

Nottingham City UNISON **Financial Regulations**

This policy sets out the main financial procedures to be followed within Nottingham City UNISON. The procedures have been agreed by the Branch Committee and are designed to ensure the accuracy and completeness of financial records as well as minimise the risk of error or fraud.

If, for any reason, the procedures are not followed, the circumstances surrounding this must be reported to the Treasurer and Finance and Administrative Committee at the earliest opportunity.

Approved by the Branch Committee that took place on Tuesday 9 March 2010

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SECTION ONE

BANK ACCOUNT

1.1 The Bank Account

- All bank accounts will be held in the name of Nottingham City UNISON.
- The Bank Mandate is determined by the Finance and Admin Committee.
- Signatories will be Officers of the Branch and should include the Branch Secretary, Treasurer, Chair and Service Conditions Officer.
- All cheques will be signed by two signatories.
- The Treasurer is responsible for ensuring that the bank mandate is kept up to date following any change in signatories.
- Signatories will only sign cheques, which are payable to themselves, once approved by another cheque signatory.
- All cheque payments will be authorised by one of the signatories.
- Cheques should be filled in completely (payee, amount in words and figures and date) before cheques are signed.

1.2 Funds on Deposit

- Nottingham City UNISON may operate a deposit account. Transactions with this account may only be to and from the current account.
- Deposits would be made by cheque signed in accordance with the mandate.
- Withdrawals may only be in the form of transfers to the current account and authorised by the Treasurer who is responsible for ensuring adequate cash flow arrangements.
- The Branch may allocate funds for specific purposes, e.g. staff redundancy fund, voluntary sector worker fund, only following agreement by the Finance and Admin Committee.

SECTION TWO

INCOME

2.1 Incoming Resources

- All income will be banked, including cash.
- Income will be banked on a regular basis, but at least monthly.
- Banking slips / banking sheet with full details of the income is to be completed.
- Any donations or similar income will be acknowledged in writing and a copy of the letter filed with the banking sheet.

SECTION THREE

EXPENDITURE

3.1 Payment by Cash

- Wherever possible payments will be made by cheque not cash.
- As required cash will be drawn from the Bank by a staff member (normally the Branch Administrator), to "top up" the petty cash float. to £200.
- A member of staff, designated by the Finance and Admin Committee will maintain the tin, but other members of staff may have access to the tin.
- Whenever cash is taken from the tin, either:-
 - Receipts matching the exact amount attached to a completed petty cash voucher, will be placed in the tin, or
 - A note indicating the amount withdrawn, date and name is placed in the tin, and this is removed when the change and receipts are put in.
- The Branch Clerical Assistant will enter the transactions into the petty cash book and reconcile with a cash count taken to verify the balance. This is will checked periodically (normally when the petty cash is 'topped up') by the Branch Administrator.
- Any discrepancies must be reported to the Treasurer.
- Payments by cash are for office/sundry expenditure only.
- Cash payments to Stewards and Branch Officers should only be made in an emergency. Authorisation is needed for all payments to Officers and Stewards.

3.2 Payments by Cheque

All payments will be processed by the Branch Administrator.

- All invoices, member/steward expense claims are to be passed to the Branch Secretary for authorisation. In the absence of the Branch Secretary, the Service Conditions Officer, Branch Chair or Treasurer may authorise payment
- All expense claims should include receipts where appropriate
- Incomplete or disputed claims should be referred to the Finance and Admin Committee.
- Cheques shall be signed in accordance with the bank mandate. Signatories should see the invoice/claim form before signing.
- Cheque signatories should check that the expenditure has been authorised by the appropriate person before signing the cheque.
- Payment must be within the agreed budget.

- The authorised invoice/claim will be marked with the date and cheque number.
- The Branch Administrator will file the invoice/claim form and all relevant paperwork, (including a photocopy of the cheque) in cheque number order.
- The Branch Administrator will enter all payments as part of the Quicken computer accounting system on a monthly basis.
- In cases where a cheque is reported lost, a replacement should not be issued until the Branch has received written confirmation from the Bank that the cheque has been stopped.

3.3 Payments by Direct Debit or Standing Order

- Any direct debit / standing order instruction must be authorised in accordance with the general bank mandate.
- Copies of all direct debit/standing order instructions will be maintained with the bank statement file.

