

# **UNIVERSITY OF BRIGHTON STUDENTS' UNION**

## **BYE LAW 10 (Financial Regulations)**

**September 2010**

**(This new bye-law will come into effect on the same date as the Students' Union's new constitution - expected to be 1<sup>st</sup> August 2010)**

Version updated September 2010  
To include input from existing Bye-laws

# Contents

## PAGE No.

Contents i

Introduction ii

### **1 Introduction and General Principles**

- 1.1 Status
- 1.2 Purpose
- 1.3 Compliance
- 1.4 Control
- 1.5 Waiver of financial regulations
- 1.6 Delegation of responsibilities and duties

### **2 Finance, Audit & Risk Committee**

- 2.1 Role
- 2.2 Membership
- 2.3 Requirements
- 2.4 Meeting schedule
- 2.5 Agenda
- 2.6 Quorum

### **3 Audit procedures**

- 3.1 Appointment of external auditors
- 3.2 Internal Audit
- 3.3 Authority of auditors
- 3.4 General audit procedures

### **4 Banking arrangements**

- 4.1 Appointment of Union banker
- 4.2 Union bank accounts
- 4.3 Imprest accounts
- 4.4 Cheque signatories
- 4.5 Payment by BACs etc
- 4.6 Payment by credit card
- 4.7 Club and Society Bank Accounts

### **5 Capital investment and expenditure**

- 5.1 Capital investment budgeting
- 5.2 Authorisation of capital expenditure
- 5.3 Depreciation

### **6 Financial management**

- 6.1 Budget procedure
- 6.2 Virement
- 6.3 Performance reporting

### **7 Accounting arrangements**

- 7.1 Financial year
- 7.2 Basis of accounting
- 7.3 Format of the financial statements
- 7.4 Accounting records
- 7.5 Taxation

## **8 Income**

- 8.1 Maximisation of income
- 8.2 Identification of income
- 8.3 Collection of income
- 8.4 Banking of income
- 8.5 Bad debts

## **9 Insurance**

- 9.1 Duties of General Manager
- 9.2 Notification of risks
- 9.3 Notification of claims
- 9.4 Review of insurance
- 9.5 Ex gratia payments

## **10 Orders for work, goods and services**

- 10.1 Order forms
- 10.2 Purchasing
- 10.3 Repeat and recurrent orders
- 10.4 Quotations
- 10.5 Tendering

## **11 Payment of accounts**

- 11.1 Payment mechanism
- 11.2 Certification
- 11.3 Payment by Union
- 11.4 Supplier statements

## **12 Payment of salaries, wages and pensions**

- 12.1 Arrangements
- 12.2 Notification of pay details
- 12.3 Payment of sabbatical officers
- 12.4 Time sheets and expenses
- 12.5 General provision

## **13 Expenses**

- 13.1 Types of expenses

## **14 Security**

- 14.1 Security of buildings and equipment
- 14.2 Security of cash and other valuables
- 14.3 Security of controlled stationary
- 14.4 Security of financial systems

## **15 Assets, stores and equipment**

- 15.1 Fixed Asset Register
- 15.2 Security of Union property
- 15.3 Disposal of equipment and chattels
- 15.4 Stocktaking
- 15.5 Third party property

## **Introduction**

### **1 Introduction and general principles**

#### **1.1 Status**

The University of Brighton Students' Union is an unincorporated association. It is a registered charity. [Charity number XXXXX]

#### **1.2 Purpose**

The purpose of these Financial Regulations is to provide control over the Union's resources and to ensure that such resources are being properly applied for the achievement of the Union's aims and objectives.

#### **1.3 Compliance**

Compliance with the financial regulations is compulsory for all staff and officers connected with the Union. The General Manager, in conjunction with the Assistant General Manager, shall ensure that all staff, officers and trustees are supplied with a copy of the Financial Regulations, and that the regulations are upheld at all times.

#### **1.4 Control**

The Board of Trustees, in conjunction with the General Manager shall –

- a)** Make satisfactory accounting arrangements for all financial transactions of the Union in consultation, where necessary, with the Finance, Audit & Risk Committee;
- b)** Make safe and efficient arrangement for the receipt and payment of the Union's money.

#### **1.5 Waiver of Financial Regulations**

In exceptional circumstances the Finance, Audit & Risk Committee shall have the power to waive Financial Regulations, when necessary, to ensure the effective running of the financial affairs of the Union. The Assistant General Manager shall maintain a record of waivers for inspection by the Union's auditors.

#### **1.6 Delegation of responsibilities and duties**

Specific responsibilities and duties, as laid down in the Financial Regulations, may be delegated to other members of staff or officers, however such delegation must be authorised by the Finance, Audit & Risk Committee. The Assistant General Manager shall maintain a list of approved delegations.

#### **1.7 Accounting Year**

The Union's financial year shall run from 1 August to 31 July.

## **2 Finance, Audit & Risk Committee**

### **2.1 Role**

There shall be a Finance, Audit & Risk Committee, which shall -

#### **Audit role**

- i)** Devise and monitor financial procedures and internal controls
- ii)** Advise on procedural matters for the staff handbook;
- iii)** Monitor procedural recommendations from sub-committees and advisory panels, in order to review procedures in light of their findings;
- iv)** Receive reports from the internal and external Auditors;
- v)** Tender at appropriate times for the post of external auditor
- vi)** Review, periodically, these Financial Regulations.
- vii)** Exercise power of waiver of financial regulations in accordance with item 1.4.
- viii)** Review and consider appropriate methods of controlling the Union's activities (financial and otherwise)
- ix)** Analyse and manage the Union's overall risk profile

#### **Finance role**

- i)** Receive proposals from officers and service heads regarding unbudgeted revenue expenditure over £300 (exclusive of VAT)
- ii)** Receive proposals from officers and service heads regarding capital expenditure over £500 (exclusive of VAT)
- iii)** Set budgets, for the trustees approval, annually against income
- iv)** Receive reports from the Assistant General Manager
- v)** Monitor spending by sub-committees and budget holders;
- vi)** Oversee trading areas;
- vii)** Receive reports from trading area managers;

### **2.2 Membership**

The membership of the Committee is laid out in Bye-law 4 [Committees of the Board of Trustees].

### **2.3 Requirements**

The Committee shall abide by the procedural regulations laid out in Bye-law 4 [Committees of the Board of Trustees].

### **2.4 Meeting schedule**

The Committee shall meet at least quarterly. A copy of the minutes shall be sent to the University's Director of Finance.

### **2.5 Quorum**

A quorum shall be 50% of the membership, including either the General Manager or the Finance and Commercial Services Manager, but must include no less than two voting members.

### **3 Audit procedures**

#### **3.1 Appointment of external auditors**

The Finance, Audit & Risk Committee shall tender for an independent external auditor no less than once every five years. The appointment shall be agreed at the AGM every year.

##### **3.1.1 Role**

The external auditor shall carry out an examination of accounting, financial and other operations of the Union, within the guidance of the law.

##### **3.1.2 Reporting mechanism**

The report of the Auditors shall be received in the first instance by the Finance, Audit & Risk Committee and then the Board of Trustees.

The Finance, Audit & Risk Committee shall follow up any recommendations made by the external auditor.

#### **3.2 Internal audit**

The Union may from time to time be included in the University's Internal Audit programme.

##### **3.2.1 Role**

The internal auditors shall carry out any examination necessary to test compliance with the Union's Financial Regulations, procedures and best practice.

##### **3.2.2 Reporting mechanism**

The Finance, Audit & Risk Committee shall receive the internal auditors' report.

The Finance, Audit & Risk Committee shall pursue any recommendations made by the internal audit.

#### **3.3 Authority of auditors**

These apply to both external and internal auditors.

The Auditor shall have the authority to

- i)** enter, at all reasonable times, on any Union premises
- ii)** have access to the records, documents and correspondence relating to any financial and any other transactions of the Union
- iii)** require and receive such explanations as are necessary concerning any matter under examination
- iv)** require any employee, officer or trustee, of the Union to produce cash, stores, or any other Union property under their control

### **3.4 General audit procedures**

#### **3.4.1 Responsibility of Finance staff**

The General Manager, Assistant General Manager and other members of the finance staff of the Union, shall have a responsibility to produce records on demand for all the budget holders, trustees and auditors. These records must be as clear and precise as possible.

#### **3.4.2 Responsibility of Staff and Officers**

Members of staff or officers shall notify the General Manager or Assistant General Manager immediately they become aware of any deficiency in cash, stores or property, or of any financial irregularity. The General Manager in conjunction with the Assistant General Manager shall take such steps as they consider necessary by way of investigation. They shall report all such activities to the Finance, Audit & Risk Committee.

#### **3.4.3 Responsibility to the University of Brighton**

In the case of any financial irregularities the General Manager or Assistant General Manager shall make the University's Director of Finance aware of the matter in the most expedient way possible.

## **4 Banking arrangements**

### **4.1 Appointment of Union banker**

The Finance, Audit & Risk Committee shall no less than once every five years tender for the Union's banking facilities.

The tender document shall take into account the following areas

- i) any policy current within the Union as regards to banks
- ii) the cost of banking facilities
- iii) other services offered by the bank

The Board of Trustees shall approve the outcome of the tender.

### **4.2 Union bank accounts**

The Union shall hold a bank account, or accounts, with the Union banker alone, in the name of "University of Brighton Students' Union". No other accounts shall be opened without the permission of the Board of Trustees, after consultation with the General Manager and Assistant General Manager. All cheques shall be made payable to "University of Brighton Student's Union" ("UBSU"). Employees or officers must not accept cheques made payable to themselves or to a trading area, but must return them with a request that they be made out to University of Brighton Students' Union.

### **4.3 Imprest accounts**

The trustees, after advice from the General Manager and the Assistant General Manager, shall provide such imprest accounts as they consider appropriate for such staff or officers of the Union as may need them for the purposes of defraying petty cash and other expenses.

#### **4.3.1 Role of imprest accounts**

No income received on behalf of the Union may be paid into an imprest account, but must be banked or paid to the Union as provided elsewhere in these regulations. Payments shall be limited to minor items of expenditure and to such other items as the trustees may approve. All expenditure shall be supported by a receipted voucher.

#### **4.3.2 Termination of imprest accounts**

On leaving the employment of the Union, or otherwise ceasing to hold an imprest account, a person shall account to the Finance, Audit & Risk Committee for the amount advanced to them.

#### **4.4 Cheque signatories**

Cheque signatories for all Union bank accounts shall be

- i) President
- ii) Vice President Activities & Events
- iii) Vice President Campus & Communications
- iv) General Manager
- v) Assistant General Manager

In the event of long term leave of absence in any of the above people the trustees will appoint a new signatory, an Officer Trustee in the event of an officer, or a senior staff member in the case of the General Manager or Assistant General Manager.

Every cheque must be signed by any two of the above signatories, or their replacement, one of whom shall normally be the General Manager, Assistant General Manager or the President.

#### **4.5 Electronic Payment by BACs etc.**

The trustees will make safe and efficient arrangements for the payment of both creditors and staff by means of BACs (Banks automated clearing system) or other electronic means. Creditor and staff payments will be released on the authority of either the Assistant General Manager or the President.

The following shall be able to authorise and transmit BACs payments:

- i) President
- ii) Vice President Activities & Events
- iii) Vice President Campus & Communications
- iv) General Manager

The Assistant General Manager shall be able to set up and verify BACs payments, and the Finance Administrator (Banking and Payroll) will be able to set up BACs payments.

#### **4.6 Payment by credit card**

The General Manager shall be responsible for ensuring the security and authorisation of all payments made using the Union credit card.

#### **4.7 Clubs and societies' bank accounts**

Clubs and Societies that are members of either the Sports Federation or the Societies' Federation may not have a bank account. If the club or society wishes to bank money raised this can be done via the Union.

### **5 Capital investment/expenditure**

Capital Expenditure is defined as the purchase of buildings, plant or equipment, which costs in excess of £500, and has a life of five years or more.

