



Can I implement a new financial system?
If a school wishes to use a new financial system it must seek approval from the Chief Financial Officer first. This includes any type of system that records income or expenditure other than FMS e.g. ParentPay - an online payment portal.
Does this apply to a Foundation school?
Yes, the rules apply to all local authority maintained schools in Milton Keynes that are governed by the Local Management of Schools scheme for financing schools. This includes all community, VA, VC and foundation schools. These rules are not applicable to academies. Schools that have separate Voluntary Funds should note that these rules do not apply to Voluntary Funds as the Local Management of School Scheme for financing schools does not govern these funds.
Where do I find the rules?
Financial Regulations for Schools – Section 7 Accounting: http://www.milton-keynes.gov.uk/schools-and-lifelong-learning/information-forschools/lms/lms-scheme (please see 'Financial Regulations for Schools' Section).
What are the principles behind the rules?
The Chief Financial Officer has a statutory responsibility to ensure that robust accounting systems are in place and that there are adequate systems of control over the recording of income and expenditure. Schools transactions form part of the Council's accounts, so this responsibility includes schools
Are the rules mandatory?
Yes the rules are mandatory. If the Council identifies that schools have implemented financial systems that have not been approved, the Council may instruct the school to take appropriate action, at the school's own cost. If a school has not followed the correct approval process, the Council may regard this as evidence of weak financial management, justifying further action such as issuing a Notice of Concern. The LA may suspend a school's right to a delegated budget if the provisions within the Financial Regulations for Schools are substantially or persistently breached.

What are the key points?

Schools shall use only those local accounting systems that have been approved by the Chief Financial Officer. The Chief Financial Officer is responsible for determining the accounting procedures adopted by the Council. Financial procedures explain the necessary accounting records and procedures. (No variations shall be made to accounting records and procedures without the written agreement of the Chief Financial Officer.)

The following details should be provided on the assessment sheet titled School Systems Assessment form which can be found on the LMS website on the attached link:

<http://www.milton-keynes.gov.uk/schools-and-lifelong-learning/information-for-schools/lms/audit>

and emailed to the Schools Finance inbox before you implement the financial system to obtain the appropriate approval:

- Name of the System
- Name of the company that is providing the system and their contact details
- Nature of the system/brief description of what the system does
- Is the system purchased/leased/regular charge
- Any other costs associated with the system, regular or one-off
- Date system to be implemented
- Benefits of introducing the system

To gain approval for entering such an agreement you should forward a completed school system assessment sheet to the Schools Finance Team as soon as possible.

Where can I get more information and guidance?

Please contact the Schools Finance Team in the first instance on 01908 253088