

Financial Management

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Key

Glossary term: [Glossary term](#)

Cross reference: [Cross reference](#)



Financial Management

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Financial Management

FM 1 Introduction to Financial Management

Do you know how much your ICT provision costs? FITS Financial Management can help you get a handle on it.

FM 1.1

Aim

The aim of this section is to introduce the topic of Financial Management and to help you implement the process in your school with a minimum of preparation and training.

FM 1.2

Objectives

The objectives of this section are to enable you to:

- understand the concept and benefits of Financial Management
- understand what is involved in the process of Financial Management
- understand the roles and responsibilities in Financial Management
- implement a basic Financial Management process in your school
- continue to operate this Financial Management process
- identify useful measurements to gain benefit from the Financial Management process you have implemented
- review your implementation and summarise your progress.

FM 2 Overview

FM 2.1

What is Financial Management?

What is Financial Management?

FITS Financial Management is the tracking and control of the cost of ICT services and support. In its entirety it also covers the subject of cost recovery as a means to place accountability for ICT costs on the users of the service. The purpose of Financial Management is to ensure that the cost of ICT services and support is justifiable and it also helps to identify particularly costly areas that you may want to examine to see if taking a different approach might reduce costs.

Although strictly they are not part of the Financial Management process itself, we have included some ideas for reducing the cost of ICT services and support (see [FM 2.1.1](#)).

Why use Financial Management?

Financial management helps you to record the cost of providing ICT and ICT technical support. This helps you to:

- account for expenditure
- identify costs not budgeted for
- improve the budgeting process
- identify costs that were higher than expected
- identify areas for possible cost reduction
- identify the cause of costs
- implement methods of cost control.

Who uses Financial Management?

Those responsible for ICT budgets use financial management. They should also ensure that all staff involved in providing ICT and technical support are conscious of the need for financial management and that they adhere to the process at all times.

FM

2.1.1

Ideas for reducing the cost of ICT services and support

Standardise

Minimise the variety of different makes and models to:

- make bulk purchases and possible discounts more feasible
- reduce the need for cross-training in different products
- enable a more efficient spares programme.

Go for economies of scale

- Join forces with other schools to create a virtual technical support team, buy in services together or buy in bulk.
- Ask your LEA to co-ordinate services on behalf of all schools in the area.
- Investigate the existence of specialist colleges or other schools with 'specialist' status that may be able to help you.
- Combine ICT with non-ICT services to provide a single service centre instead of separate ones for different services.

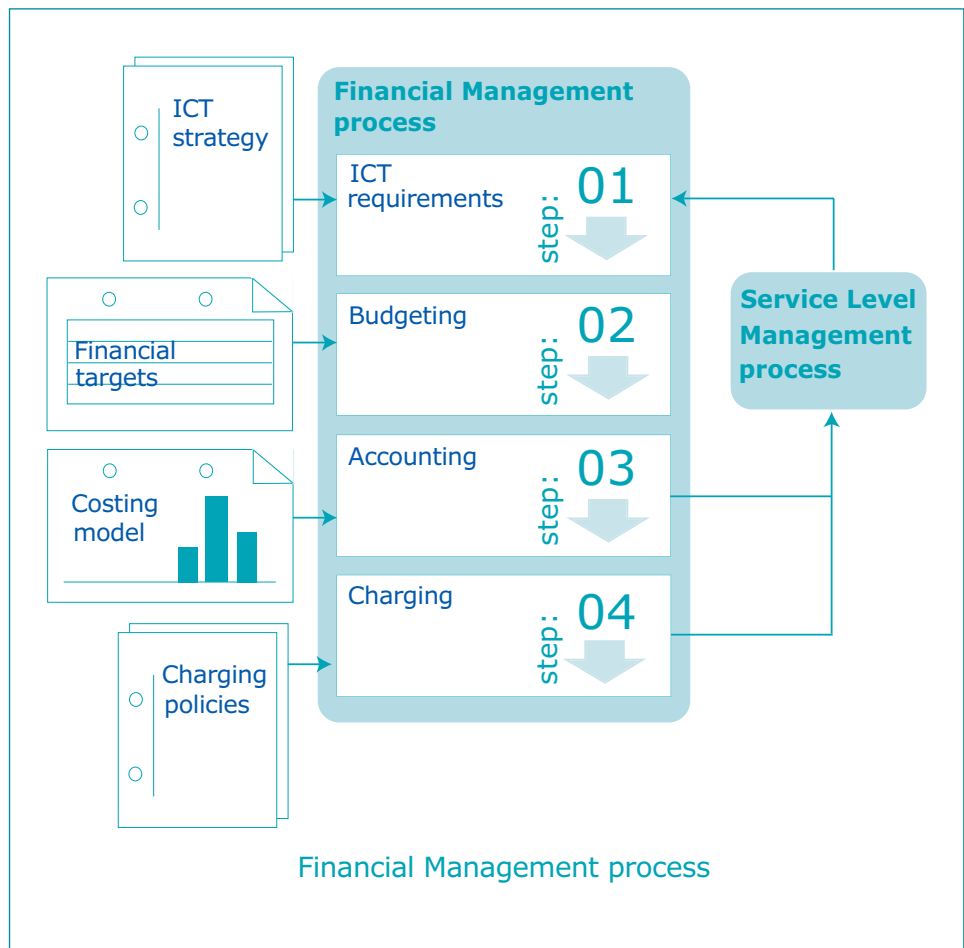
Improve incident management

- Document the solutions to **incidents** so that you can resolve recurrences without involving suppliers or having to pay repeat call-out charges.
- Monitor incident volumes and identify trends and causes to target improvements and reduce support requirements.

See **Incident Management** for further information.

Improve user skills

To avoid costly call-out charges, raise user awareness of simple technical issues such as installing printer cartridges and checking computer connections.



FM 2.2

How Financial Management works

Financial management is an iterative cycle of budgeting and accounting, as illustrated in the Financial Management process flowchart (above).

The budgeting element relates to the planning of expenditure. It can be based on allocated funds or can be used to determine what funds are required. It is usually a combination of the two. When budgeting, it is important to consider all expenditure related to ICT, not just the cost of the equipment itself. The Independent ICT Procurement Advisory Service (IPAS) [<http://ipas.ngfl.gov.uk/>] offers valuable guidance on the procurement process and insight into total cost of ownership (TCO) issues.

The accounting element is concerned with the tracking of actual expenditure. This is then used as input to the next cycle as it gives useful information on costs and how money was actually spent.

Financial management may stop at budgeting and accounting, or it may include charging. This relates to the process of recharging ICT users for the ICT service they receive. It may range from simple charging at cost for equipment and consumables to complex charging for the entire service based on the overall cost including support, administration, shared infrastructure, maintenance, accommodation charges and so on. If the school decides to use a charging policy for ICT services, it cannot take place without budgeting and accounting.

Relationships with other processes

Relationship with Service Level Management

Service Level Management links closely to Financial Management. There may be a difference between desirable and affordable service levels and it is the Service Level Management process that enables a balance to be struck between what the users would like and what is possible with the funds available.

Financial Management is an input to the Service Level Management process as it provides budget and cost information to work with when negotiating service level agreements.

Relationship with Configuration Management

Financial Management interfaces with Configuration Management by way of the asset data in the configuration-management database (CMDB). This data can provide useful information about what equipment has been purchased during the financial period and may help to gather actual costs. The CMDB should also give an indication of when equipment is due to be replaced and should therefore contribute to the budgeting part of financial management.

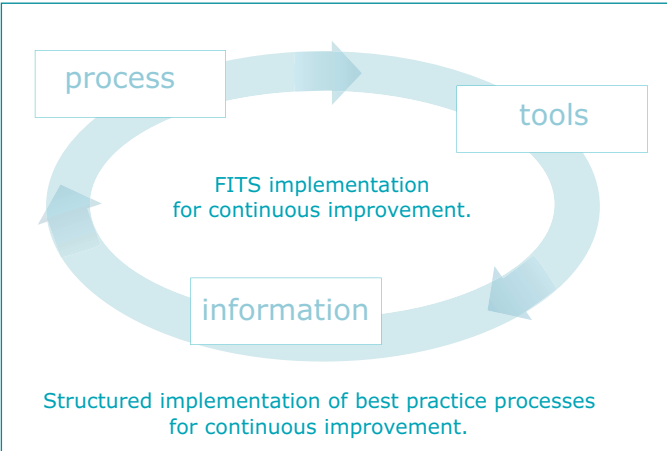
You will see that there is an overlap of data collected for Configuration Management and Financial Management, such as allocation of equipment and date of purchase. In the early stages of best-practice implementation it is acceptable to have some duplication such as this: it is only a small amount and duplication is easier than trying to combine the two processes at this stage. Ultimately you can keep the financial management data in the configuration-management database and eliminate the duplication, but you need not be concerned with that at this stage.

What does Financial Management cost?

Carrying out financial management doesn't cost anything in monetary terms. At most you need a calculator or some spreadsheet software. The true costs are for people and time. As with all the FITS processes, you need someone to be responsible for input and output but it shouldn't be a full-time job.

FM 3 Implementation guide

FM 3.1 Define what needs to be done

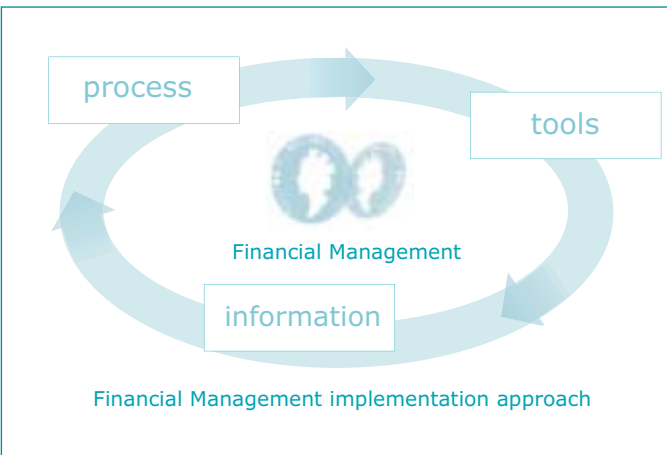


The diagram shows a circular flow of three elements: 'process', 'tools', and 'information'. Arrows connect them in a clockwise cycle. In the center, it says 'FITS implementation for continuous improvement.' Below the cycle, it says 'Structured implementation of best practice processes for continuous improvement.'

As described in the overall FITS implementation approach (see FITS4), we recommend a phased approach to implementing new processes.

FITS Financial Management is for people with little free time to spend on implementing processes and procedures and whose day-to-day activities are unpredictable and must take priority.

Our aim is to help you begin to remove some of the unpredictability by introducing best-practice processes in small steps and so start to realise the benefits as quickly as possible.



The diagram shows a circular flow of three elements: 'process', 'tools', and 'information'. Arrows connect them in a clockwise cycle. In the center, it says 'Financial Management' with a small icon of two people. Below the cycle, it says 'Financial Management implementation approach'.

Process
Introduce Financial Management process by gathering expenditure information

- Record all expenditure

Tools
Keep tools simple and requiring minimum effort

- Use Excel template for expenditure record

Information
Produce expenditure report

- Total expenditure for each category
- Percentage of expenditure attributed to each category

FM 3.1.1 Scope

FITS Financial Management is concerned with the mechanics of budgeting and recording how much money is actually spent. It is not concerned with how purchasing should be carried out or what money should be spent on.

'Total cost of ownership' is a term used to describe what the overall cost of ICT is when other costs such as installation, support, training, consumables, maintenance and administration are added to the initial cost of the actual hardware and software. Visit the Independent ICT Procurement Advisory Service (IPAS) [<http://ipas.ngfl.gov.uk/>] site for guidance on procurement. We recommend that you read this as well as FITS Financial Management to gain a full picture of the financial implications of ICT and how to manage it.

FITS Financial Management aims to give you a quick, short-term plan to take control of expenditure. A good start is to get into the habit of recording all actual expenditure. This can be developed to help you prepare the next ICT budget and you can refine your cost recording method as necessary to support any internal charging policies that you may have. This implementation guide gives you all you need to know to get started in financial management.

Prepare to implement

Good preparation can make the difference between a successful implementation of a process and an unsuccessful one.

