer and Principal	Term 2	Compile draft budget using FSSU template (Expenditure cannot exceed income)
Full board	Term 3	Ratify budget
Treasurer	Term 3	Forward copy to patron/trustee
Treasurer	Term 4	Enter budget figures on next year's monthly reporting template
Treasurer	Ongoing	Review budget against actual figures every month

Further information and budget templates are available [here](#).

How to prepare the financial report for the board meeting

At each meeting of the board, the treasurer presents an up-to-date financial report. This report will be a summary report based on a detailed review by the treasurer, the Principal and another board member if required, of the checklist and the financial reports. Below is a step-by-step guide for the treasurer to prepare the financial report.

STEP 1 - Review of checklist:

It is useful to print out this [checklist](#) for each meeting, tick off the list and date and sign it including any comments. Any issues arising should be included in the treasurer's report to the board.

Financial Reports	Actions	
Bank Balances	<ul style="list-style-type: none"> Check to see if bank accounts have been open or closed during the period If yes have proper procedures been followed? Are the bank balances within the limit set by the BOM? 	YES <input type="checkbox"/> NO <input type="checkbox"/>
Bank Reconciliations	<ul style="list-style-type: none"> Check the bank reconciliations to ensure there are no differences on the reconciliation report. Check the date on the bank reconciliation report to ensure it is reconciled to the accounting period under review. 	YES <input type="checkbox"/> NO <input type="checkbox"/>
Receipts and Payments / Income & Expenditure	<p>This report should show current periods figures, year to date figures, annual budgeted figures, previous year's figures.</p> <ul style="list-style-type: none"> Examine this report in detail and check any unusual or large amounts. Assess that the school is on target to meet its budgetary plan. 	YES <input type="checkbox"/> NO <input type="checkbox"/>
Balance Sheet	<p>This report will show the year to date figures and the previous year's figures.</p> <ul style="list-style-type: none"> Check that the balance sheet balances. Look for additions to fixed assets, changes in debtors and prepayments, changes to creditors and accruals. If there is any balance in the suspense account it should be examined. 	YES <input type="checkbox"/> NO <input type="checkbox"/>
List of Creditors / Accruals	<ul style="list-style-type: none"> If the school is running the purchase ledger system examine the list of creditors to ensure that the school are paying their bills on time. The list of accruals/outstanding invoices should be totalled and check if the school has sufficient funds to pay its liabilities. If the school is currently undertaking any capital works ensure that you receive a list of the outstanding invoices. 	YES <input type="checkbox"/> NO <input type="checkbox"/>
Income received in advance	<ul style="list-style-type: none"> As it has become common practice in many schools to collect the registration fee/voluntary contribution in advance of the next school year. A list should be prepared showing a summary of advance receipts and it is important that these funds are accounted for separately in the accounts. The school will on occasion receive grants for summer work schemes etc. in advance of the work being done therefore this income needs to be identified and accounted for separately. 	YES <input type="checkbox"/> NO <input type="checkbox"/>
Prepayments	<ul style="list-style-type: none"> Examine the list of prepayments to ensure that they have been allocated to the correct period. 	YES <input type="checkbox"/> NO <input type="checkbox"/>
Capital Income & Expenditure Account	<ul style="list-style-type: none"> This report should be given when there is a capital project such as an extension. Summer Works Scheme or major refurbishment in progress. This report should be examined to ensure that the project is running within the budget. 	YES <input type="checkbox"/> NO <input type="checkbox"/>

STEP 2 - Review of financial reports:

- A full set of financial reports should be generated at least three days before the scheduled board meeting
- The school accounts can be processed using the [FSSU Monthly Reporting Template](#) or accounting software using the prescribed FSSU [chart of accounts](#).

The financial reports to be reviewed and a sample of each are outlined below:**A. Balances on all school bank accounts**

It is important that all bank accounts held in the name of the board are included in the treasurer's report to the board of management. Such bank accounts include:

- Main Current Account
- Other Current Accounts
- Deposit/Savings Account
- School Meals Account
- Capital Expenditure Account
- Petty Cash Account
- Loan Account
- Credit Card Account.

A bank reconciliation should be completed each month for each bank account and signed by the treasurer and the chairperson. This will show the closing balances of each bank account and any outstanding cheques.