#### **5.1 Capital investment budgeting**

The Assistant General Manager will be responsible for the preparation of an annual depreciation budget. All budget holders will inform the Assistant General Manager of any capital equipment they propose to buy in the forthcoming financial year.

## **5.2 Authorisation of capital expenditure**

All bids for Capital Expenditure must be submitted to and approved by the Finance, Audit & Risk Committee.

The Finance, Audit & Risk Committee may decide to agree a proposal from the budget holder with the following addendum

- i) costing less than £5,000 - no further action needed
- ii) costing more than £5,000 - must be ratified by the Board of Trustees

All the above figures exclude VAT.

### **5.2.1 Purchasing**

Once agreement has been made the General Manager and budget holder shall be responsible for making the capital investment. The Union's cash position shall be taken into account in the purchase of such equipment.

## **5.3 Depreciation**

All non-computer capital expenditure shall be depreciated over five years. Computer and IT stock shall also be depreciated over five years. Any buildings the Union owns or leases shall be depreciated over ten to fifteen years. The Assistant General Manager shall be responsible for updating the fixed asset register in this regard. Depreciation rates will be reviewed on an annual basis by the Finance, Audit & Risk Committee.

## **6 Financial management**

### **6.1 Budget procedure**

Budget holders shall produce an estimate, by mid April, regarding proposed expenditure against their budget in the next financial year. The Assistant General Manager and the General Manager will deal with all non-assigned budget headings.

The estimates will be collated by the Assistant General Manager and presented to Budget Committee. This Committee will approve and suggest any amendments to the annual budget.

Once the draft budget has been finalised this will then be submitted to the Finance, Audit & Risk Committee for approval prior to submission to the Board of Trustees for ratification.

The annual budget will then be presented to the University's Board of Governors in June.

### **6.2 Virement**

The Assistant General manager may authorise virements between budget headings with a value up to £300. Finance, Audit & Risk Committee must approve virements above £300.

### **6.3 Performance reporting**

The Finance Report submitted to Finance, Audit & Risk Committee on a monthly basis will include all major variances from budget and related explanations. Budget holders are responsible to Finance, Audit & Risk Committee and may be called to attend the Committee to explain any variances and to take remedial action.

## **7 Accounting Arrangements**

### **7.1 Financial year**

The Union's financial year shall run from 1 August to 31 July.

### **7.2 Basis of accounting**

The financial statements will be prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

### **7.3 Format of the financial statements**

The financial statements are prepared in accordance with the Charities Statement of Recommended Practice (SORP 2005), and in accordance with the provisions of the Companies Act 1985, if that is appropriate.

### **7.4 Accounting records**

The Assistant General Manager in conjunction with the General Manager shall be responsible for ensuring the security and retention of the Union's statutory financial records and in particular for their safe retention for the required statutory period or the period required in the guidelines set out by the Finance, Audit & Risk Committee. These should be kept in a form that is acceptable to the relevant authorities.

### **7.5 Taxation**

The Assistant General Manager is responsible for advising the Board of Trustees, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the Union. Therefore the Finance Department will issue instructions on compliance with statutory requirements including those concerning VAT, PAYE, national insurance, corporation tax and import duty, if applicable

The Assistant General Manager is responsible for maintaining the Union's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

## **8 Income**

### **8.1 Maximisation of income**

It is the joint responsibility of all staff and officers to ensure that income is maximised, within policy restraints, by the efficient application of agreed procedures for identification, collection and banking of money.

### **8.2 Identification of income**

Each budget holder is responsible for furnishing the Assistant General Manager with such particulars in connection with work done, goods supplied or services rendered and all other amounts due as may be required by the Assistant General Manager to record correctly all sums due to the Union.

### **8.3 Collection of income**

All invoices or demands for payments of all monies due to the Union will be issued via the Union's computerised accounting system. No exceptions to this regulation will be permitted.

The Assistant General Manager in conjunction with the General Manager shall ensure that suitable procedures are in place to ensure the prompt issuing of invoices, the efficient securing of prompt payment by debtors and the safe banking of all income due.

### **8.4 Banking of income**

Any sums received by staff or officers shall be paid to the Union banker in line with the financial procedures laid down.

No deductions may be made from such sums. Any sum transferred from one member of staff (or officer) to another member of staff (or officer) shall be acknowledged immediately by the issue of a receipt or, in appropriate cases, by signatures in an accounting record.

#### **8.4.1 Duties of staff and officers**

Each staff member or officer who banks money shall enter on the paying-in slip a reference to the related credit, or otherwise indicate the origin of the payment, and will pass any supporting documentation to the Assistant General Manager.

### **8.5 Bad debts**

The Assistant General Manager, in conjunction with the General Manager shall be authorised to write off debts due to the Union where the sum does not exceed £1,000, excluding VAT. If the outstanding debt exceeds £1,000 then Finance, Audit & Risk Committee must authorise the write off. A summary of bad debts written off and outstanding debts will be included in a monthly Finance Report presented to Finance, Audit & Risk Committee.

## **9 Insurance**

### **9.1 Duties of the General Manager**

The General Manager shall be responsible for all necessary insurance cover and negotiate all claims made by the Union. A copy of all insurance policies shall be passed to the Director of Finance of the University of Brighton annually.

### **9.2 Notification of risks**

All staff and officers shall give immediate notification to the General Manager of all new risks, property or vehicles which require to be insured or any alterations affecting existing insurance.

### **9.3 Notification of claims**

All staff and officers shall forthwith notify the General Manager, in writing, of any loss, liability, damage or any event likely to lead to a claim and inform the police unless otherwise decided by the General manager.

### **9.4 Review of insurance**

The General Manager in consultation with the Assistant General Manager and the Union's Insurance broker shall review annually, as part of budget preparation, or at any such period as may be deemed necessary, all insurance.

### **9.5 Ex gratia payments**

The General Manager, in conjunction with the Assistant General Manager, may authorise an ex gratia payment of up to £100 to a staff member or officer on consideration of appropriate information or documentation in support of the claim for theft or damage.

## **10 Orders for work, goods and services**

### **10.1 Order forms**

Official orders shall be in a form approved by the Board of Trustees and reprinted from time to time.

#### **10.1.1 Authorisation of orders**

Official orders may only be issued to a supplier on the signature of a staff or officer duly authorised.

The list of authorised signatories will kept by the Assistant General Manager along with a specimen of each signature.

If an order is for more than £2,000 the budget holder must have the order form counter signed by either the General Manager or the Assistant General Manager.

#### **10.1.2 Use of official orders**

All requests for the supply of work, goods or services, including those from the University, shall be made on an official order form, except in the following circumstances -

- i) where the item is of a minor nature, i.e. less than £10 inc. VAT
- ii) where a contract letter has been issued for professional services
- iii) where the General Manager has been satisfied that an alternative procedure is justified

**UNDER NO CIRCUMSTANCES MUST AN OFFICIAL ORDER BE PLACED FOR WORK, GOODS OR SERVICES IN A PERSONAL CAPACITY.**

### **10.1.3 Urgent orders**

Urgent orders may be given orally but must be confirmed by a written order endorsed "Confirmation Order Only" no later than the following working day. The order number must be quoted when the verbal order is placed.

### **10.1.4 Amendment to orders**

Where an order has to be amended after it has been issued to a supplier a new official order must be issued. The original order must be clearly marked "Cancelled/amended Order Number... Issued", and the replacement order must be marked "Amended Order to Replace Order Number...", so that there is no possibility of duplicate payment.

In the case of urgency an amendment to the order may be made orally but the above procedure must be followed no later than the next working day.

### **10.1.5 Recording of goods received**

When goods are received they must be checked off against the delivery note in the first instance, any deposit should be noted on the delivery note.

### **10.1.6 Monitoring orders**

The pink copy of the order form is to be sent to the Finance office immediately following the initial placement of the order.

## **10.2 Purchasing**

### **10.2.1 Purchasing policy**

The Assistant General Manager, in conjunction with the General Manager, shall be responsible for drawing up and renewing the Union's purchasing policy, with consideration to the Union's Ethical and Environmental Policy. It is the responsibility of budget holders to conform to that policy.

### **10.2.2 NUS Services Ltd (NUSSL)**

The Union will review its membership of NUSSL on an annual basis.

### **10.2.3 Approved suppliers**

The General Manager will keep a list of approved suppliers who should be approached first when an order needs to be filled. Budget holders must supply details of a new supplier to the Assistant General Manager if they are satisfied that the supplier can have approved status.

### **10.2.4 Disputes with suppliers**

Budget holders are responsible for initially recording disputes with suppliers and also recording and notifying of such disputes to the Assistant General Manager so that, in the event of failure to resolve, appropriate action may be taken by, or in liaison with, the General Manager.

## **10.3 Repeat or recurrent orders**

Wherever possible, when repeat or recurrent orders are made, an original order must be issued on each occasion. Where this is impractical the approval of the Assistant General Manager must be sought for the use of an alternative system and a record must be kept of each order.

## **10.4 Quotations**

Whenever it is intended to purchase works, goods or services quotations shall be sought. Except in the following circumstances

- i)** the goods fall under a NUSSL compulsory area
- ii)** computer hardware, if the University negotiates with certain suppliers on our behalf
- iii)** the goods, works or services have to be supplied by the University
- iv)** a specific form of entertainment
- v)** when the item costs less than £1,000

Where quotations are sought, at least three quotations must be received from potential suppliers. Oral quotations may be acted upon in cases of urgency but written quotations, including those requested by fax, must subsequently be obtained.

### **10.4.1 Waivers of quotations**

For purchases where the budget holder considers it not possible or inappropriate to obtain alternative quotations a request for a waiver of 10.4 of the Financial Regulations must be submitted to the Assistant General Manager who will inform the Finance, Audit & Risk Committee, giving reasons for the waiver. The waiver is to be authorised in accordance with 1.4 of the Financial Regulations, before the order is placed. The waiver is then noted on all copies of the official order before being sent out to the supplier.

## **10.5 Tendering**

### **10.5.1 Tendering requirements**

Wherever it is intended to enter into a contract for the provision of works, goods or services estimated to be worth in excess of £25,000, exclusive of VAT, tenders must be sought. Budget holders seeking to arrange a purchase using the tender procedure should advise the Assistant General Manager who, in conjunction with the General Manager, will assist with the documentation and procedure to be adopted.

Every invitation to tender covered by these Financial Regulations must include a specific brief (which includes a copy of the Union's Ethical and Environmental Policy and Equal Opportunities Policy) and shall state

- i)** That all tenders must be delivered in a sealed plain envelope bearing the words "Tender for ... " and the title of the contract, "To be received no later than 12 noon on ... ", but without any name or mark indicating the sender
- ii)** That all tenders must be addressed to the Assistant General Manager
- iii)** That the Union does not bind itself to accept the most financially favourable tender, or indeed any tender

Tender envelopes shall remain unopened in the custody of the Assistant General Manager until the time appointed for their opening. All tenders shall be opened together after the expiry time for tendering, in the presence of at least three people.

All tenders received shall be recorded. Any tenders received after the expiry of the time for tendering shall only be opened with the authority of the Assistant General Manager.

The Assistant General Manager, in conjunction with the General Manager, shall be empowered, in consultation with the relevant budget holder, to accept the best value for money tender, so long as budget provision is available. If the best value for money tender is not the lowest value monetary tender, or the tender was late, they must be referred to the Finance, Audit & Risk Committee. The Assistant General Manager shall maintain a record of all tenders accepted.

### **10.5.2 Contract authorisation**

Agreements to provide goods or services must be supported by a formal contract agreed by the General Manager, in conjunction with the Assistant General Manager. Every contract, other than those relating to purchases from NUSSL, shall be authorised in writing, and shall include any penalty clauses deemed necessary by the budget holder and the Finance, Audit & Risk Committee.