Roles and responsibilities	<p>Before you can implement Financial Management you must assign roles and responsibilities to appropriate staff in the school. The section below on assigning roles and responsibilities in financial management (FM 3.2.1) offers some suggestions and guidance.</p>
Training	<p>After you have assigned roles and responsibilities, it is important to ensure that those participating in the implementation and subsequent operation of the process understand what is required of them. Use the TSAS website [http://www.becta.org.uk/tsas/] as part of your training.</p>
Start date	<p>Set a start date. A 'go-live' date is important in any implementation. Make sure that you allow enough time to do all the preparatory tasks before your 'go-live' date.</p>
Communication	<p>Of course, communication must take place within the implementation team, to agree plans, scheduled dates, and so on. However, it is also important to communicate externally and inform the user community of the new process.</p> <p>The implementation of a process can be seen as a change just like the upgrading of a server and the impact on the user community should be communicated to them clearly in advance of the change.</p>
Materials	<p>Before you can go ahead with the implementation, prepare all the materials required for the process. Make sure that you have downloaded the templates you need and that everyone involved has access to them.</p>
Pilot	<p>To pilot the financial management process, it may be a good idea to make one person responsible for recording all expenditure to start with. It may be necessary to restrict purchasing ability to the same person to ensure that all transactions are recorded. In this case you need to make sure that all other members of the team are aware of any changes to previous purchasing rules for the duration of the pilot.</p> <p>Once this process is working effectively with one person, you should then be able to implement it across the team if you wish to give everyone the authority to purchase the necessary items. You may feel at this stage that having one person responsible for purchasing is enough and this is fine. But don't forget about cover for absence: other members of the team should be trained to take over if this happens.</p>
Prerequisites	<p>There are no prerequisites for financial management. The sooner you start to record all the costs of ICT, the sooner you will be able to identify areas where cost reduction may be possible.</p>

Assign roles and responsibilities

Role	Suggested representative(s)	Comments
Financial manager	Person with overall responsibility for ICT and technical support, such as: <ul style="list-style-type: none"> • ICT manager • ICT co-ordinator • network manager • headteacher. 	The role of financial manager is one of financial authority so this is likely to be the person with overall responsibility and accountability for ICT and technical support budget. They will also be privy to sensitive data such as staff costs.
Financial administrator	Person authorised to spend money, as determined by policy in the individual school. This may be, for instance: <ul style="list-style-type: none"> • a technician • a teacher • the ICT manager • the ICT co-ordinator • a classroom assistant. 	Anyone with authority to spend against the ICT/technical support budget must assume the role of financial administrator. They must notify the financial manager of their expenditure.

For further details see also [FM 5 Roles and responsibilities](#).

Implement

This section describes how to set up a simple expenditure record and track ICT costs.

- Step 1: Create expenditure record
- Step 2: Record expenditure

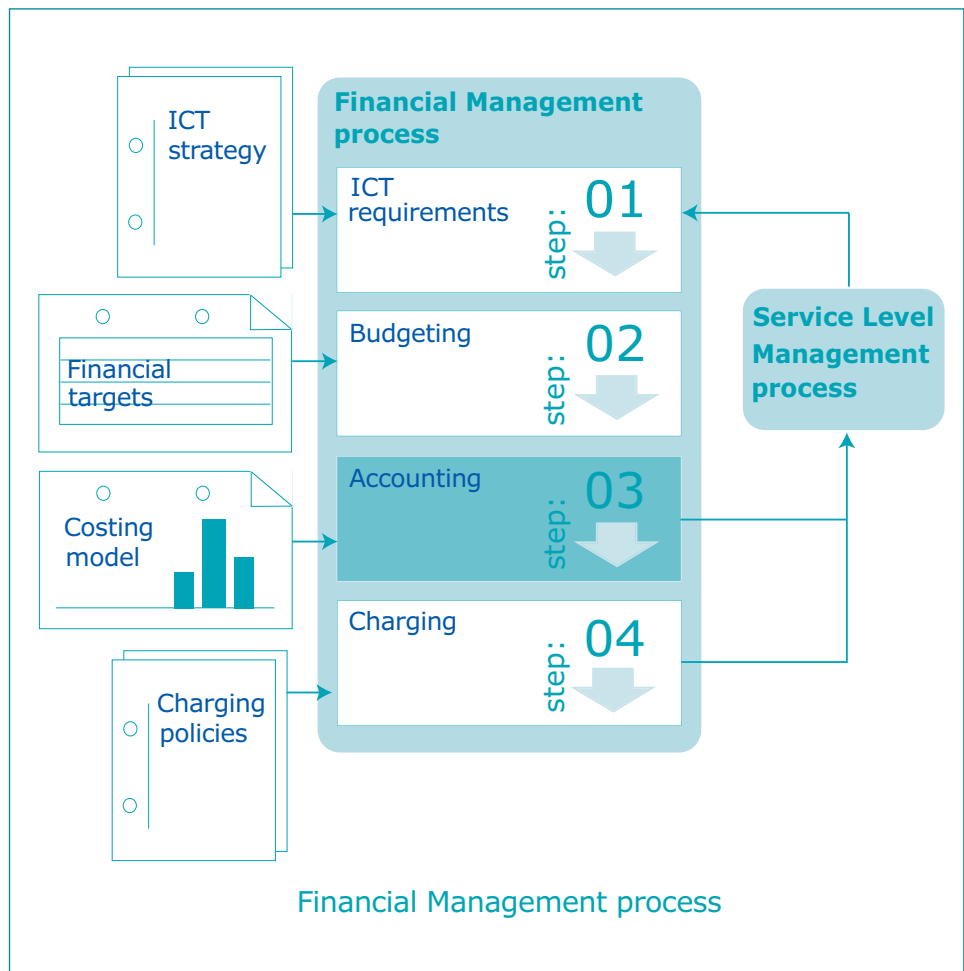
Create expenditure record

You can create an expenditure record using an accounts book or spreadsheet software. We recommend that you start with our expenditure record template (see [Appendix A](#)), which we have created in Excel. You may download and customise it as you wish. The cost columns are not exhaustive and you can add to them to suit your own requirements.

Remember, though, that our motto is 'keep it simple' to start with. If you are not recording costs at the moment, a very general breakdown will be an improvement and it will be easier for you to manage than if you add lots of columns to start with.

The template we have created has just one worksheet for one ICT budget. You may want to add worksheets if you charge ICT costs directly to the budgets of other departments.

You will notice that there is a small overlap of content in this spreadsheet with the content of the [configuration-management database](#) that we have recommended. Your ultimate aim should be to have only one record to cover the needs of both. At the beginning, though, it is easier to maintain the data separately than it is to create the process interface.



FM

3.3.2

Record expenditure

You must first create an expenditure record (see [FM 3.3.1](#)). When you have done this, the financial manager should use it to record all ICT-related expenditure in the budgetary period. We have created some guidelines for completion ([FM 3.3.2.1](#)) of the columns in our template and there is also an example expenditure record (see [Appendix A](#)) to show you some of the items that you might include.

Don't forget that the cost of ICT is not just the cost of hardware and software alone. There are other costs that should be taken into account such as the cost of support, consumables, maintenance, upgrades, and so on. This area of financial management is covered in more detail by Becta's Independent ICT Procurement Advisory Service (IPAS) [<http://ipas.ngfl.gov.uk/>], which advises schools on ICT procurement and 'total cost of ownership'. It is this aspect of financial management that will help you to ensure that your budget covers everything you need to keep your ICT functioning.

If you assign the role of financial administrator in your school, it may be appropriate to give them an edited version of the template to use that excludes sensitive data. This can then be used to cut and paste content into the master spreadsheet to save time. We have created one for you to use if you wish: Expenditure record template – edited version (see [Appendix B](#)).

Item	Enter in this column all expenditure relating to ICT. Break down the costs by column to enable you to monitor what your money is being spent on. This may mean splitting up an invoice by, say, hardware, delivery and installation.
Date	Enter the date on the invoice so that you can track down the full details if necessary and establish in which financial year a cost was incurred.
Purchased for	Enter the name of the department the item was purchased for as an indication of where the requirement came from. Note that the template is intended to record costs against the ICT budget. You should add worksheets for other budgets if appropriate.
Software	Enter costs for all software here. This includes software for specific users or departments and software for general use such as server operating systems. Indicate specific use in the 'Purchased for' column.
Hardware	Enter costs for all hardware here. This includes hardware for specific users or departments and hardware for general use such as shared infrastructure items. Indicate specific use in the 'Purchased for' column.
Mice	It may be useful to record this separately if there is a perceived high turnover of mice. If you do not need to see this cost you may prefer to include mice in the 'Hardware' column.
Cables	Enter costs for all types of cables here, such as printer cables, patch cables, network cables and so on.
Consumables	Enter costs for all consumables here. This should include items that are shared between departments or used specifically by individuals.
Contract charges	Enter in this column any annual or periodic charges for contracts such as third-party support, maintenance or servicing of any kind. You should enter all charges for the budgetary period covered by the spreadsheet.
Ad hoc supplier charges	Enter in this column any supplier charges over and above contract charges, such as delivery charges or other charges for services not covered by a contract.
Staff	Enter staff costs in this column. Note that it would be inappropriate to give staff other than the financial manager access to this information. For general use we have therefore created an edited version of the expenditure record template (see Appendix A) which excludes this item.
Accommodation	Enter costs for accommodating the ICT equipment in this column – if accommodation charges are allocated to the ICT department and this cost is incurred.
Miscellaneous	Enter details of items not covered by the other cost columns.

FM

3.4

Review the implementation

You should always review the implementation of a new process to identify any areas for improvement or correction. If you carry on without checking that everything done so far is in order, you run the risk of causing problems further down the line. Ask some key questions and consider the answers before continuing.

- Did everyone understand what was required of them?
- Do all financial administrators have an expenditure record (edited version)?
- Do the entries on the expenditure record match the invoices received so far?
- Does training need to be revisited before continuing?
- Was everyone affected informed of the new process?

FM

3.5

Implementation resources

- Expenditure record template ([Appendix A](#))
- Expenditure record template – edited version ([Appendix B](#))

FM 4 Operations guide

FM

4.1

What needs to be done

Financial management is an ongoing task. On a day-to-day basis you need to maintain the expenditure record, monitor your expenditure and make decisions for improvements to financial management.

FM

4.1.1

Maintaining the expenditure record

For it to be of value, the expenditure record must be kept up to date. If you need to insert lines in the spreadsheet, make sure they are above the totals row so that the amounts are added to the totals.

The master expenditure record – derived from the expenditure record template (see [Appendix A](#)) – should be maintained and managed by the financial manager as it may contain sensitive data such as staff costs. On a day-to-day basis financial administrators can use the expenditure record template – edited version (see [Appendix B](#)) and the financial manager can cut and paste the contents into the master.

FM

4.1.2

Monitoring expenditure

It is important that you use the information you have gathered in the expenditure record to monitor where and how money is being spent. We have created a graphical representation of the column totals in the expenditure record template so that you can see more clearly the differences in expenditure between the different types of item. Note that if you need more rows, you should insert them above the totals row of the spreadsheet to make sure that all expenditure is included in the totals and the graphs. Our expenditure record example (see [Appendix A](#)) also shows example graphs.

These reports will help you make decisions about the day-to-day cost and financial management of ICT and will also help you prepare your budget for the next year or budgetary period. You should also use them to review the usefulness of the categories. If the 'Miscellaneous' column has a high figure, you should consider breaking this down into more specific categories. If you have not used some other columns very much, you may wish to incorporate them into the 'Miscellaneous' or another more relevant column.

Making decisions

Use the reports from the expenditure record to identify areas where it may be possible to make cost reductions. Below are some suggestions for report interpretation.

- Look for the biggest costs. These are the ones worth considering for possible cost reduction, as that will have the most impact.
- Don't forget that some costs are for the whole year and your report may not go that far yet. They may appear to be the biggest costs but once spread across the whole year or budgetary period, the picture may change.
- Look for trends in purchasing to identify where you might be able to buy in greater bulk in the future. For example, if you notice that you buy a small batch of mice every month you may be able to anticipate the overall requirement for the budgetary period and negotiate a discount.
- Investigate ad hoc costs such as one-off supplier charges. You may be able to eliminate these by reviewing contracts and adding new requirements as they arise. Alternatively, you may identify an internal training issue that, if addressed, will prevent unnecessary support calls that incur a charge.

Always remember that statistics should not be taken at face value. They require some interpretation and often some investigation as well. However, it is worth the effort because knowledge helps you to make improvements and in this case the improvements are cost related.

Budgeting ahead

While you may not be able to dictate the size of your ICT budget, you can at least plan how to spend the amount you receive. This is where your expenditure record for the previous period will be useful.

Use the previous year's figures to estimate supplier and support costs to allocate in the new budget.

- Use the expenditure records over the years to identify when equipment may need to be replaced and make sure that the new budget takes that into account.
- Consider ways to reduce the cost of support contracts by identifying training needs and investing in training.
- Use the evidence of past experience to highlight the real cost of ICT and consider methods of raising additional funding.
- Remember to align the budget-planning exercise with the requirements of the technical support strategy (see [FITS 6.2](#)).