The parents' association bank account should be presented to the board of management at least once a year and must be included in the annual financial accounts of the board.

Review actions:

- Complete bank reconciliation for each bank account to the end of month date preceding the meeting
- Ensure that there is no difference on each bank reconciliation statement
- Ensure there is a bank reconciliation for each bank account
- Go through the list of payments and receipts and look at backup documentation
- Look at payments to personal names and ensure there is back up
- A sample of invoices should be randomly selected and reviewed by the treasurer to the corresponding payment, invoice and delivery docket
- Was all spending approved?
- Are all bank accounts necessary? It is advised that the number of bank accounts be kept to a minimum. The [chart of accounts](#) used by schools allows for income categories to be identified separately even if the different income streams are lodged to the same bank account
- Ensure that the treasurer and the chairperson sign and date each bank reconciliation
- Have all payments been approved by both the treasurer and chairperson? Has the chairperson delegated their signoff to another board member and if so, has this been included in the minutes?

- If the board is using electronic banking, are the treasurer and chairperson both approving payments? Has the chairperson delegated their signoff to another board member and if so, has this been included in the minutes?
- A guideline on electronic banking is available [here](#)
- Has the credit card statement been signed by the chairperson and treasurer? Are all transactions backed up by a valid receipt? Is spending within the agreed limit?
- Has all grant income due from the Department of Education been received?
- Has ringfenced income been spent only on the purpose intended? For example, the Book Grant.

September Bank Accounts Reconciliation Statement				
Bank Account No.:	123456789	654321000	123589	
Bank Account:	BOI Main	BOI Meals	BOI Deposit	Petty Cash
Enter Opening Bank Balances:	15000.00	5000.00	2500.00	0.00
Opening Balance	This figure is the sum of the amounts on the bank statements as at the beginning of the month and is populated automatically			22,500.00
Total Prior Year Cheques Per Bank	500.00	300.00	0.00	0.00
	Cheques drafted and recorded in prior year and not cashed (This figure is the sum of the amounts for all prior year cheques)			800.00
Lodgements	(This figure is the total of the lodgements extracted from monthly income worksheet)			3,000.00
Payments	(This figure is extracted from payments records above)			5,000.00
Closing Balance	(This figure automatically is calculated)			19,700.00
Enter Closing Bank Balances:	14000.00	4700.00	2500.00	
Bank Balance	This figure is the sum of the amounts on the bank statements as at the end of the month and is populated automatically			21,200.00
Outstanding Cheqs (These figures relate to cheques written by school but not yet cashed therefore do not appear on the bank statement)				
Bank	Description	Cheque no.	Amount	
BOI Main	XYZ ltd	501000	1,000.00	
BOI Main	ABC book	501001	500.00	
BOI Main	BOI Meals	BOI Deposit	Petty Cash	-1,500.00
1,500.00	0.00	0.00	0.00	
Reconciled Balance	(This figure is relates to the bank balance less any outstanding cheques not cashed)			19,700.00
BOI Main	BOI Meals	BOI Deposit	Petty Cash	
0.00	0.00	0.00	0.00	
Unreconciled Difference	(This figure should be reconciled to 0.00 before being presented to the BOM)			0.00
				All Banks Reconciled <input checked="" type="checkbox"/>
Reviewed By Treasurer of the Board of Management:		Reviewed By Chairperson of the Board of Mangement		
Date:	_____	Date:	_____	
Signed:	_____	Signed:	_____	

Figure 1: Extract from a Bank Reconciliation Statement from the [FSSU Monthly Reporting Template](#)

B. Income and Expenditure Account v Budget Report

This report details all income and expenditure that went through the school bank accounts in the last month. Each income and expenditure amount are categorised into a code using the FSSU [chart of accounts](#).

Review actions:

- Review each figure to ensure that each figure looks reasonable
- Look at the difference between what has happened and what was budgeted. If expenditure, for example, of stationery has exceeded the budgeted figure, this will need to be addressed by cutting expenditure elsewhere or increasing income. Ensure the bottom line is still in a surplus/breakeven position.

