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Cardiff Met Students' Union Financial Regulations

Introduction

Cardiff Met Students' Union is accountable to its members, its parent institution and the Board of Governors, to show that it is managing its financial affairs properly. Cardiff Met Students' Union has detailed the following Financial Regulations to provide a framework for the proper and accountable financial management which must be strictly observed. Each full time member of staff is issued with a full set of Financial Regulations and is required to confirm in writing that they received them. In addition the Financial Regulations are freely available via the Cardiff Met Students Union website. Updates will be issued as and when necessary.

Responsibility

The Board of Trustees

The Board of Trustees shall have delegated powers from ordinary members of the Union to be responsible for the arrangements and administration of the affairs, finances and property of Cardiff Met Students' Union.

Finance and Services Committee

The Board of Trustees shall establish a Finance and Services Committee. That Committee has delegated authority from the Board of Trustees in relation to financial matters. The committee is responsible for monitoring Cardiff Met Students' Union's financial position and financial control systems.

The Committee examines estimates and annual accounts and recommends their approval to the Board of Trustees of Cardiff Met Students' Union. It ensures the short term budgets are in line with the agreed longer term plans and that they are followed. It considers any other matters relevant to the financial duties of the Students' Union and makes recommendations accordingly.

The Board of Trustees cannot delegate its responsibility for the finances and property of Cardiff Met Students' Union.

Sabbatical President and Vice-President

The two elected Sabbatical officers shall serve on both the Board of Trustees and the Finance and Services Committee and with the Chief Executive will have the responsibility as the Trustees for the finances of Cardiff Met Students' Union.

Responsibilities' of the Chief Executive

The Chief Executive is the Accounting Officer for Cardiff Met Students' Union and is responsible for the financial administration of Cardiff Met Students' Union's affairs. As the designated officer, the Chief Executive may be required to justify any of the Union's financial matters to the General Meeting and the Universities Finance & Estates Committee. He is responsible through the Sabbaticals, to the Finance and Services Committee, for preparing annual estimates of income and expenditure, for the management of resources within these estimates and the day-to-day control of the financial affairs of Cardiff Met Students' Union. Except where provided to the contrary, the Chief Executive may delegate functions but not his responsibility, to other staff.

Responsibilities' of the Finance Director

Day-to-day financial administration is carried out by the Finance Director who is responsible to the Chief Executive. The Finance Director is responsible for:

- Preparing annual revenue budgets and financial plans including cash flow forecasts.
- Preparing accounts, management information, monitoring and control of expenditure against financial budgets and all financial operations.
- Assisting the External Auditors in preparing Cardiff Met Students' Union annual accounts and other financial statements.
- Ensuring that Cardiff Met Students' Union maintains satisfactory financial systems and providing professional and impartial advice on all matters relating to financial policies and practices.

Budget Holders

To assist the Chief Executive in discharging their responsibilities they are empowered by the Finance and Services Committee to designate members of staff as budget holders.

Budget Holders are responsible to the Chief Executive for the financial management in their own areas. They are advised by the Chief Executive and the Finance Manager, in executing their financial duties.

Budget Holders are responsible for establishing and maintaining effective lines of responsibility and systems within their own area for all financial matters and for the economic, effective and efficient use of all resources allocated to them.

The income & expenditure within an agreed budget is the responsibility of the designated Budget Holder, who must ensure that day-to-day monitoring is undertaken affectively. Budget Holders will be assisted in the duty by management information provided by the Finance Director. Significant departures from agreed budgetary targets must be reported to the Chief Executive by the Budget Holder and/or the Finance Director and if necessary corrective action taken.

The Finance director is responsible for supplying budgetary reports on all aspects of Cardiff Met Students' Union finances to the Finance and Services Committee on a basis determined by the Committee.