When does it need doing?

Financial management has day-to-day activities and periodic activities.

Maintaining expenditure record	Update the expenditure record daily as costs are incurred.
Monitoring expenditure	Monitoring expenditure should be a regular management task so that you keep control over income and outgoings.
Making decisions	Base your decisions on analysis of expenditure and review this regularly in order to take advantage of possible savings.
Budgeting ahead	Budgeting ahead is usually a yearly activity, although planning for it is often spread over several months.

FM 4.3 Who does it?

All activities in financial management are the responsibility of the financial manager, although some day-to-day tasks may be delegated to financial administrators.

Task	Carried out by
Maintaining expenditure records	Financial manager, Financial administrator (s)
Monitoring expenditure	Financial manager
Making decisions	Financial manager
Budgeting ahead	Financial manager

See FM 3.2.1 [Assign roles and responsibilities](#) for further information.

FM 4.4 Operational resources

- Expenditure record template ([Appendix A](#))
- Expenditure record template – edited version ([Appendix B](#))

FM 5 Roles and responsibilities

FM 5.1 Financial manager

- Is responsible for the financial management process in ICT and technical support
- Is likely to be responsible for the ICT and/or technical support budget
- Is a senior member of the ICT staff
- In this role will be a custodian of sensitive financial data such as staff costs
- Does not need to have technical support skills
- Should be able to use a spreadsheet

FM 5.2 Financial administrator

- Is responsible for notifying the financial manager of all ICT expenditure as it is incurred
- Will have some authority for purchasing ICT equipment
- May be responsible for allocating equipment
- May be one or several of the ICT staff
- May be technical or non-technical
- Must understand the importance of accounting for costs
- Should be able to use a spreadsheet

FM 6 Review of Financial Management

The purpose of this section is to help you review your implementation and ongoing operation of financial management, check your understanding of the process, examine what a successful implementation should look like and consider what you have achieved by introducing it into your school. This will help you to assess how successful its introduction has been and point you back to the relevant sections in the Financial Management process that you should revisit to make improvements, if these are necessary.

Start by reading the sections included in the recap of Financial Management. When you have refreshed your memory and considered your own implementation alongside these descriptions, work through the checklist to identify any areas you should revisit and perhaps re-implement or reinforce.

FM 6.1 Recap of Financial Management

In Financial Management we introduced the tracking and control of ICT costs. We gave you an overview of the whole process and an implementation guide giving step-by-step instructions to help you implement a financial management process that we believe is appropriate for the needs of schools. An operations guide gave you a list of ongoing activities required by the process in order for you to keep it going and reap the benefits. We described roles and responsibilities and offered guidance on how to assign roles. We removed anything non-essential to give you a lean process requiring the minimum of effort and resource.

Check your understanding of the process by following [FM 6.1.1](#) to [FM 6.1.4](#).

FM 6.1.1 Financial Management summary

Step	Tasks
Budget for future expenditure on ICT equipment, services and related items.	<p>Estimate how much money is needed to provide, maintain and support the ICT services that are required by the users and/or decide how to spend the money that will be available.</p> <p>This exercise must take into account all ICT-related expenditure, not just the cost of equipment. This may include maintenance contracts, consumables, repairs, upgrades, replacements, staff costs, third-party support costs and so on.</p>
Account for expenditure against the ICT budget.	<p>Keep records of your expenditure so that you can measure actual costs against forecast costs. This helps to refine the budgeting step for next time by providing more accurate data.</p> <p>These records are also useful for identifying potential cost savings in the future, such as buying in bulk, consolidating suppliers, negotiating discounts and so on.</p>
Recover costs through charging for ICT services, if appropriate.	<p>Agree fees for ICT services to enable those responsible for ICT technical support to recover some of the cost of their service provision.</p>

FM

6.1.2

What you should expect now that you have implemented financial management

- ICT expenditure is carried out by those authorised to do so.
- All staff involved in the purchasing of ICT equipment and services are familiar with FITS Financial Management.
- Any staff who are required to do so, keep a record of their expenditure on ICT.
- Expenditure on end-user requirements is incurred only with appropriate authorisation.
- There is a culture of cost-consciousness in ICT.

FM

6.1.3

What you should have achieved through financial management

- Details are recorded of all financial transactions relating to ICT equipment and services.
- You have a clear picture at all times of how much money has been spent on ICT.
- ICT budgets include expenditure required on supporting items, not just hardware and software.
- ICT budgets are refined each budgetary period, using the records of actual expenditure from the previous or current period.
- Regular expenditure reports are produced.
- If charging for ICT services is appropriate, you can use actual costs as a starting point for setting charges.

FM

6.1.4

Benefits of having implemented financial management

- You can account for all money spent on ICT equipment.
- Knowing how much money is left in the budget helps you to decide whether you can meet any unplanned expense.
- You can identify expenditure on items not budgeted for to prevent overall overspend.
- Budgeting becomes increasingly accurate as financial information improves.
- Being able to see patterns in spending can highlight potential cost savings such as bulk buying.
- Keeping a record of expenditure helps to highlight any problem areas such as unauthorised purchasing.
- You can see the bigger picture of how money is distributed across ICT requirements.

Checklist

Use this checklist to identify any areas of financial management that have not been entirely successful. Then reinforce them by revisiting and re-implementing the relevant section of the FITS process.

Characteristics of a successful implementation	FITS section to revisit if implementation has not yet been successful
You have assigned roles and responsibilities.	FM 3.2.1 Assigning roles and responsibilities in Financial Management
Participants in the Financial Management process understand it.	FM 2 Overview of Financial Management
You have a spreadsheet or journal for recording ICT expenditure.	FM 3.3.1 Create expenditure record
All ICT expenditure is recorded in the spreadsheet or journal.	FM 3.3.2 Record expenditure FM 4.1.1 Maintaining expenditure record FM 4.2 When does it need doing? FM 4.3 Who does it?
You review your expenditure records regularly to keep abreast of costs and identify issues and potential cost savings.	FM 4.1.2 Monitoring expenditure FM 4.1.3 Making decisions FM 4.2 When does it need doing? FM 4.3 Who does it?
You prepare your budgets in advance of each financial period to plan your spending ahead.	FM 4.1.4 Budgeting ahead FM 4.2 When does it need doing? FM 4.3 Who does it?