REPORT 3: YEAR TO DATE ACTUAL VERSUS BUDGET		Input/Import			
Nominal Code		Year to Date	Budget	Year to Date v Budget 2021/2022	Year to Date v Budget 2021/2022
SCHOOL INCOME		Actual	2021/2022	Difference	% Difference
3010	Capitation/Non Pay Budget	18,300	18,300	-	0%
3020	DEIS Grant	-	-	-	0%
3050	Ancillary/School Support Services Grant	17,300	17,300	-	0%
3140	Special Education Equipment Grant	650	-	650	0%
3150	Book Grant Income	1,200	1,200	-	0%
3230	ICT Grant	5,150	5,000	150	3%
3275	Minor Works Grant-Non Capital	6,850	6,850	-	0%
3281	COVID Capitation PPE Grant	4,500	5,000	-500	-10%
3283	COVID Capitation for Additional Cleaning Grant	3,600	3,000	600	20%
3292	Standardised Testing Grant	530	530	-	0%
3330	Book Rental Scheme Income	5,000	4,500	500	11%
3510	Bus Income	300	250	50	20%
3520	School Musical/Drama Income	400	450	-50	-11%
3530	School Tours Income	500	480	20	4%
3531	School Swimming Income	450	475	-25	-5%
3535	Student Insurance Income	750	700	50	7%
3572	School Arts and Crafts Income	2,000	1,850	150	8%
3575	Unrestricted School Fundraising (Non Capital)	1,700	1,500	200	13%
3650	Voluntary Contributions	2,150	2,000	150	8%

Figure 2: Extract from Report 3- YTD Income & Expenditure v Budget from the [FSSU Monthly Reporting Template](#)

C. Capital Income and Expenditure Report

Where the board has undertaken a capital project such as a building project, it is important that the related income and expenditure for this project is separately monitored.

Review actions:

- Review each figure to ensure that each figure looks reasonable
- Is the board still operating within the income ringfenced to fund this project?

CAPITAL AND RESERVES REPORT													
CAPITAL INCOME	September	October	November	December	January	February	March	April	May	June	July	August	Total
DE Capital Building Grant Income	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000
Capital Projects Fundraising Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Parents Contribution to Capital Projects Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Patron/Trustee Contribution to Capital Projects Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Capital Projects Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Covid Minor Works Capital Grant Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Donations Income	-	-	-	-	-	-	-	-	-	-	-	-	-
DE Fixtures, Fittings & Equipment Grant Income	-	-	-	-	-	-	-	-	-	-	-	-	-
DE ICT Grant Capital Income	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL INCOME	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000
CAPITAL EXPENDITURE	September	October	November	December	January	February	March	April	May	June	July	August	Total
DE Capital Building Grant Expense	8,500	-	-	-	-	-	-	-	-	-	-	-	8,500
Covid Minor Works Capital Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Building Fundraising Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Parents Contribution to Capital Building Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Patron/Trustee Contribution to Capital Building Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Capital Building Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Donations Building Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
DE Fixtures, Fittings & Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
ICT Grant Capital	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE	8,500	-	-	-	-	-	-	-	-	-	-	-	8,500
NET SURPLUS / (DEFICIT)	1,500	-	-	-	-	-	-	-	-	-	-	-	1,500
TOTAL NET SURPLUS / (DEFICIT) including CAPITAL	1,575	- 3,705	- 4,700	- 1,625	6,375	- 5,805	12,990	2,350	- 2,750	6,130	- 1,940	- 1,140	7,755

Figure 3: Extract from Report 2 - Income & Expenditure of Capital & Reserves from the [FSSU Monthly Reporting Template](#)

D. List of all creditors / List of accruals / Summary of income received for next school year and prepayments

In order for the board to be able to anticipate future cashflow and have a true view of the current financial situation, it is important to list invoices that have been received and are not yet paid, or are due to be received. This list can be compiled each month by retaining all such invoices and a list of invoices due to be received, in a separate folder.

Similarly, the board should be aware of any income that has come in to the bank account in the current school year, but which actually relates to the next school year. This can happen in the last term, for example, where book rental money for next year may be collected before the end of the current school year.

Review actions:

- Are the invoices addressed properly to the board?
- Has the work been completed satisfactorily?
- Have the anticipated costs been approved by the board?
- Has all income received in advance been separated into its own code?

E. Payroll Report

The 'Gross to Net' report from the payroll system of the school should be reviewed and signed off by the Principal and the treasurer. This report details the gross pay of each employee and shows what has been deducted for tax, PRSI, USC and any other deductions, leading to the net amount, which is the amount that the employee receives.

Review actions:

- Are all board employees listed on the payroll reports?
- Has the work been completed satisfactorily?
- Have any changes to pay rates been approved by the board?
- Have payments to selection committee members been processed through payroll?
- Do all employees have a contract of employment?
- Has the PAYE/PRSI/USC been paid over to Revenue?

STEP 3 - Presenting the finance report to the board of management meeting:

When the treasurer has completed their review with the Principal, and another board member if required, a summary of the important issues should be compiled and presented to the full board. At a minimum, the report should contain:

- Reconciled bank balances on all bank accounts
- Total income and expenditure for the year-to-date and if this is within budget
- Capital project update if applicable
- Outstanding invoices and creditors
- Any issues the treasurer has identified as part of the detailed review
- The treasurer should address any questions from the board members
- The report should be formally approved by the board and noted in the minutes.

Note: All board members should be given a copy of the financial reports at the board meeting. As the financial reports contain confidential information, it is recommended that they are collected at the end of the meeting. One copy of all the financial reports shall be filed with the board minutes and all other copies of the financial reports shredded. It is not envisaged that the reports are reviewed in detail by the full board, this will already have been done by the treasurer and Principal and another board member if required.

How to organise the preparation and submission of annual accounts

- Each board of management is required to submit a copy of the annual accounts to the FSSU by the 28th of February each year to ensure compliance with Section 18 of the Education Act 1998. The annual school accounts should be formally adopted by the board of management before submission to the FSSU. A copy of the approved accounts should be forwarded to the patron
- All boards must engage an external accountant to submit annual accounts on their behalf to the FSSU are deemed to be in compliance with the requirements of Section 18 of the Education Act 1998, the annual reporting requirements of the Charities Act 2009 and the Central Statistics Office statutory requirements
- Boards must prepare their accounts using the accruals basis for accounting and present the accounts in the FSSU standard format. External School Accountants are required to prepare the accounts in a format required by the FSSU
- The treasurer ensures that all accounts and documentation are prepared for the external school accountant at the end of the school year
- When draft accounts have been completed by the external accountant, they are presented to the board for formal ratification and a copy sent to the patron
- The board must ensure that the annual accounts are approved and submitted to the FSSU by the 28th of February each year.

The table below will assist in preparing the records for the external accountant:

Checklist for Year End Preparation	Done
<ul style="list-style-type: none"> ● Print off all bank statements from September 1st, 202X, to August 31st 202Y ● Opening Bank Balances – check amounts recorded at 01/09/202X are correct and outstanding cheques brought forward from previous year are correct ● Closing Bank Balances – check amounts recorded at 31/08/202Y are correct and ensure all bank reconciliations are complete to August 31st 202Y ● Uncashed cheques – review out-of-date cheques i.e., if dated more than 6 months old, request the bank to put a stop on them and write them back i.e., cancel them in the accounts ● Ensure all payments and receipts have been posted to the correct codes on the template for the period 1st September 202X to the 31st August 202Y for all bank accounts held in the name of the board 	
<ul style="list-style-type: none"> ● Review all transactions posted for the year - run a <i>Payment and Receipt</i> transaction report and review transactions for accuracy and consistency <ul style="list-style-type: none"> ➤ Review the list of outstanding payments and receipts on the bank reconciliation to ensure they are accurate ➤ Any duplicate/incorrect entries should be corrected 	
<ul style="list-style-type: none"> ● Ensure that the balance in the petty cash equates to the amount of cash held in the safe on 31st August 202Y and that all back up documentation is on file 	
<ul style="list-style-type: none"> ● Ensure that the balance on the credit card account equates to the amount owed on the bill on 31st August 202Y and that all back up documentation is on file 	
<ul style="list-style-type: none"> ● Review unpaid supplier invoices and provide your accountant with a list of all supplier invoices and any other amounts owed by the board relating to the financial year 202X/202Y which are unpaid on 31st August 202Y ● Review payments made in advance i.e. Insurance, maintenance contracts other annual payments and give details of each to your accountant 	
<ul style="list-style-type: none"> ● Review income received in advance of the next school term e.g., the book rental scheme income etc., Grants received in advance etc., and provide your accountant with details of such receipts 	
<ul style="list-style-type: none"> ● Payroll reports – ensure correct categories are selected for employees and Revenue payments are broken down in the correct payroll categories if possible ● Review amounts paid to Revenue for Payroll taxes, VAT/RCT ● Ensure all payments to Revenue are recorded correctly under the appropriate categories on the template ● Provide your accountant with copies of Revenue returns for: <ul style="list-style-type: none"> PAYE/PRSI – amounts paid and due to Revenue VAT/RCT – amounts paid and due to Revenue 	
<ul style="list-style-type: none"> ● Review the income and expenditure analysis for ringfenced grants and ensure they are correctly categorised. Provide the accountant with details of unspent ringfenced grants at the year- end. e.g., Book Grant 	
<ul style="list-style-type: none"> ● Parents Association bank account: ensure all financial documentation is made available to the accountant for inclusion in the annual financial account i.e., bank statements and any supporting documentation for expenditure. 	