Delegated Budget Holders

| Account | Budget Control | Budget Holder |
|------------------------------|-----------------------|----------------------|
| Centro Bar | Chief Executive | Bar Manager |
| Centro Kitchen | Chief Executive | Head Chef |
| Llandaff Restaurant | Chief Executive | Operations Manager |
| Llandaff Coffee Shop | Chief Executive | Coffee Shop Manager |
| Cyncoed Shop | Chief Executive | Shop Manager |
| Llandaff Shop | Chief Executive | Shop Manager |
| Athletic Union/ Sports Clubs | Chief Executive | AU Administrator |
| Events, Marketing | Chief Executive | Marketing Manager |

| | | |
|-------------------------|-----------------|----------------------------------|
| Societies | Chief Executive | Activities & Development Manager |
| Merchandise/AU Clothing | Chief Executive | Chief Executive |
| Transport | Chief Executive | Chief Executive |
| Central Overheads | Chief Executive | Finance Director |

The Chief Executive will be the Budget Holder for all budgets, along with the above individuals. All non-specific accounts are included in Central Overheads and are the responsibility of the Chief Executive and the Finance Director. The Finance and Services Committee will be the body that approves Cardiff Met Students' Union's budget, financial regulations and audited accounts.

Audit

Cardiff Met Students' Union has arranged for Cardiff Met University to undertake an annual internal audit of its accounts and procedures.

The appointment of external audits will be approved by the Finances and Services Committee on an annual basis and submitted as ordinary business to the Annual General Meeting of Cardiff Met Students' Union.

Consolidation of Financial Statements

Consolidated year-end financial statements incorporating Cardiff Met Students' Union's subsidiary companies will be prepared by the External Auditors and submitted to the Finance and Services Committee and to the University's Resources Committee.

Accounting Records

The Finance Director is responsible for the retention of financial documents. These should be kept in a form acceptable to relevant authorities. Cardiff Met Students' Union is required by law to retain prime documents for six years. These include:

- Official Orders
- Paid invoices and other documents
- Accounts raised
- Bank Statements
- Copies of receipts
- Paid Cheques

Additionally, for accounting purposes, other financial documents should be retained until the final audit for that year is completed, subject to any overriding requirement of HM Revenue and Customs or other agency.

Accounting Timetable

Cardiff Met Students' Union will operate a monthly accounting basis producing monthly Profit and Loss accounts. The accounting period for Cardiff Met Students' Union is 1st July – 30th June. The cut-off date for each period will be the last day of trading in calendar month.

Audited year end accounts will be prepared for submission to the October/November meeting of Cardiff Met's Resources Committee.

Capital Expenditure

Prior to the start of each financial year a Capital Expenditure Program will be completed as part of the budgetary process and will be submitted together with the financial estimates to the Finance & Services Committee. Depreciation of the Capital Expenditure items will be on a straight line basis via the profit and loss account at rates calculated to write off the cost over the estimated useful economic life of the asset as follows:

| | |
|--------------------------|---------------------------|
| Refurbished Projects: | 3 years min – 5 years max |
| Furniture and Equipment: | 8 years |
| Computer Equipment: | 3 years |
| Motor Cars: | 5 years |

A level of £500.00 has been set, above which all relevant items will be treated as Capital Purchases. Cardiff Met Students' Union will maintain a Fixed Asset Register that will show other assets at cost less depreciation. The items in the Fixed Asset Register will be reconciled on an annual basis.

Goods and Services

It is a requirement of Cardiff Met Students' Union that goods and services necessary to its operation are obtained expeditiously and economically.

Budget Holders are responsible for all order issued under their budget codes. Budget Holders must ensure that they sign orders that are raised within their responsibility.

The policy of Cardiff Met Students' Union is not to pay for goods and services until deliveries have been made and found to be satisfactory for the intended purpose. In certain circumstances a company may be justified in requiring full or part payment in advance. In all cases a pro-forma invoice must be obtained to evidence the payment.

It is the Budget Holder responsibility to ensure that goods received are checked against delivery noted and signed by the member of staff receiving the goods.

Delivery notes should be signed and shortages, part deliveries or returns recorded on them before they are forwarded to the Finance Section

Orders for Goods and Services must be placed using either an Official Purchase Order, or for direct cost codes, a Requisition Form. Both of which are available from the Finance section.

Official Purchase Order

The costs of Goods and Services, if known at the time of placing the order should be written on the order or requisition.

All Purchase orders raised for Goods and Services must be authorised by the Chief Executive or in their absence, the Finance Director.

Order pages are distributed as follows:

| | |
|---------|--|
| White: | To be sent to the suppliers as confirmation of the order |
| Yellow: | To be passed to Finance section for record keeping |
| Pink: | To be passed to Finance to be matched against delivery and invoice |

Requisition Forms

A requisition form is used to order all goods and services made with a major supplier for items for resale in all Cardiff Met Students' Union shops, bars and restaurants.

The requisition forms are completed at the time of ordering and will include when possible individual pricing and total price. These forms will be dated and duly signed by the Budget Holder and countersigned by a member of the Finance section.

The Finance section will ensure that the coding of the Requisition form is correct and adequate funds within that heading are available. In addition, that all invoices are entered into the accounts system ensuring the invoice includes or excludes the appropriate charges for VAT in accordance with the regulations of HM Revenue & Customs.

Budget Holders are required to assist the finance section in controlling the order system and in processing payments. The Finance Manager will audit payment requests received and may require explanation or clarification of any item of expenditure in order to verify the sum involved is correct.

Stock Taking Procedures

In order to ensure that Cardiff Met Students' Union is accounting for all goods purchased for sale in its retail and bar/restaurant operations, it is essential that proper stocktaking procedures be in place.

It is the individual Budget Holder's responsibility to ensure that all goods are safely received and stored at each operation and that all Purchase Orders, Requisition Forms and delivery notes are properly completed and passed to the Finance section on receipt.

All stock takes will be carried out internally by the finance department and will coincide, where possible with the year-end accounting period.

The results of the stock takes will be produced in a report format a copy of which will go to the Chief Executive for signature/authorisation. The report will contain any discrepancies and relevant notes/comments made by the Finance Director

It is also essential that the relevant Budget Holder analyse the results of the stock take, investigating any discrepancies in their operation and then to communicate the results of their investigations to the Finance Director and/or Chief Executive.

Payment of Wages & Salaries

All full time staff members will be issued with contracts and terms & conditions of their employment. All members of staff will have a personnel file, located in the CEO office and will contain all personal records as detailed in the Cardiff Met Students' Union Staff Handbook.

Access to an employee's file will be limited to the Chief Executive and / or Payroll Department. A member of staff will be entitled to access their own file only, which they may do through an application to the Chief Executive.

Part-time staff must complete an employee details form on their engagement. All employees must provide a P45 from their previous employer. In cases where this is not available then a P46 will be completed by the new employee.

Staff with Variable Hours will complete a Cardiff Met Students' Union Timesheet for each week that is worked. For this purpose the Wage week runs from Monday to Sunday. The Timesheet must be signed by the employee and authorised by the employee's Supervisor/Manager. The authorised Timesheet must then be forwarded to the Finance Section in the Cyncoed Campus Centre no later than the Tuesday morning following the end of the worked week.

The duly signed Timesheets are then signed by the Chief Executive or the Finance Director.

Salaried employees are paid by BACS on the last working day of each month. Part-time employees are paid by BACS fortnightly on the Friday following the end of the week worked.

Cardiff Met Students' Union is required to make all statutory deductions from salary including Income Tax and National Insurance. Each member of staff will receive an itemised payslip explaining deductions from pay, which illustrates how the final amount paid into the account was arrived at. Payslips are issued on the day that the employee is paid.

The BACS schedule is produced by the finance section and will be authorised by the Chief Executive and the President. In the absence of either the schedule will be counter-signed by the Finance Director.

Money

The Finance and Services Committee require that all funds due to the Cardiff Met Students' Union or any of its Clubs and Societies be deposited with our Bankers through the Finance Section. All monies due to Cardiff Met Students' Union from external organisations must be requested in official invoices which are kept by the Finance Section. All cash receipts and payments will be recorded on the accounts system and detailed on the bank account paying-in book. Cash received from clubs and societies must be receipted and details kept of the club or budget heading against which income should be credited. The Finance section will ensure that cash is securely stored in the safe until ready to be banked. Banking will be made at least twice a week with a minimum amount stored in the safe over the weekend. Banking of cash should take place within three working days of the income arising.

Cash Handling Procedures

The majority of Cardiff Met Students' Union operations are cash orientated and it's therefore essential that there are adequate procedures in place to ensure the security of the cash takings and floats in each operation.

The Chief Executive is responsible for ensuring that Cardiff Met Students' Union has effective cash handling procedures for its commercial operations as a whole and the Budget Holder is responsible for that the procedures are implemented within each operation under their control. Each member of staff who has a responsibility for handling cash must be aware of the requirement to account properly for that cash as a key aspect of their duties.