If the above characteristics are all true of your school, congratulations on implementing a successful Financial Management process! The next steps for you are to continue operating the process as described in the Financial Management operations guide (FM 4) and establish the process firmly. Work through this checklist at regular intervals to help you check that everyone responsible continues to carry out all aspects of the process. You can then refer to the relevant sections to address any shortfalls as they arise.

Appendices

FM Appendix A Expenditure record – example and template

Becta | ict advice

Framework for ict Technical Support
Financial Management expenditure record example

fm_expend_record_example.xls
page 1 of 2

Item details	Date	Purchased for	Software	Hardware	Mice	Cables	Consumables	Contract charges	Ad hoc supplier charges	Staff	Accom	Misc
Office space annual charge	1-Sep-03	General technical support									£2,500.00	
Server room space annual charge	1-Sep-03	General technical support									£1,500.00	
Full-time Network Manager	1-Sep-03	Technical Support								£14,000.00		
Part-time ICT Co-ordinator (200 hours per year)	1-Sep-03	Language Department								£2,000.00		
Part-time admin support (200 hours per year)	1-Sep-03	Science Department								£2,000.00		
Server room air con maintenance contract	1-Sep-03	General technical support						£500.00				
Annual support contract	1-Sep-03	General technical support						£2,000.00				
Annual hardware maintenance contract	1-Sep-03	General technical support						£1,500.00				
Annual anti virus software licence	1-Sep-03	General technical support	£150.00									
Computer	30-Nov-03	Technical Support Department		£900.00								
Delivery of 2 computers	30-Nov-03	Admin Department		£900.00					£30.00			
Installation of 2 computers	30-Nov-03	General technical support						£60.00				
10 mice	1-Dec-03	Science Department			£50.00							
2 toner cartridges	1-Dec-03	Technical support stock					£40.00					
Computer	1-Jan-04	Language Department		£900.00								
Computer	1-Jan-04	Language Department		£900.00								
Delivery of 2 computers	1-Jan-04	General technical support							£30.00			
Installation of 2 computers	1-Jan-04	General technical support							£60.00			
French GCSE single user licence	1-Jan-04	Language Department	£75.00									
French GCSE single user licence	1-Jan-04	Language Department	£75.00									
Server operating system upgrade	1-Jan-04	General technical support	£250.00									
Server operating system upgrade	1-Jan-04	General technical support	£250.00									
Server operating system upgrade	1-Jan-04	General technical support	£250.00									
15 patch tapes	10-Jan-04	Technical support stock				£45.00						
5 backup tapes	10-Jan-04	General technical support					£100.00					
50 floppy disks	10-Jan-04	Technical support stock					£35.00					
Off-contract support call reference 12346	15-Jan-04	Science Department							£60.00			
15 photocopies of user handbook	16-Jan-04	General technical support										
Colour printer	1-Mar-04	General technical support										£15.00
Delivery of colour printer	1-Mar-04	General technical support							£30.00			
Installation of colour printer	1-Mar-04	General technical support							£60.00			
Addition of colour printer to support contract	1-Mar-04	General technical support										£200.00
Colour printer consumables	15-Mar-04	General technical support					£150.00					
			£1,050.00	£6,100.00	£50.00	£45.00	£325.00	£4,200.00	£300.00	£18,000.00	£3,750.00	£15.00
Grand Total												£33,835.00

Becta | ict advice

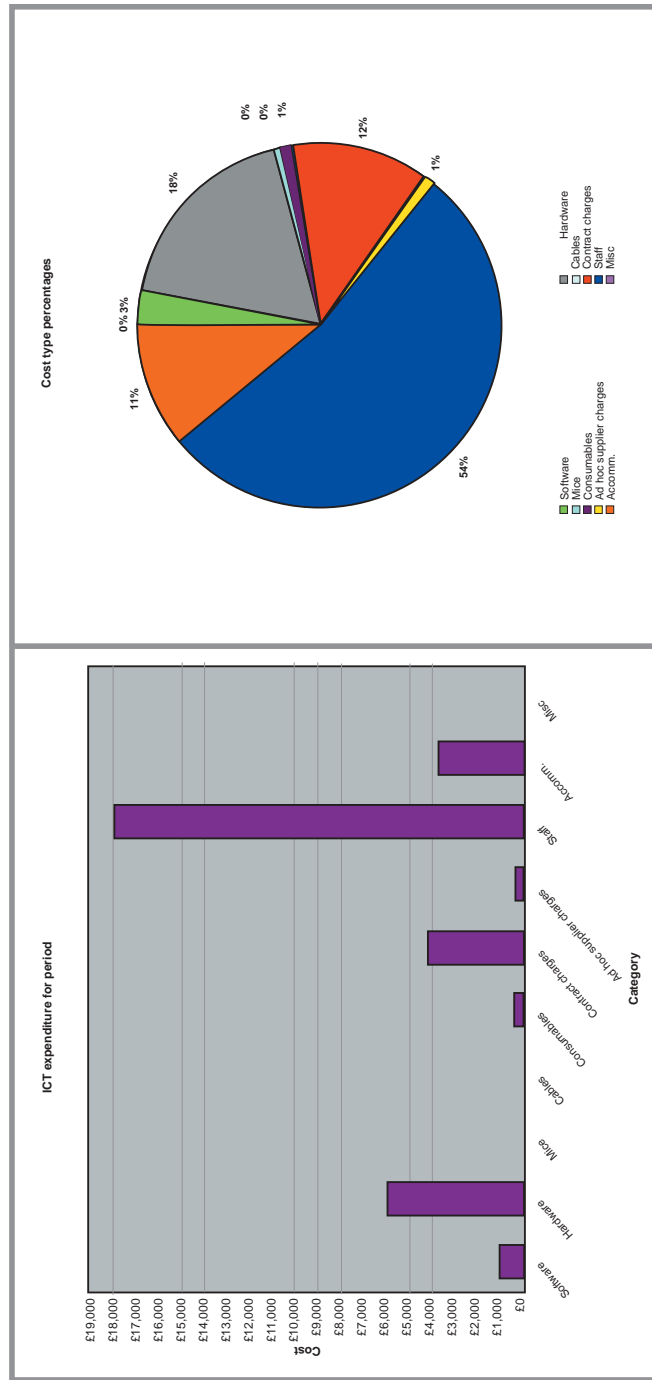
fm_expend_record_example.xls
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<http://www.becta.org.uk/technicalsupport/>
published September 2003

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You can download the template from the FITS website
[<http://www.becta.org.uk/tsas/index.cfm?refsect=ntss&bcsect=default§=financial&id=tt5436>].