Below is a suggested timeline that will assist in meeting the February 28th deadline:

School Annual Accounts Preparation Stages	Date Deadline
The board supplies all necessary financial information to the external school accountant for the school year ending on the previous August 31 st	September 30 th
The draft annual accounts are returned by the external school accountant	November 30 th
Once the board is satisfied that the accounts are an accurate reflection of the school's financial situation, they are formally ratified by the board, signed by the chairperson and one other board member	December 31 st or earlier as required by the patron
External school accountants/auditors are required to access a secure online cloud-based system and to input the school trial balance and to upload a PDF copy of the approved annual accounts	February 28 th

How to oversee the school's asset register

Fixed Asset Register

The treasurer should ensure that a system is in place to track assets such as ICT equipment and any other high value items. All schools should maintain an asset register, which contains details of significant equipment and capital items. The register should be kept up to date and should include significant equipment and capital items acquired by the school which are intended for use on a continuing basis for more than one year. This list should be checked and updated regularly, with the addition of any item once it has been invoiced to the school.

It is good practice for a physical count be carried out at least once a year and that someone other than the person maintaining the register should do this. Discrepancies between the physical count and the amount recorded in the register should be investigated promptly.

A fixed asset register will help the school to manage the effective utilisation of its assets and to plan for their replacement. However, it will also:

- form an important part of the school's procedures for ensuring that staff take responsibility for the safe custody of assets
- enable school management to undertake independent checks on the safe custody of assets, as a deterrent against theft or misuse
- help the external auditors to draw conclusions on the financial statements and the school's financial systems
- support insurance claims in the event of fire, theft or other losses.

A sample Fixed Asset Register is available [here](#) and an example is provided below:

Sample Assets Register						
Quantity	Item	Cost	Date Purchased	School Dept.	Where Kept	Identity No's.
	COMPUTERS					
2	HP 7500	€4,800.00	04/08/20XX	IT	Rooms 10,34	C/CP/1-2
3	HP 7300	€3,120.00	03/11/20XX	Staff.	Rooms 11,35	S/CP/1-3
1	HP 7500	€1,100.00	04/08/20XX	IT	Principal's Room	CP/1
2	Dell 2100K	€2,820.00	04/01/20XX	Staff.	Rooms 13,47	Ad/L/1-2
	OFFICE EQUIPMENT					
1	Canon 3060 Printer	€9,680.00	03/08/20XX	Staff.	Secretary Room	T/CV/1-16
	AUDIO-VISUAL					
5	Sony 21" TV	€2,250.00	01/01/20XX	A/V	Rooms 9,10,25,32,34	TV 1-5
3	Sony DVD Players	€750.00	03/03/20XX	A/V	Rooms 9,25,32	DVD 1-3
2	Sony Video Recorders	€480.00	05/09/20XX	A/V	Rooms 10,34	VR1-2
7	O/H Projectors	€2,600.00	02/03/20XX	Education	Rooms 1,2,3,6,7,12...	O/H P 1-7
20	Interactive White Boards	€11,120.00	03/08/20XX	Class	Store Rooms	T/BS/1-20