3.4 Payments of Salaries and Pension

- Community Accounting Plus will be used for payroll purposes.
- The Branch Administrator will notify CA Plus of any changes to salary.
- The Branch Administrator will also notify the Pensions Department by completing the appropriate form, signed by the Branch Secretary.
- Employer and Employee Pension Contributions will be deducted by UNISON prior to Branch funding.
- The Branch Administrator will arrange for payment to be made to the Inland Revenue on a monthly basis in accordance with the paperwork received from Community Accounting Plus.
- Any amendments to salaries must be authorised by the Branch Secretary before they can be processed.
- The payslips and cheques will be checked and signed as per payments by cheque procedure.
- The date of issuing cheques to employees is 20th of each month.
- As part of the preparation of the annual accounts, the Treasurer should ensure that the correct payments have been made.

3.5 Payment of Expenses

- It is the duty of all branch members / officers / staff, to ensure that expenditure is authorised by the Branch Secretary or the appropriate committee (Finance and Admin / Branch Committee) before committing the Branch to any expenditure. **If members are in doubt they should check with the Branch Secretary or Treasurer beforehand.**
- All expense claims must be signed by the member and should normally be submitted on a monthly basis.
- Claims for childcare / dependant care should complete the carer's expense form and attach a receipt for the expenditure from the carer.
- Completed and authorised expenses with appropriate receipts are normally paid within seven working days. (The amounts that may be claimed are included in the expense claim form).
- In certain circumstances payments for expenditure will be issued in advance, approval will be needed from the Branch Secretary.
- When advance payments are issued, receipts should be forwarded to the Branch Office within 7 days of the expenditure. No other claims will be paid until these receipts are provided.

3.6 Welfare Applications

- A Branch Welfare Officer will normally assist members in completing Applications for Assistance; however, they can also be completed by a Steward.
- Evidence of income and expenditure to accompany the form must be corroborated by a Welfare Officer.
- All applications must be submitted to a Branch Welfare Officer.
- All applications will be sent to National Welfare (with a copy kept by the Branch Welfare Officer).
- Where a local payment is considered:-
 - Both Welfare Officers will liaise to ensure consistency
 - An Application form with a recommendation from the Welfare Officer will be completed.
 - Written confirmation of the grant must be received and payment should be authorised in line with normal payment procedures.
- As recommended by the national auditor no welfare loans are to be issued from Branch funds.

3.7 Training Applications

- All training with the exception of basic Steward / H & S / ULR courses must be approved by the Finance and Admin Committee.
- Applications for all training should be submitted to the Branch Secretary, ensuring that enough time is allowed for authorisation by the Finance and Admin Committee prior to the training course closing date.

SECTION FOUR

ACCOUNTING / REPORTING SYSTEMS

4.1 The Accounting System

- All accounting records will be maintained on the Quicken Accounting System.
- The Branch Administrator is responsible for input and reconciliation of all accounts.
- The Branch Administrator will reconcile the entries to the bank statements monthly, overseen by the Treasurer.
- As part of the budget process the Treasurer will establish income and expenditure categories, which will be used to report to the Finance and Admin Committee.
- At least once a month, a backup copy of Quicken will be made.

4.2 The Filing System

- All accounts files shall be maintained for 6 years.
- The following files are required:
 - Bank statements in sheet order with reconciliation reports and bank mandate with standing order or direct debit instructions.
 - Income file with income sheets (with relevant documents attached) filed in date order.
 - Expenditure file with invoices in cheque number order and petty cash receipts in date and number order.
 - PAYE files for the current tax year and previous years.
- The Treasurer will keep files for the budget details, correspondence with UNISON nationally and annual accounts.
- A fixed asset register will be maintained which will include all assets costing over £250. This register will record details of date of purchase, supplier, costs, serial number and a photocopy of the invoice. This will be checked annually by the Branch Administrator.

4.3 The Reporting System

- On a quarterly basis, the Treasurer will draw up budget variance records and any other reports that may be requested, for the Finance and Admin Committee.
- The Treasurer will write a report explaining the significant variances for consideration by the Committee.