Framework for ict Technical Support
Financial Management expenditure record example



You can download the template from the FITS website
[<http://www.becta.org.uk/tsas/index.cfm?refsect=ntss&bcsect=default§=financial&id=tt5436>].

Glossary

10Base-T	A networking standard that supports data transfer rates up to 100 Mbps (100 megabits per second). 10Base-T is based on the older Ethernet standard but is 10 times faster than Ethernet; it is often referred to as Fast Ethernet. Officially, the 10Base-T standard is IEEE 802.3u. Like Ethernet, 10Base-T is based on the CSMA/CD LAN access method.
AppleTalk	Inexpensive LAN (local area network) architecture built into all Apple Macintosh computers and laser printers. AppleTalk supports Apple's LocalTalk cabling scheme, as well as Ethernet and IBM Token Ring. It can connect Macintosh computers and printers, and even PCs if they are equipped with special AppleTalk hardware and software.
Asset	Component of a business process. Assets can include people, accommodation, computer systems, networks, paper records, fax machines, etc.
Availability	Ability of a component or service to perform its required function at a stated instant or over a stated period of time. It is usually expressed as the availability ratio: the proportion of time that the service is actually available for use by customers within the agreed service hours.
Availability Management	To ensure that ICT services are available for use consistently as agreed.
Bandwidth	The amount of data that can be transmitted in a fixed amount of time. For digital devices, the bandwidth is usually expressed in bits per second (bps).
Baseline	A snapshot or a position which is recorded. Although the position may be updated later, the baseline remains unchanged and available as a reference of the original state and as a comparison against the current position.
Bridge	A device that connects two LANs (local area networks), or two segments of the same LAN that use the same protocol, such as Ethernet or Token Ring.
Buffer	A temporary storage area, usually in RAM. The purpose of most buffers is to act as a holding area, enabling the CPU to manipulate data before transferring it to a device.
Build	The final stage in producing a usable configuration. The process involves taking one or more input configuration items and processing (building) them to create one or more output configuration items (eg software compile and load).
Capacity	Ability of available supply of processing power to match the demands made on it by the business, both now and in the future.
Capacity Management	To ensure that all ICT processing and storage capacity provision match present and evolving needs.
Category	Classification of a group of configuration items, change documents, incidents or problems.
Change	The addition, modification or removal of approved, supported or baselined hardware, network, software, application, environment, system, desktop build or associated documentation.

Change Management	The managed and recorded introduction of changes to hardware, software, services or documentation to minimise disruption to ICT operation and maintain accurate configuration information.
Client	The client part of a client/server architecture. Typically, a client is an application that runs on a personal computer or workstation and relies on a server to perform some operations. For example, an email client is an application that enables you to send and receive email.
Client/server architecture	A network architecture in which each computer or process on the network is either a client or a server. Servers are powerful computers or processes dedicated to managing disk drives (file servers), printers (print servers) or network traffic (network servers). Clients are PCs or workstations on which users run applications. Clients rely on servers for resources such as files, devices and even processing power.
Configuration management database (CMDB)	A database which contains all relevant details of each ICT asset, otherwise known as a configuration item (CI), and details of the important relationships between CIs.
Configuration Management	Implementing and maintaining up-to-date records of ICT hardware, software, services and documentation, and showing the relationships between them.
Definitive software library (DSL)	<p>The library in which the definitive authorised versions of all software CIs are stored and protected. It is a physical library or storage repository where master copies of software versions are placed. This one logical storage area may in reality consist of one or more physical software libraries or filestores. They should be separate from development and test filestore areas. The DSL may also include a physical store (fire-proof safe, for example) to hold master copies of bought-in software. Only authorised software, strictly controlled by Change Management and Release Management, should be accepted into the DSL.</p> <p>The DSL exists not directly because of the needs of the Configuration Management process, but as a common base for the Release Management and Configuration Management processes.</p>
Device	Any computer or component that attaches to a network.
Error trap	A signal informing a program that an event has occurred. When a program receives an interrupt signal, it takes a specified action (which can be to ignore the signal). Interrupt signals can cause a program to suspend itself temporarily to service the interrupt.
Ethernet	A LAN (local area network) architecture developed in 1976 by Xerox Corporation in co-operation with DEC and Intel. Ethernet uses a bus or star topology and supports data transfer rates of 10 Mbps. The Ethernet specification served as the basis for the IEEE 802.3 standard, which specifies the physical and lower software layers. Ethernet is one of the most widely implemented LAN standards.
FDDI (Fibre Distributed Data Interface)	A set of ANSI protocols for sending digital data over fibre optic cable. FDDI networks are token-passing networks, and support data rates of up to 100 Mbps (100 million bits) per second. FDDI networks are typically used as backbones for wide area networks.
Financial Management	To ensure that the ICT and technical resources are implemented and managed in a cost-effective way.

Firewall	A system designed to prevent unauthorised access to or from a private network. Firewalls can be implemented in both hardware and software, or a combination of both. Firewalls are frequently used to prevent unauthorised internet users from accessing private networks connected to the internet, especially intranets. All messages entering or leaving the intranet pass through the firewall, which examines each message and blocks those that do not meet the specified security criteria.
Gateway	A node on a network that serves as an entrance to another network. In schools, the gateway is the computer that routes the traffic from a workstation to the outside network that is serving web pages. In homes, the gateway is the ISP that connects the user to the internet.
Gigabit	When used to describe data transfer rates, it refers to 10 to the 9th power (1,000,000,000) bits. Gigabit is abbreviated Gb, as opposed to gigabyte, which is abbreviated GB.
HTTP (hypertext transfer protocol)	The underlying protocol used by the World Wide Web. HTTP defines how messages are formatted and transmitted, and what actions web servers and browsers should take in response to various commands. For example, when you enter a URL in your browser, this actually sends an HTTP command to the web server directing it to fetch and transmit the requested web page.
Hub	A connection point for devices in a network. Hubs are commonly used to connect segments of a LAN (local area network). A hub contains multiple ports. When a packet arrives at one port, it is copied to the other ports so that all segments of the LAN can see all packets.
ICT	The convergence of information technology, telecommunications and data networking technologies into a single technology.
Incident	Any event which is not part of the standard operation of a service and which causes, or may cause, an interruption to, or a reduction in, the quality of that service.
Incident Management	To detect, diagnose and resolve ICT incidents as quickly as possible and minimise their adverse impact on normal operation.
ITIL	The OGC IT Infrastructure Library – a set of guides on the management and provision of operational IT services.
LAN	A computer network that spans a relatively small area. Most local area networks (LANs) are confined to a single building or group of buildings.
LocalTalk	The cabling scheme supported by the AppleTalk network protocol for Macintosh computers. Most local area networks that use AppleTalk, such as TOPS, also conform to the LocalTalk cable system. Such networks are sometimes called LocalTalk networks.
Logical topology	The logical topology is the way that the signals act on the network media, or the way that the data passes through the network from one device to the next without regard to the physical interconnection of the devices.
MAC (media access control) address	Each device on a network can be identified by its MAC address, a hardware address that uniquely identifies each node of a network. In IEEE 802 networks, the data link control (DLC) layer of the OSI reference model is divided into two sub-layers: the logical link control (LLC) layer and the MAC layer. The MAC layer interfaces directly with the network media. Consequently, each different type of network media requires a different MAC layer.