How to ensure that recommended school internal controls are put in place and followed

- Send your contact email and school roll number to primary@fssu.ie. This will ensure that you receive all the guidelines issued and notifications of training webinars
- Payment procedures – make sure that the approval of payments on the banking system/cheques is done by both the treasurer and chairperson or the treasurer and the chairperson delegee. If the board is not already operating electronic banking, this should be brought to the board and initiated
- Procedures for the receipt of money – make sure there are manual or electronic receipts in place. Lodgements should be made intact, and a breakdown of lodgements recorded in the records. Cash should be kept to a minimum, there are several online collection systems available to schools
- Purchasing procedures – all ordering should be approved in advance
- Tendering procedures should be followed to ensure that best value for money is achieved
- Three quotes should be obtained where possible for purchases and for large projects, e.g. purchase of white boards for the full school. Please contact the [Schools Procurement Unit](#) for assistance with tendering and access to existing OGP contracts - procurementssupport@spu.ie
- Payment of wages – pay rates are approved by the board. All payroll reports should be reviewed monthly
- Control of stock and assets – ask teachers and cleaners/caretakers to carry out a stock count each term
- The treasurer should review the financial information systems within the school to ensure that the board has adequate information upon which to make decisions and to satisfy itself that the school finances are being managed in such a manner, as to meet its obligations to the school community, the patron, the Department of Education and other interested parties such as the Revenue Commissioners
- The treasurer will have access to all accounting records held by the school such as original bank statements, correspondence, invoices, asset register and payroll records
- The FSSU provides templates and guidelines on all financial internal controls. Please see our website www.fssu.ie. If there are any specific requirements, please contact us and we will assist you.

How to ensure that the requirements of the Education Act 1998 and of the school’s governance document in relation to school finances are fulfilled

The ‘*School Governance Manual for Primary Schools*’ outlines the duties of the board in relation to financial governance. Further to the requirements mentioned already in this document, the manual also refers to obligations of the board to the requirements of the **Revenue Commissioners** and the **Charities Regulator**.

The Revenue Commissioners

For boards of management, there are two main areas of compliance with the Revenue Commissioners that should be monitored by the treasurer:

1. PAYE/PRSI

The board of management is the legal employer of all employees in the school. The board of management is responsible for ensuring that all employees receive certain basic employment rights. These rights are governed by detailed employment legislation. As the legal employer the board of management is responsible for ensuring that all payments made by the school, comply with PAYE/PRSI/USC regulations.

Review Actions:

- The school should be operating a payroll software package or have the payroll function outsourced
- Ensure all payments made to employees are Revenue compliant. Make deductions at source of PAYE, USC and PRSI from payments made to employees and remit deductions to Revenue
- Ensure all payments made to selection committee members, tutors, coaches etc. are Revenue compliant. Make deductions at source of PAYE, USC and PRSI from payments made and remit deductions to Revenue
- Keep and maintain, in paper or electronic format, a register of all employees
- Notify Revenue of all new and ceased employees in the school
- File and pay all Revenue payroll returns on time.

Further information can be found [here](#).

2. Relevant Contracts Tax and Reverse Charge VAT

A school board of management, in its capacity as a body established by statute and funded wholly or mainly from funds provided by the Oireachtas, is designated as a “Principal Contractor”.

This means that a board of management is responsible for complying with RCT requirements and VAT returns when making payments relating to ‘construction operations.’ Revenue has introduced a mandatory electronic RCT system with effect from January 1, 2012, for all principal contractors. From that date all filings and notifications to Revenue by a principal contractor must be done through the Revenue Online (ROS) system.

Under section 20 of the Finance Act 2011, new regulations have been introduced which affect the tax treatment of payments to contractors engaged by schools on “Construction operations”.

Review Actions:

- The school should be operating ROS or have the RCT/VAT function outsourced
- Ensure all payments made to contractors are Revenue compliant. This includes all repair work - it is not just applicable to capital building works
- Keep and maintain, in paper or electronic format, all relevant records
- Notify Revenue of all new and ceased contracts
- File and pay all Revenue returns on time.

More information can also be found on the FSSU website by clicking [here](#).

