

Finance Delegation and Control - General Procedures

Approved by Council

Date: July 2018

Review:

July 2020

Scope

This procedure defines how The Society manages its internal financial affairs and provides a framework for the management of budgets and the day to day control and management of financial transactions and banking procedures.

1. Commitment of Funds

- 1.1 An annual year budget tied to the strategic plan will be prepared and submitted by the Chief Operating Officer, Finance Manager and Honorary Treasurer to Council for approval.
- 1.2 Council will receive regular financial reports detailing significant variations in income and expenditure from the approved budget. The Finance Manager and or Honorary Treasurer will indicate reasons for these variations, propose remedial action as appropriate and recommend budget revisions if necessary.
- 1.3 The Chief Operating Officer is fully responsible for The Society operating within the approved budget and for the authorising of expenditure.
- 1.4 The Chief Operating Officer may delegate this authority to Departmental Managers or other staff as is seen fit. Such delegation shall be put in writing and copied to the Honorary Treasurer.
- 1.5 Staff salaries require the approval of the President and Honorary Treasurer and must be within budget and reported to Council.
- 1.6 Contracts over one year and under three years duration or for more than £5,000 in value require the approval of the President and Honorary Treasurer and must be within budget. Longer contracts and leases relating to new premises must be referred to the full Council.
- 1.7 The Chief Operating Officer and or Honorary Treasurer may vary any budget allocation by no more than £10,000 in the year. Any expenditure variation exceeding £10,000 or outside the approved plan must first be authorised by Council.
- 1.8 Capital Expenditure.
 - 1.8.1 A capital budget will be set and approved by Council to cover the purchase of assets in excess of £250 as part of the annual budget.
 - 1.8.2 The Director General may authorise capital expenditure within budget and with the agreement of the Honorary Treasurer.
 - 1.8.3 Capital expenditure of items over £10,000 will be presented to the Council for approval and unless approved by Council three quotes will be obtained for such expenditure.

2. Payments

- 2.1 The bank signatories for The Society are: the President, Vice President, the Honorary Treasurer, the Chief Operating Officer and the Finance Manager. In addition for internet payments only the Finance Assistant can solely authorise payments up to £250
- 2.2 Electronic payments or cheques drawn upon The Society's Bankers shall be signed or electronically authorised as follows: -
- Payments less than £250 shall be authorised/signed by any one signatory.
 - Payments between £250.01 and £1000 require two authorisations/signatories.
 - Payments between £1000.01 and £50,000 require two authorisations/signatories one of whom must be the President, Vice President, Honorary Treasurer, Chief Operating Officer or Finance Manager.
 - Payments over £50,000 require authorisation by any two of The President, Vice President, Honorary Treasurer, and Chief Operating Officer.
- 2.3 Business Internet Banking Payment

Wherever possible, payments to individuals or suppliers will be made through Internet Banking facilities operated by The Society's bankers. Payment instructions will be entered and processed in accordance with the instructions in paragraph 2.1 and 2.2.

3. Banking and Custody Procedures

- 3.1 Finance Department:
All cash and cheques received by The Society are to be banked on a regular basis and not less than once per week. Instructions to charge credit/debit cards are also to be carried out on a regular basis and not less than once per week.
- 3.2 Petty Cash is to be kept in a locked cash box and secured overnight in a locked filing cabinet. The Finance Manager and his Assistant will hold keys.
- 3.3 Membership Department/Reception:
All cash and cheques received by The Society are to be banked on a regular basis and not less than once per week. Instructions to charge credit/debit cards are also to be carried out on a regular basis and not less than once per week.
- 3.4 The Society's Insurers have set the following limits on money held at the premises when closed for business:
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| • In an unspecified Safe | £1,000 |
| • Out of Safe during business hours | £5,000 |
| • Money being in transit, bank night safe,
or on business premises during business hours | £5,000 |
- 3.5 All safe keys are required to be held by responsible adults and removed from the premises outside business hours.
- 3.6 A complete record is to be kept of money in transit and on the premises and deposited in a secure place other than the safe containing the money.

4. Staff, Trustee and Volunteer Expenses

All staff, trustees and committee members and other volunteers may claim reimbursement for expenses wholly incurred in the execution of their duties while working on The Society's behalf and at The Society's request. Expenses are to be claimed on form MF003.

5. Expenses Guidelines

Guidelines for the levels of allowable expenses will be approved by Council each year and set out in MF003.