4.4 The Annual Reports and Accounts Audit

- Each year the accounts of Nottingham City UNISON will be subject to an annual audit.
- An Auditor should not be a member of the Branch Executive Committee.
- The Treasurer is responsible for producing with the Auditor, the Annual Accounts for consideration by the Committee, and for liaison with the Committee and Auditor over the audit process.
- In order that the union can meet its statutory requirements, Branches are required to submit a Head Office return. This return must be completed by the Treasurer / Auditors by the appropriate date and signed by the Branch Auditors.

4.5 The Budget and Salary Review Process

- The following steps form the basic model for preparation of budgets within Nottingham City UNISON.
- In October / November, the Finance and Admin Committee will consider the plans for the following year. These should be broadly consistent with any longer term plan (Branch Development Plan) already in place. Where the year plan differs significantly from the longer-term plan, this may warrant a revision to the longer-term plan.
- In December the Branch Committee will approve or amend this budget.
- The budget is a guide. It is not used to provide absolute limits for specific categories of expenditure; however, any material variance must be reported by the Treasurer to the Finance and Admin Committee.
- Staff salaries are reviewed in line with the agreement with our employee representatives and UNISON nationally.

SECTION FIVE

RESPONSIBILITIES

5.1 The Responsibilities of the Branch Treasurer

- To ensure payments are made in line with Branch and UNISON policy.
- To ensure any money due to Head Office or region is paid.
- To maintain the budget.
- To ensure Branch income is maximised.
- To ensure that accurate records of cash received and paid are maintained.
- To ensure accurate accounts are prepared for the Branch AGM.
- To send annual accounts and returns to Head Office on time.
- To report to the Branch Committee via the Finance and Admin Committee.

5.2 The Responsibilities of Members

All Branch members have a responsibility to:-

- Submit accurate and timely expense claims.
- Provide accurate information and evidence of money spent or received.
- To ensure that expenditure is authorised by the Branch Secretary or appropriate Committee before committing the Branch to any expenditure.
- To repay back to the Branch any over claimed or overpaid expenses from the Branch.

5.3 The Responsibilities of the Finance and Administrative Committee

The Committee will meet on a regular basis (at least quarterly) as determined by the Branch Secretary, Treasurer and Chair and minutes from all meetings will be submitted to the Branch Committee Meeting. In situations where the Finance and Admin Committee are not due to meet and authorisation for expenditure is required, delegated responsibilities are outlined in Section Six.

The responsibilities of the Committee are:-

- To consider all requests for donations, affiliations, publications and subscription from organisations which are not in conflict with the aims and objectives of UNISON.
- To consider requests for attending all training courses (excluding basic Steward, H & S and ULR courses).
- To consider all conferences / seminar requests.
- To consider requests for purchase of equipment and unbudgeted expenditure.
- To consider disputed expense claims.
- To consider premises related expenditure.

- To approve the bank mandate.
- To approve the annual budget.
- To review financial information presented by the Treasurer.
- To review Branch Financial Regulations on a regular basis.

SECTION SIX

DELEGATED RESPONSIBILITIES

In situations where the Finance and Admin Committee are not due to meet and approval for expenditure is necessary, the Branch Secretary, in consultation with either, the Treasurer, Chair or Service Conditions Officer is delegated to agree expenditure up to the value of £200.

Delegated decisions shall be reported and noted at the next Finance and Admin Committee Meeting.

SECTION SEVEN

SUSPECTED FRAUD OR IRREGULARITIES

The Chair, Branch Secretary and Treasurer shall be notified immediately by anyone connected with the Branch of any circumstance which might suggest the possibility of suspected fraud or any irregularity affecting cash, financial transactions, property or in the exercise of any functions of the Branch.

The Chair, Branch Secretary and Treasurer shall make such investigations as they think appropriate and if evidence of a criminal offence is discovered, they shall have the authority to inform the police and the employer.

If a fraud is confirmed this will be reported to the Branch Committee at the next available meeting.

In the case of the Treasurer being suspected of fraud or any other irregularity the Chair and the Branch Secretary will be informed immediately. In the case of the Chair or Branch Secretary being suspected of fraud or any other irregularity, the Treasurer will be informed immediately. The investigation process as above will apply as appropriate. Another officer or member, can be asked to assist with the investigatory process.