The Charities Regulator

The Charities Regulator is Ireland's national statutory regulatory agency for charitable organisations. Under the Charities Act 2009, all recognised schools in Ireland are charities and are required to register with the [Charities Regulator](#).

The treasurer should ensure that the school has obtained its Registered Charity Number (RCN) from the Charities Regulator.

Review Actions:

- Ensure that the annual accounts are submitted on time to the FSSU. Compliance with this deadline ensures compliance with CRA requirements for annual financial data
- Ensure that the CRA is informed of any changes to board member details
- Ensure that the RCN is displayed on the school website, fundraising material and headed paper
- Ensure the Charities Regulator is informed in writing of an offence, where in your opinion and having reasonable grounds for believing an offence under the Criminal Justice Theft and Fraud Offence Act 2001 has been or is being committed.

The CRA has issued a detailed guideline for charity trustees called 'Guidance for Charity Trustees' which is available on www.charitiesregulator.ie.

Fundraising

It is critical that schools carry out all fundraising in an open, transparent, honest, respectful and accountable manner.

Funds given to charities can include money but can also include property and assets of any sort.

The funds provided to charities will usually fall into one of the following three categories:

1. Restricted funds
2. Unrestricted funds
3. Designated funds.

The board must adequately identify, distinguish and report upon unrestricted, restricted & designated income to enable adequate reporting upon both income and reserves. The external school accountant will code these items at year end but will need to be made aware of them.

The CRA has issued a detailed guideline for charities - [Guidelines for Charitable Organisations on Fundraising from the Public](#).

Other functions of the treasurer

- To ensure the board does not enter any financial commitment for which there is no provision – any loans or overdrafts or finance leases require advance patron approval
- All lease arrangements/loans are approved and monitored
- All payments and procedures for the hire of school property or equipment are monitored e.g. sports hall, computer facilities
- Adequate insurance is in place for the buildings, contents, and that other insurance requirements such as public liability are in place
- To ensure that written approval is obtained from the patron for any capital works. Proper tendering procedures for capital projects must be followed. Further advice on this can be obtained from www.spu.ie
- Ensuring the proper disbursement of book grants in accordance with [Circular 46/2013](#)
- Ensure that the Online Claims System operates as per [Circular 24/2013](#) – **Operational Guidelines for Boards of Management and Staff designated to operate the Online Claims system in recognised primary and post primary schools.**
(See Appendix 2)

Appendix 1: Department of Education Grants Payable to Primary Schools

The grants are calculated based on the enrolment numbers submitted annually by the board to the Department of Education.

The amount per grant for the current year is available on the [FSSU website](#).

When the school receives a grant, they will get an email notification from the Department of Education outlining what the money is intended for. The Department of Education can also be contacted at remittance@education.gov.ie. Quote your roll no. in the email and they can confirm what grants you received such as Capitation Grant, Minor Works grant or Book Grant.

Capitation Grant

- The standard Capitation Grant is paid in two instalments – 70% in January & 30% in June each year
- The grant is based on a minimum enrolment of 60 pupils
- Special schools and mainstream schools who have special classes receive enhanced rates.

N.B. Where the school's enrolment increases or decreases, the January payments are calculated on the prior year enrolment and the full adjustment for current year enrolment is applied to the June payment.

Ancillary Grant

- The Ancillary Grant is paid in March each year
- The grant is based on a minimum enrolment of 60 and a maximum of 500
- Special schools receive the grant based on the number of full-time teachers.

Minor Works

The Minor Works Grant is normally paid in December each year.

Book Grant

- The Book Grant is based on a minimum enrolment of 60
- It is paid in one instalment in April each year.

DEIS Grant (DEIS Schools only)

- The DEIS Grant is paid in June of the prior year
- Schools included in the School Support Programme under DEIS receive a grant which is based on the level of concentrated disadvantage in each school and the school's enrolment.

Queries in relation to the DEIS grant should be directed to the [Social Inclusion Unit](#) in the Department of Education.

Standardised Testing Grant

The Standardised Testing Grant is usually paid in April each year.