### **10.5.3 Payments to contractors**

The Assistant General Manager shall keep a record showing the position of the account on each contract, together with any other payment and related professional fees. Final payment for the contract will not be made until the budget holder is satisfied that the contracted work has been completed to their requirements. If the University Estates Department is required to check the work final payment will be made after the inspection. The final payment shall take into account any penalty clauses in the contract.

### **10.5.4 Variations in contract estimate**

If at any time prior to the commencement of the contract it becomes apparent that the estimated costs are likely to be exceeded by more than 10% then a report shall go to the Finance, Audit & Risk Committee. Work will not start on the contract until further approval has been obtained. In the case of urgency the Assistant General Manager and General Manager shall decide whether or not to approve the new estimate, and the result will go to the Finance, Audit & Risk Committee.

### **10.5.5 Actual cost in excess of estimates**

Where a contract has commenced and it has become apparent that spending will exceed the provision agreed by more than 10% a full report shall be made to the Finance, Audit & Risk Committee with details of increased costs and financial implications and proposals for the reduction of the excess spending.

## **11 Payment of accounts**

### **11.1 Payment mechanism**

All accounts properly due and payable by the Union shall be dealt with promptly by the Assistant General Manager, in conjunction with the General Manager. Invoices shall be submitted by suppliers against official orders for goods and services supplied.

### **11.2 Certification**

Accounts for payment shall be checked to ensure that:

- i)** The goods have been received, examined and approved as to the quality and quantity, or that services rendered or work done has been performed satisfactorily
- ii)** The prices are in accord with quotation, contract, the current market rates or otherwise reasonable
- iii)** All trade and cash discounts and other credits due have been deducted
- iv)** The account is mathematically correct
- v)** The payment of the account is authorised, is within the estimates approved and should be charged to the indicated budget

Any special authorisation for the expenditure shall be indicated on the account.

### **11.3 Payment by Union**

All invoices will be paid if

- i)** the accounts have been properly certified and otherwise appear in order
- ii)** they are in accordance with the relevant decision of the Finance, Audit & Risk Committee or otherwise within the authority of the appropriate budget holder

#### **11.4 Suppliers statements**

Where a supplier submits a statement of outstanding invoices these may not be used to request payment. However they should be passed to the Assistant General Manager to ensure that they represent a correct record.

### **12 Payment of salaries, wages and pensions**

#### **12.1 Arrangements**

The General Manager is responsible for ensuring safe and efficient arrangements for the payment of all employee costs and emoluments to all employees and former employees of the Union. These arrangements shall be reviewed annually with the Finance, Audit & Risk Committee.

#### **12.2 Notification of pay details**

It is the responsibility of the service heads to notify the Assistant General Manager as soon as possible, and in the form prescribed by him/her, of all details of hours worked by waged staff, or of any alteration of salary of salaried staff in their service.

#### **12.3 Payment of salaries to sabbatical officers**

The General Manager is responsible for ensuring safe and efficient arrangements for the payment of all employee costs and emoluments to all sabbatical officers of the Union. These arrangements shall be reviewed annually with the Finance, Audit & Risk Committee.

#### **12.4 Time sheets and expense claims**

Time sheets and expense claims must be certified by the service head, or the President in the case of students or officers. Only authorised claims will be paid.

#### **12.5 General provision**

Appointment of employees shall be made in accordance with the budget provisions of the Union.

### **13 Expenses**

#### **13.1 Types of expenses**

The Union shall repay staff, officers and trustees for the areas of personal expense as specified in the Staff Handbook, as long as documentary evidence, usually a receipted voucher, is handed in.

### **14 Security**

#### **14.1 Security of buildings and equipment**

Each staff or officer is responsible for maintaining proper security at all times of all stocks, stores, furniture and equipment under their control. They shall consult with the General Manager in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

## **14.2 Security of cash and other valuables**

Each staff or officer is responsible for maintaining proper security at all times of cash held under their control.

All monies received must be recorded on a daily basis together with the form in which they were received, for example, cash or cheques.

All monies received must be banked in accordance with the relevant financial procedures, and must be banked at the earliest possible opportunity. The custody and transit of all monies received must comply with the requirements of the Union's insurers.

