



## FINANCE COMMITTEE TERMS OF REFERENCE

### The Governing Board, at a quorate meeting, must decide

- The constitution of the committee and its membership
- Procedures for appointing the committee chair – should the chair be elected by the committee or the governing board?
- The committee's terms of reference, including its delegated powers.

### The committee members must ensure

- There is a named chair, elected annually.
- There is an agenda for each meeting, circulated not less than seven days in advance except in instances where the chair calls a meeting as a matter of urgency
- The meetings are properly clerked (the clerk may be a governor, but not the Headteacher)
- Minutes are produced and available upon request. Minutes should be confirmed and signed by the chair of the committee at the next meeting.
- Voting is properly conducted. The chair has a second or casting vote except in where the chair is an associate member (only full governors may have a casting vote)
- Confidentiality is maintained.

### Other requirements

- There must be at least three governors on each committee
- Associate Members may sit on committees provided that the majority of members are governors: the GB will decide what voting rights the Associate Members may have and there must be a majority of full governors present when any vote is taken. Associate Members are statutorily excluded from voting on matters concerning admissions, pupil discipline, the appointment of governors, or the budgetary and financial commitments of the governing board.
- The Headteacher may attend all committee meetings, except those where a conflict of interest may arise
- The GB retains final responsibility for any decisions taken by its committees

#### 1 **Membership**

Not less than three governors plus the Headteacher.

#### 2 **Quorum**

Three governors including the Headteacher.

#### 3 **Meetings**

At least once per term, and at other times as required by the chair of the committee.

#### 4 **Terms of Reference**

- To provide guidance and assistance to the headteacher and governing board in all matters relating to budgeting and finance, with reference to the DCFS Financial Management Standard in Schools
- To review regularly the detail of the financial procedures agreed by the governing board.
- To prepare and review financial policy statements, including consideration of long- term planning and resourcing.
- To consider each year's School Improvement Plan (or post-OfSTED Action Plan)

priorities, and to draw up an annual budget plan for approval by the full governing board.

- To prepare and review the Statement of Internal Control prior to consideration by the whole Governing Board.
- To prepare and approve Charging Policy
- To prepare and complete the School Financial Value Standard for approval by the full governing board.
- To prepare and approve Write Off /Disposals Policy
- To review and approve the Annual Asset Register and Stock Check
- To monitor income and expenditure of all funds and to report the financial situation to the full governing board each term.
- To monitor the impact of spending decisions upon educational achievement in the school. To ensure the audit of unofficial school funds.
- To provide the financial information to be included within the school's prospectus, handbook or school profile as required.

**NB Record decisions on the following in the full governing board minutes**

- To recommend for approval by the governing board the level of delegation to the headteacher for the day-to-day financial management of the school.
- To recommend the amount which can be vired between budget headings by the headteacher without prior agreement of the finance committee.