Appendix 2: Online Claims System Guidelines

1. Introduction

The Department of Education have issued [Circular 24/2013](#) – ‘**Operational Guidelines for Boards of Management and Staff designated to operate the Online Claims system in recognised primary and post primary schools**’. The purpose of this Circular is to update school management authorities and staff on the procedures and recommendations regarding the different absences of staff which must be returned to the Department of Education on a fortnightly basis. It is also the basis for recording the employment details of substitutes and facilitates their payments. The procedures and recommendations outlined shall be implemented at all times.

[Financial Guideline P09 – 2021/2022](#) outlines the details of the Circular, highlighting new requirements in relation to security and reporting.

2. Security Procedures

Persons authorised to use [OLCS](#) must:

- a) keep their user ID, password, email address and other information secure at all times and not disclose them to anybody including other members of staff
- b) do not reveal passwords to a third party
- c) logout of OLCS before leaving a computer unattended
- d) do not authorise any computer programme to remember their security details.

The OLCS can be accessed through [Esinet](#), which is a secure site. As a security measure, if the OLCS application has not been used for more than thirty minutes, it will automatically log the user out of the system.

If login details are lost or forgotten it will be necessary to authenticate the details provided when first registered on OLCS when requesting new login details.

3. Role of Boards of Management

The Board of Management:

- a) have a responsibility to ensure that at school level the integrity of the system is maintained at all times
- b) should formally approve the roles of personnel involved in the OLCS
- c) must ensure on an ongoing basis that under no circumstances should the same person in a school undertake the role of Data Entry and Approver
- d) should ensure that supporting documentation in relation to information relating to staff absences and employment of substitutes input on OLCS is retained securely in the school with the relevant personnel records i.e. medical certificates, attendance at in-service/in-career courses and applications forms for board approved leave

A short 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.

4. OLCS Roles

There are four distinct roles assigned to personnel at school level to operate OLCS.

These roles are as follows:

a) Data Entry

The role of the person with responsibility for entry of staff absences, reasons for absence, substitute PPS numbers and reasons for employment, is to input the data i.e. input the details of absences of staff members, claims for casual and non-casual staff members and other details to the system.

The role of the Data Entry person is a distinct role and under no circumstances should the same person undertake a dual role on OLCS.

The Data Entry person should not be a person employed as a special needs assistant in the school.

b) First Approver

The role of the First Approver is to verify that the data input by the Data Entry person is correct and to approve the data.

The Approver should always ensure that:

- i) all details, in particular the bank account details of teachers and special needs assistants are input correctly to the system
- ii) a copy of the “Staff Member Set-up Form” is signed by the staff member and a copy retained by the school in the staff member’s personnel file
- iii) the terms of Department Circulars relating to vetting, teacher registration, membership of single pension scheme etc. are being complied with when claims are being made
- iv) supporting documentation e.g. medical certificates and application forms for leave absences etc. have been obtained from the staff member and approved by the board of management where necessary prior to recording the leave details on OLCS
- v) all absences are recorded on OLCS, whether substitutable or not.

c) Second Approver

The role of the Second Approver is to approve the leave/claims in respect of the First Approver’s absences and can also approve data entered by the Data Entry person.

d) Local Administrator

The Local Administrator is an additional role assigned to the First Approver in the school and his/her role is to re-assign data entry roles within the school and to set up new data entry users.

To set up a new approver the “Approver Change Request Form” should be downloaded from the Home page on [OLCS](#), completed and posted to the Department of Education.

The new user ID and password is then issued to the Approver by return of post.

5. Resetting of passwords

An automated system is now available that enables school users to reset their own passwords. It is important that school users record their email address when logging in to use the automated system. This email address should only be used by the registered user.

6. Reports

There is a facility on OLCS to print reports.

If a staff member requires details of their absences the relevant report should be generated, printed and given to the staff member.

A report on all absences recorded on the OLCS should be supplied to each staff member at intervals recommended by the board of management of the school but at least one report should be produced in each school term. Each staff member should sign the absence report and a copy to be retained in the school.

7. Audit Trail

As with all computerised systems, an audit trail of records and the dates and times of transactions are maintained on the system.

The Department is obliged to refer to An Garda Síochána, any fraudulent claims for payment in respect of Substitution or Part-time hours or any falsified records with regard to leave of absence. In these circumstances it will be a matter for An Garda Síochána to determine what action, if any, should be taken and consequently may result in a criminal prosecution.