All sums received must be banked and accounted for in full, and must not be used to pay any expenses or paid into petty cash.

Maximum limits for cash holding shall be agreed with the General Manager and shall not be exceeded without their express permission. Keys to safes and similar receptacles must be carried on the person of those responsible at all times; loss of such keys must be reported to the General Manager and service head immediately.

## **14.3 Security of controlled stationery**

The General Manager in conjunction with the Assistant General Manager shall be responsible for ensuring that procedures for the security of controlled stationery are effective.

Controlled stationery shall be

- i) Union headed paper, compliment slips, and business cards;
- ii) Union order forms;
- iii) Union invoice forms;
- iv) Union cheque books;
- v) Union paying in books;
- vi) Union receipt books.

## **14.4 Security of financial systems**

The Assistant General Manager and the General Manager shall be responsible for ensuring that proper security is maintained in relation to all aspects of financial systems and in particular for

- i) Hardware (i.e. the accounts computers)
- ii) Software (i.e. the accounts packages on the computer)
- iii) Data/media (i.e. the raw information being input into the system, and how the information is transferred to the system)
- iv) Documentation (i.e. the information coming from the system)
- v) Communications (i.e. the links to and from the computer, allowing external access)
- vi) Environment (i.e. the safe positioning of the computer, and the data stores)
- vii) Organisation/internal check (i.e. internal directory and anti intrusion software, as well as any auditing software deemed necessary)

## **14.5 Security of financial records**

The Assistant General Manager in conjunction with the General Manager shall be responsible for ensuring the security of the Union's statutory financial records and in particular for their safe retention for the required statutory period or the period required in the guidelines set out by the Finance, Audit & Risk Committee.

## **15 Assets, stores and equipment**

### **15.1 Fixed asset register**

The Assistant General Manager will be responsible for maintaining the fixed asset register of all Union assets with a value of more than £500. The register must detail the cost (where known), depreciation, net book value of each asset, as well as a description and the location of the equipment. Each item on the register will be given a unique asset number.

### **15.2 Security of Union property**

Each member of staff or officer shall be responsible for making an annual check of the items in the asset register for which they are responsible, taking any appropriate action in respect to any shortage or excess, and for informing the General Manager. All items of Union property shall be kept on University property unless being used on Union business elsewhere with the consent of the General Manager.

### **15.3 Disposal of equipment and chattels**

- i) Details of items requiring disposal are to be submitted in writing to the Assistant General Manager, whom shall offer the items to other sections of the Union in the first instance
  - ii) For items which can be sold either functioning or for parts or scrap the procedure is
    - a) The item shall be offered to members of Union staff, officers, and student members, requests from these sources are reviewed jointly by the Assistant General Manager and the General Manager;
    - b) The item, if not wanted by the Union staff or officers or student members, shall be offered to the University departments and staff
    - c) If the item is not sold within the University an advert shall be placed in a local paper, if the item is valuable or saleable enough
- At the instance of sale the Assistant General Manager shall submit an invoice to the prospective purchaser and the item is removed from all Union registers. An item will not leave Union premises, however, until a full reimbursement has been obtained by the Union
- iii) If the item is deemed un-saleable by the Assistant General Manager, then it shall be written off and disposed of in the cheapest and most environmentally friendly fashion possible. The item will then be removed from the accounting and fixed asset records. The Assistant General Manager will so note for purposes of audit

### **15.4 Stocktaking**

A physical check of assets, stocks and stores against the appropriate record shall be made at intervals prescribed by the Finance, Audit & Risk Committee, but shall not normally be performed at less than termly intervals. Stocks from the trading areas shall be monitored more frequently. The stock taking will be evidenced in a form prescribed by the Finance, Audit & Risk Committee.

### **15.5 Third party property**

Properties of third parties, excluding University property, left in custody of an employee of the Union or officers, whether by accident or design, shall be recorded separately and that person shall make appropriate arrangements for its safe custody in accordance with any directions of the General Manager or the Assistant General Manager.

Any property unclaimed after one month shall be given to a charitable body.