Management information base (MIB)	A management information base (MIB) is a database of objects that can be monitored by a network management system. Both SNMP and RMON use standardised MIB formats that allow any SNMP and RMON tools to monitor any device defined by a MIB.
Network	A group of two or more computer systems linked together. The two types of computer networks of interest to schools are LANs (local area networks) and WANs (wide area networks).
Network interface card (NIC)	A network interface card (NIC) is an expansion board inserted or built into a computer so that the computer can be connected to a network. Most NICs are designed for a particular type of network, protocol, although some can serve multiple networks.
Network traffic	The load on a communications device or system.
Node	A processing location. A node can be a workstation or some other device, such as a printer. Every node has a unique network address, sometimes called a data link control (DLC) address or media access control (MAC) address.
OSI reference model	The OSI (open system interconnection) model defines a networking framework for implementing protocols in seven layers. Control is passed from one layer to the next, starting at the application layer in one station, and proceeding to the bottom layer, over the channel to the next station, and back up the hierarchy.
Packet	A piece of a message transmitted over a packet-switching network. One of the key features of a packet is that it contains the destination address in addition to the data.
Packet switching	Refers to protocols in which messages are divided into packets before they are sent. Each packet is then transmitted individually and can even follow different routes to its destination. Once all the packets forming a message arrive at the destination, they are recompiled into the original message.
Peer-to-peer network	A type of network in which each workstation has equivalent capabilities and responsibilities. This differs from client/server architectures, in which some computers are dedicated to serving the others.
Physical topology	The physical layout of devices on a network. Every LAN (local area network) has a topology – the way the devices on a network are arranged and how they communicate with each other.
Port	In TCP/IP and UDP networks, an endpoint to a logical connection. The port number identifies what type of port it is. For example, port 80 is used for HTTP traffic.
Problem	The underlying cause of an incident or incidents.
Problem Management	The detection of the underlying causes of incidents and their resolution and prevention.
Protocol	An agreed format for transmitting data between two devices.
Protocol stack	A set of network protocol layers that work together. The OSI reference model that defines seven protocol layers is often called a stack, as is the set of TCP/IP protocols that define communication over the internet.

Proxy server	A server that sits between a client application, such as a web browser, and a real server. It intercepts all requests to the real server to see if it can fulfil the requests itself. If not, it forwards the request to the real server.
Release Management	To plan, test and manage the successful implementation of software and hardware. To define release policy and to ensure that master copies of all software are secured centrally.
Remote monitoring (RMON)	Remote monitoring (RMON) is a network management protocol that allows network information to be gathered at a single workstation. For RMON to work, network devices such as hubs and switches must be designed to support it.
Request for change	Form or screen used to record details of a request for a change to any CI within an infrastructure, or to procedures and items associated with the infrastructure.
Router	A device that forwards data packets along networks. A router is connected to at least two networks, commonly two LANs (local area networks) or WANs (wide area networks) or a LAN and its ISP's network. Routers are located at gateways, the places where two or more networks connect.
Segment	A section of a network that is bounded by bridges, routers or switches. Dividing an Ethernet into multiple segments is one of the most common ways of increasing available bandwidth on the LAN.
Server	A workstation or device on a network that manages network resources. For example, a file server is a computer and storage device dedicated to storing files. Any user on the network can store files on the server. A print server is a computer that manages one or more printers, and a network server is a computer that manages network traffic. A database server is a computer system that processes database queries.
Service Continuity Management	To minimise the impact on ICT service of an environmental disaster and put in place and communicate a plan for recovery.
Service Desk	The single point of contact within the school for all users of ICT and the services provided by Technical Support.
Service level agreement	Written agreement between a service provider and the customer(s) that documents agreed service levels for a service.
Service Level Management	The process of defining, agreeing and documenting required service levels and ensuring that these levels are met.
Simple network management protocol (SNMP)	A set of protocols for managing complex networks. SNMP works by sending messages, called protocol data units (PDUs), to different parts of a network. SNMP-compliant devices, called agents, store data about themselves in management information bases (MIBs) and return this data to the SNMP requesters.
Star topology	A LAN (local area network) that uses a star topology in which all nodes are connected to a central computer. The main advantages of a star network are that one malfunctioning node does not affect the rest of the network and that it is easy to add and remove nodes.
Switch	A device that filters and forwards packets between segments of a LAN (local area network). Switches operate at the data link layer (layer 2) and sometimes the network layer (layer 3) of the OSI reference model and therefore support any packet protocol.

TCP/IP (Transmission Control Protocol/Internet Protocol)	The suite of communications protocols used to connect hosts on the internet. TCP/IP uses several protocols, the two main ones being TCP and IP.
Token ring	A type of computer network in which all the computers are arranged (schematically) in a circle. A token, which is a special bit pattern, travels around the circle. To send a message, a computer catches the token, attaches a message to it, and then lets it continue to travel around the network.
Topology	The shape of a LAN (local area network) or other communications system. Topologies are either physical or logical.
User datagram protocol (UDP)	A connectionless protocol that, like TCP, runs on top of IP networks. Unlike TCP/IP, UDP/IP provides very few error recovery services, offering instead a direct way to send and receive datagrams over an IP network. It is used primarily for broadcasting messages over a network.
WAN	A computer network that spans a relatively large geographical area. Typically, a wide area network (WAN) consists of two or more LANs (local area networks). Computers connected to a wide area network are often connected through public networks, such as the telephone system. They can also be connected through leased lines or satellites. The largest WAN in existence is the internet.
Workstation	Any computer connected to a LAN (local area network).