

Imperial College Union Financial Procedures

(Proposed)

This document governs all financial matters relating to the Union. Non-compliance, deliberate, negligent or repeated disregard of these provisions may result in disciplinary action being taken against the person concerned, under the terms of their employment contract with the Union, or, under the Constitution & Bye-Laws. Where appropriate, criminal proceedings may also be considered.

The President is ultimately responsible for the finances of the Union. Responsibilities may be allocated by the President to suitable Deputy Presidents and members of staff. The Union's annual accounts shall be approved by the Trustee Board and the College Audit Committee prior to report to the College Council.

This document is owned by the Trustee Board

Use of Union Funds

1. The Union subvention from College, monies raised by trading outlets and any other funds generated by Union-wide initiatives may be used for:
 - 1.1. Donations or payments to persons and bodies outside the Union for subscriptions to national or regional student bodies approved by Council or payments for supplies and services rendered,
 - 1.2. Donations to charitable causes, where the Union authorizes fundraising events and donates the proceeds to charitable causes, provided that the object of the fundraising is made clear to the donors.
 - 1.3. Retaining cash reserves, or re-investment back in the Union.
2. No part of Union subvention from College, monies raised by trading outlets and any other funds generated by Union-wide initiatives shall be used:
 - 2.1. To support or further the aims or activities of any body, group or campaign of a political nature,
 - 2.2. To benefit individuals in any way that would not be equally available to the membership as a whole,
 - 2.3. For ultra vires payments as defined by the Attorney General.

Trustee Board Responsibilities

3. The Trustee Board shall:
 - 3.1. Approve the Union's Annual Report and accounts,
 - 3.2. Approve any significant change in accounting practices,
 - 3.3. Approve any major capital project and contract which is significant strategically or by its size, and
 - 3.4. Approve the remuneration of the Sabbatical Officers and Managing Director.

Budgets

4. The Union shall propose a consolidated income and expenditure budget and a capital expenditure budget for each financial year not later 30 June in the previous year.
5. The proposed budgets shall be submitted by the Executive Committee for approval by the Trustee Board.
6. The approved budgets (or individual items within them) may be varied only with the authorization of the President upon consultation with the Head of Finance for amounts up to £10,000 and the Trustee Board for all amounts in excess of this.
7. The Union shall monitor financial performance against budget during the financial year:
 - 7.1. The Managing Director and Head of Finance shall be responsible for monitoring the budgets with their respective budget holders, the President and the Deputy President (Finance & Services). An external or alumni member of the Trustee Board should be appointed to attend these meetings and report their business back to the Finance & Risk Committee.
 - 7.2. The Finance & Risk Committee shall report to the Trustee Board on the Union's finances and performance against budget.

Budget Holders' Responsibility

8. It is the responsibility of every budget holder to ensure that expenditure committed from his/her budget complies with the Union's Finance Procedures and Union Finance Manual. Budget holders must also ensure that the handling of income complies with the Union Financial Procedures.

Bank Accounts and Investments

9. Neither the Union nor any constituent part of the Union nor any individual acting on behalf of such a part may operate a separate bank account other than that authorized in advance by the Executive Committee.

Payment Authority

10. All payments (cheques and other paper/electronic financial instruments) must be signed or otherwise authorized by the relevant persons:
 - 10.1. Central Union payments for less than £1,000 must be authorised by a person on the bank mandate other than the budget holder.
 - 10.2. Central Union payments for more than £1,000 must be authorised by:
 - 10.2.1. a person on the bank mandate other than the budget holder, the President or the Managing Director
 - 10.2.2. and then be authorised by the President or the Managing Director.
 - 10.3. Club, Society & Project payments for less than £1,000 must be authorised by a person on the bank mandate.
 - 10.4. Club, Society & Project payments for more than £1,000 must be authorised by
 - 10.4.1. a person on the bank mandate other than the President or the Managing Director
 - 10.4.2. and then be authorised by the President or the Managing Director.

Limits of Authority

11. No unauthorized member or employee may sign a contract or otherwise commit expenditure on behalf of the Union or any part thereof.
12. Expenditure up to £20 may be authorized by a Club or Society Chair (or Treasurer) from their budget subject to the funds being available.
13. A Constituent Union President or the Chair of a Management Group (or their respective Treasurers) may authorize expenditure up to £1,000 from their budget subject to the funds being available.
14. The Deputy President (Finance & Services), or, in his or her absence, one of the other Deputy Presidents, may authorize all Club, Society & Project expenditure subject to the funds being available to the Club, