

LEEDS TRINITY STUDENTS' UNION

Financial Operations Guide for All Staff

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1. OVERVIEW

This document should be read in conjunction with “Leeds Trinity Students’ Union Financial Regulations and Procedures”.

The purpose of this document is to serve as an operational guide for all staff and explains the day to day financial operations of the Union.

2. EXPENDITURE / PURCHASING

Expenditure must only be made against approved budget codes and limits and only by the nominated budget holder or General Manager.

VAT applies to all LTSU purchases and sales. Invoices for goods purchased and sales made by LTSU must be checked to ensure that VAT is shown and included in the overall total for the invoice. The LTSU VAT number is 362001995.

In addition, invoices should be checked to ensure that they are addressed correctly to the Union and not the University which is something that regularly occurs. If they are addressed to the University, a request for a revised invoice should be requested immediately.

Any order over £100 will require an authorised Purchase Order signed by the General Manager before the goods can be purchased. A Purchase Order form should be completed and authorised prior to the order being placed. For all other orders, a Purchase Order form should be completed by the budget holder.

a. Invoices

The Finance Administrator is responsible for the recording of all invoices received at the Students’ Union and ensuring all correctly authorised claims for payment are made by the due date. Payments are made each Thursday.

When an invoice is received into the Finance Office, it is stamped and then passed to the relevant person (who either ordered the goods or is responsible for the budget) to authorise that the invoice can be paid and that the goods/service has been received and all pricing is correct.

If a member of staff receives an invoice directly, this should be forwarded to the Finance Administrator immediately for logging on to the system.

If the goods are above £50, then a purchase order would have been completed at the time of ordering and passed to the Finance Administrator. If all details are identical (ie. exactly the same supplier, goods and amount) then the invoice will be paid without further authorisation being required although you may be asked to confirm that the goods have been received in a satisfactory order.

b. Expenses

Staff expenses are paid on Thursdays, along with the normal payment run. If you have incurred legitimate expenses in the normal course of your duties, you can claim re-imbusement. You should complete a Staff Expenses Form and have it authorised by the budget holder or the General Manager if you are the budget holder. Once authorised, this should then be passed to the Finance Administrator with all receipts attached, who will then arrange payment directly into your bank account. Further information on expenses can be found in the Financial Regulations and Procedures.

c. Credit Card

Staff are encouraged to use the Union's credit card for purchases which need to be paid for upfront or online, rather than using their own money and then requesting reimbursement.

Due to recent changes in the way credit card payments are verified, the General Manager and Deputy General Manager will both have a credit card in their name with whoever we bank with. These cards should be kept securely on site in a locked drawer or safe. They are to be used by the post holders either directly or through their supervision.

To use the credit card, a Credit Card Authorisation Form should be completed in full and authorised by the General Manager or Deputy General Manager, who will then release the credit card for your use. This should be returned immediately after the purchase has been made.

Once the purchase has been made, a copy of the receipt or confirmation should be forwarded immediately to the Finance Administrator. If a VAT invoice is to be supplied, this should be requested and forwarded to the Finance Administrator upon receipt. VAT cannot be reclaimed without a VAT invoice.

The Finance Administrator is responsible for reconciling the credit card transactions at the month end and allocating each transaction to the specified budget.

d. Online Banking

The majority of the Union's payments are made by using the online banking facility provided by HSBC.

The General Manager will be the primary user of the account and responsible for the administration of online banking which includes adding and removing users, setting single payment limits and daily payment limits etc. The General Manager will also be responsible for authorising any payments above a user's set limits. The Deputy and Finance Administrator will also have access as secondary users. The Deputy has an individual payment limit of £2,000 and the Finance Administrator has an individual payment limit of £1,000.

In the first instance, the Finance Administrator is responsible for processing all online banking payments. In the absence of the Finance Administrator, the Deputy or General Manager may make payments following the written procedures and using their own banking fobs and then passing on the paperwork to the Finance Administrator who can then update Kashflow accordingly.

When a payment is made via online banking, the 'Confirmation of Payment' page should be printed and attached to the paperwork. This can act as a remittance and also shows details of when the payment

was made, the name and account number it was paid into along with details of which member of staff made the payment.

Payments are made each Thursday morning and all paperwork should be completed by 5pm on the Wednesday, allowing the Finance Administrator time to schedule payments and workload.

e. Bank Reconciliations

At the end of each month, the Finance Administrator is responsible for reconciling the bank statement with the online accounts system (Kashflow). Following the reconciliation, the bank statement will be given to the General Manager so that this can be checked against the accounts system and signed to say that this has been done. The Finance Administrator will then file the bank statements securely.

f. Changes to Signatories

The General Manager shall advise bankers of any addition or removal of signatories by completing the online form. All forms completed showing alterations need to be signed by two signatories.

3. INCOME / SALES

a. Raising Invoices

Invoices are raised by the Finance Administrator. If you require an invoice to be raised, you should provide the Finance Administrator with a copy of the booking form (ie. fresher's fair stalls) or if one is not available, full details of the purpose of the invoice, who the invoice should be addressed to and the amount of the invoice. Contact details are also required, ideally a telephone number and an email address should there be any queries regarding payment etc.

Where the invoice is for sponsorship or a contract where the invoice has to be re-issued regularly, a copy of any purchase agreement/contract must be supplied to the Finance Administrator so that a diary of regular claims can be kept.

It is standard policy for payment to be made in advance for Freshers' Week commercial stalls.

b. Credit Control

Any unpaid invoices are followed up once they become overdue. In the first instance, an email reminder and a copy of the invoice will be sent. This is recorded in the notes section of the accounting software (Kashflow). If the debt still remains unpaid, telephone contact will try to be established.

The General Manager will review the Debtor and Creditor balances on a monthly basis.

On occasion, the originator of the sales invoice may be required by the Finance Administrator to contact the customer to chase up payment if he/she is struggling to collect the debt in a timely fashion.

Funds for Invoices raised on behalf of Sports Clubs and/or Societies are not allocated to their accounts until payment has been received. This is to ensure that no overspend occurs should the invoice not be paid for any reason.

c. Payments Inwards

All methods of payment carry some risks. It is imperative therefore that the following procedures are adhered to:-

Union Cloud Payments – This is our preferred method for students to use for purchasing tickets, club memberships, kit etc. Funds collected via the website are paid into the Union bank account and are allocated to each club/nominal twice a month. Budget holders should be aware of the transaction costs and these should be budgeted for in the area of activity, if they are not to be charged to the purchaser. Transaction charges are 7.5% per transaction with a minimum charge of 30p and a maximum charge of £1.50.

Cheques – cheques are accepted for payment of sponsorship for clubs and societies. These MUST be made payable to Leeds Trinity Students' Union and not any individual club or member.

Cash – we do not recommend any payments by cash but occasionally the need arises where cash has to be handled in the Students' Union, ie. collection of subs, clubs/societies raffle money etc. Where cash is handed to a Union Staff Member, the money must be counted together with the person handing the money over and a receipt must be issued from the carbon copied receipt book. There are three receipt books available. One held by the Union Sports Co-ordinator and the other by the Representation and Societies Co-ordinator. Both these members of staff hold the appropriate cash deposit form to be completed when cash is paid into the Union. The Finance Administrator also holds a receipt book. A copy of the cash deposit form may also be given as a receipt.

Where payment can be made through Union Cloud it should be but in the event it is not, a clear business case must be given to the General Manager as to the reason why.

The cash, along with the appropriate paperwork, should then be handed to the Finance Administrator as soon as is possible for banking. In the Finance Administrators absence, the money should be kept in a locked drawer. If you do not have access to a locked drawer, the General Manager or Deputy General Manager should be advised immediately and they can then arrange for it to be locked in a drawer or placed in the SU safe. Our insurance covers us for £200 locked in a drawer, ideally within a petty cash box. This limit is for all SU staff drawers combined and also includes any vouchers.

If the amount of cash exceeds £200 then this should be given to either the Finance Administrator or the General Manager to be stored in the safe out of business hours. The Deputy General Manager, President and Vice President also have access to the safe.

4. TRANSFERS BETWEEN UNION/UNIVERSITY

On occasion, it is necessary to acquire goods and/or services from the University and/or provide goods and/or services to the University. As both operate as separate financial institutions, it is crucial that transfers are accounted for in the correct manner.

The preferred method of accounting for supplies to/from the University is by raising an invoice and settlement made as though it was any other supplier or customer and likewise, the University will invoice the Union in the same manner.

If you have an invoice which requires payment by the Union but will be reimbursed by the University (ie. Awards, Pizzas etc), details should be provided to the Finance Administrator as soon as is possible.

Agreement in writing should also be confirmed with the colleague in the University and a purchase order number requested from them. The Finance Administrator will then be responsible for raising an invoice to the University and ensuring everything is documented correctly and paid accordingly.

5. PROCESSING OF PAYROLL

The General Manager must authorise the appointment of new staff and sign any contracts. All new starter documentation should be completed and passed to the Finance Administrator, who is responsible for adding all new starters to the computerised payroll system. A copy of the new starter's passport should accompany the documentation along with a P45 (if applicable). Once new starter details have been entered, the documents will be filed in a locked drawer.

Hours worked each day/week should be completed on the Deputy software and should then be checked and allocated a budget code from where the payment will be made by the person responsible for requesting the staff to work and/or the budget holder.

All salaries, wages, pensions and taxable benefits to all employees shall be paid on the closest Friday either on or preceding the 15th of each month.

The Finance Administrator is responsible for the processing and payment of the payroll each month. Ensuring the Tax, NI and Student Loan monies are forwarded to HMRC along with all Real Time reporting and that pension contributions are forwarded to the Pension Provider within the set timescales.

The Finance Administrator will then create Journals to add all the payroll and pension information on to the computerised accounts and allocating costs against relevant budgets.

Should any employee (permanent or student staff) leave the employment of the Students' Union, the Finance Administrator should be informed within 3 days so that any monies owed/due can be calculated and the appropriate leaving paperwork completed.

6. STORES, STATIONERY AND OTHER CONSUMABLES

All stock such as Wristbands and Bus Passes etc. is the responsibility of the Finance Administrator who will ensure that they are kept secure and accounted for in a lockable cupboard or the safe as appropriate and as per our insurance conditions.

Bus passes and Wristbands need to be contained within the safe outside office hours and it is the responsibility of the person selling such items, to return any unsold ones back to the Finance Administrator or General Manager at the end of each day to be returned and locked in the safe. These items will be signed for when taken out of the safe and again when returned.

7. FINANCIAL REPORTING

Management Accounts are produced on a monthly basis and these detail all income and expenditure up to the end of the period. They will also show any variance against budgets. These reports also include details of debtors and creditors along with projected bank balances and reserves. These reports are circulated to the Trustees and budget holders.

The Finance Administrator will forward the details to all budget holders who will be expected to check their budgets are correct each month and advise the Finance Administrator of any discrepancies or queries as soon as possible. Once the Management Accounts have been approved by the General Manager for distribution, they will be available for all Union staff to view on the shared one drive.

Details of Sports Clubs and Societies funds will be sent to the Co-Ordinators on a monthly basis but can also be provided at any time upon request to the Finance Administrator.