**Sample**

**Canteen Financial Procedures**

*These sample procedures should be adapted for your board of management by customising as relevant. These sample procedures may need to be adapted to align with your board’s other policies and procedures. Likewise other policies and procedures may need to be aligned as appropriate with these sample procedures.*

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| **[SCHOOL NAME]**  **Canteen Financial Procedures** |

Approved by Board of Management: [Date Approved]

Next procedure review date: [+12 Months]

1. **Introduction**

The board of management have prepared this document to ensure that there are adequate controls and procedures in place with regards to the operation of the school canteen.

1. **Cash/Income**
2. Where a float is required, it must not exceed €100 unless agreed otherwise by the board of management. This float will be left in the school safe overnight.
3. A cash register is used to record cash received accurately.
4. All canteen sales are entered on the cash register each time money is received.
5. The cash is counted at the end of each day by two people and reconciled to the total from the cash register, with all coins bagged and ready for lodging. People counting are rotated where possible.
6. The canteen cashier enters the total of the cash received in the canteen diary.
7. The canteen cashier completes the canteen daily cash sheet.
8. The canteen daily cash sheet and money are brought to the office daily.
9. The office checks the cash and the canteen daily cash sheet with the canteen person and issues a receipt to the canteen cashier using the office cash receipts book.
10. The canteen takings are banked on a regular basis and stored in the school safe between banking days.
11. Vending machines are emptied each week by two people, the money counted by them and signed off on the vending machine record book.
12. The vending machine/s cash takings are entered in the office cash receipts book.
13. All money is lodged intact, i.e. no cash to be retained for other purposes
14. Lodgments are completed promptly using an authorised bank lodgement book.
15. **Cashless Canteen System**
16. The canteen till/cash register must be updated to accommodate the recording of the cashless canteen system.
17. User login details such as user IDs and passwords are kept secure and only used by authorised personnel.
18. The money received for the cards is lodged directly into the school’s main bank account.
19. Money received must be clearly identified to allow categorising in the school accounts.
20. The full amount transferred onto the student card is categorized as a liability in the accounts until such time as it is spent in the canteen.
21. The canteen daily cash sheet is updated to include the payment received from the student canteen cards.
22. The total canteen sales (including cash and card) are recognised in the school accounts using the code “3420 School Canteen Income”
23. The balance on the student canteen card is reconciled at the end of the month to the report from the cashless system and recognised as a liability in the accounts.
24. **Purchasing**
    1. The board of management has established a set of procedures governing purchasing and tendering for goods and services. These procedures are followed for canteen purchases.
    2. Any purchase orders above € [x] must be approved by the board in advance.
    3. Where a payment of €10,000 or more is made to the supplier for the provision of goods and/or services in any twelve-month period, a valid Tax Clearance Certificate must be obtained.
    4. All canteen supplier invoices are paid by EFT or cheque. Supplier invoices must not be paid in cash.
    5. Where goods or services have been identified as required in line with procurement procedures, the canteen operator completes the purchase order in full, sign, and give it to the accounts administrator together with any supporting quotations/price documentation.

Details should include:

* Description of goods or service
* Quantity
* Date required
* Cost Centre/code
* Suggested suppliers and pricing
* Approval
  1. The accounts administrator checks the accounts records and budget to ensure that the goods being purchased are within the current budget/requirements for the canteen and will sign the order to this effect.
  2. The purchase order and any supporting documentation are given to the Principal for approval and when the order is certified by the Principal it is returned to the accounts administrator.
  3. The accounts administrator takes note of the order in full in their records and removes the first copy of the order from the book together with any supporting documentation and gives it to the canteen operator.
  4. The order is then placed by the canteen operator. The order number is quoted to the supplier when the order is placed and the supplier is informed that all correspondence, delivery documentation and invoices will only be processed if they comply with this request.
  5. On receipt of the goods/services the canteen operator checks the goods/service for quality, quantity and pricing against the order. The supplier is notified immediately of any discrepancies on any of these issues and a note is attached to the delivery documentation giving the details.
  6. The delivery docket together with the order and supporting documentation is passed immediately to the accounts administrator so that they can update their records for the receipt of the goods. The accounts administrator retains these on file pending the receipt of the invoice.
  7. When the invoice is received the accounts administrator checks it to the purchase order and delivery docket as to quantity and the condition of goods delivered and evidence that the service has been supplied to a satisfactory standard. The pricing and the calculations on the invoice are checked in full. It is checked that the supplier has quoted the order number on the delivery documentation and the invoice.
  8. Where discrepancies arise between the order/ delivery and the invoice these are brought to the attention the canteen operator and the Principal. The supplier is notified in writing.
  9. Invoices which do not quote a purchase order number are returned to the supplier unpaid. The invoice is recorded and held for payment approval.
  10. The checked invoice is then given to the canteen operator for final approval and when they have signed it the invoice is returned to the accounts administrator. The invoice is then given to the Principal for final approval.
  11. The approved invoices are then given to the accounts administrator who will release the invoice for payment.
  12. The accounts administrator prepares the payment of the invoice.
  13. Payment is approved by the [Principal/treasurer] and the second nominated signatory. Both authorisers initial the invoices as approved for payment.
  14. The invoice is marked as paid.
  15. The invoice, delivery documentation and order are then filed in numeric order, by accounting period, and school year.

1. **Payroll**
   1. Canteen employees paid by the board of management are processed through the school payroll.
   2. Contracts of employment are in place for all canteen employees.
   3. The board of management approves all rates of pay and any changes to rates of pay.
   4. Standard rates and hours, and annual leave entitlements for each canteen employee are given to the payroll operator.
   5. Rates of pay must not include rolled up holiday pay (i.e. the hourly rate of pay must not include an element in respect of annual leave, instead annual leave must be paid when the employee is on leave from work, in line with entitlements accrued.)
   6. Standard rates and hours, and annual leave entitlements for each canteen employee are given to the payroll operator
   7. Timesheets are provided for canteen employee use and should be filled out by the employee and submitted to the Principal within an agreed time frame. E.g. if wages are paid in arrears, they may be submitted at the end of the relevant week for payment the following week. At the very least, time should be provided to deal with any questions or issues.
   8. Canteen payroll is processed in line with approved payroll procedures.
2. **Financial reporting**
   1. The canteen operates on a self-financing basis.
   2. Future canteen improvements, repairs and equipment requirements are to be taken into account when preparing school budgets and the board of management will review and agree this annually.
   3. The FSSU chart of account nominal codes should be used to record canteen income and expenses as follows:

* 3420 School Canteen Income
* 4181 Canteen Salaries Expenses
* 4915 Other Canteen Expenses
  1. The [finance sub-committee/treasurer] review the income and expenditure for the canteen to ensure it is not running at a loss, and report to the board on this.

1. **Canteen rented to and managed by an external contract caterer**
   1. The canteen contract is procured in line with Schools Procurement Unit (SPU) guidance.
   2. There must be a signed contract between the board of management and contract caterer.
   3. There must be an agreement in place with the contract caterer if the school is providing equipment to be used.
   4. The arrangement for charging the contract caterer for light, power, heating, cleaning and refuse collection must be included in any agreement.
   5. A copy of the contract caterer’s insurance policy must be received annually and kept on file.
   6. The income received from the contract caterer must be recorded under income code 3350 Hire of facilities.
   7. A receipt must be issued to the contract caterer for payments received.
   8. The board of management must be satisfied that there are procedures in place to ensure that all health and safety and Child Protection issues are covered.
2. **Contacts:**

For questions about these procedures contact the board of management or [insert person/role] by [insert contact details].

1. **Procedure Review:**

These procedures will be reviewed annually and updated where necessary.

Adopted by board of management on [date].

**Signed by the Chair on behalf of the board of Management**

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**Note:**

This document is issued by the FSSU to encourage and facilitate the better administration and management of schools. This guidance is published as part of a suite of guidance, intended to provide support to boards of management, by putting in place systems, processes and policies which ensure schools are managed in an effective, efficient, accountable and transparent way.

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