Daily Takings

It is a requirement that each trading operation completes a cash income summary sheet, on a daily basis, for each till used, reconciling the cash to the till readings. If there is a discrepancy between cash taken and the till readings of £5.00 or over it must be investigated and a noted of the findings and checks must be recorded on the sheet or by email to the Finance Director. If the discrepancy exceeds £15.00 (surplus or shortage) it must be reported to the Finance Director by 10:00am the next working day.

Safe Security

The responsibility for the security of monies stored in the safe will be the responsibility of the designated key holder(s). As the designated key holder it is their responsibility to ensure that the safe is locked at all times and that no other member of staff accesses the safe without their knowledge. The budget holder will ensure that the safe is checked after every day of trading and when responsibility for the commercial operation changes. The float level is agreed by the Chief Executive after consultation with the Budget Holder. A record of this level will be held by the Budget Holder and by the Finance section. In the event of any discrepancy with the float level the budget holder must report it to the Finance Director by 10:00am the next working day. The contents of the safe must be checked and verified at the end of each day's trading and the safe locks and checked prior to closing. When change is required, it is necessary for cash to be taken from the safe to be changed at the bank. The member of staff taking the money must sign out the cash taken and then sign in the change on its return

Designated Key holder (s)

| Operation | Budget Holder | Designated Key holder |
|----------------------|-------------------|--------------------------------|
| Centro Bar | Bar Manager | Bar Manager & Bar Asst Manager |
| Llandaff Canteen | Operation Manager | Operation Manager |
| Llandaff Coffee Shop | Operation Manager | Coffee Shop Manager |
| Llandaff Shop | Operation Manager | Shop Supervisor |
| Cyncoed Shop | Shop Manager | Shop Manager/Evening Shop Asst |

Petty Cash

A Petty cash float will be operated by the Finance section. The Chief Executive is responsible for determining the maximum amount held in the petty cash float. The Petty Cash is available to enable the purchase of minor items without the need for the official ordering procedures and to cover the cash expenses of the Athletic Union Clubs. The security of the Petty Cash Float is the responsibility of the Finance Director. The Petty Cash will be reconciled on a weekly basis and all expense forms and claims submitted through petty cash must be supported with receipts. The petty cash will be stored in the finance section safe. Reimbursement of petty cash float will be via deduction from daily takings fully documented and reconciled.

Rates of Travel and Subsistence

Travel

Where a member of staff uses a private motor vehicle for approved business journeys which do not exceed 100 miles per day, the rate of 40p per mile reimbursement will apply. There may be occasion when it is more efficient and economical to hire a vehicle rather than use private/public transport and consequently staff will then be expected to use such vehicles. The Chief Executive must approve the hire of any vehicle in advance. Claims must be made using Cardiff Met Students' Union Expense claim forms with full details of all journeys. Where ever possible staff and Sabbaticals should co-ordinate travel to reduce the number of journeys taken.

Subsistence

The following maximum rates for subsistence will apply when a member of staff or Sabbatical is away from their normal place of work on official business for the Union and has incurred expense as a result.

| | |
|---|-------|
| Absence under 4 Hours | Nil |
| Absence of more than 4 hours and less than 24 | |
| Breakfast | £4.00 |
| Lunch | £6.00 |
| Evening Meal | £7.75 |

The normal maxima for bed and breakfast for one night in a hotel are as follows:

| | |
|--------------------------------|------------------|
| London/Overseas Capital Cities | £80.00 per night |
| Elsewhere | £60.00 per night |

Daily Subsistence rate for outside the UK is £20.00 per day.

Debtors Procedures

Monthly statements will be issued to all debtors. Account payments are due by the end of the month following month of invoice. Any debtors whose account exceeds 30 days period should be sent a reminder letter when their account reaches 45 days. If the account then reaches 60 days the Debtor will be telephoned. At 75 days a second reminder letter will be issued, at 90 days a third reminder letter is issued. If a debtor is issued 3 reminder letters then the account facilities will be suspended. A debtor may only then continue to receive credit facilities with the consent of the Chief Executive or the Finance Director. Any accounts that reach a large level or appear to require extra attention should be telephoned more regularly if deemed necessary.

General Guidance

These regulations cover financial matters in general and may not cover every situation. If there is a procedure that a member of staff is not sure of, they must confirm this procedure with the Chief Executive before any action is taken.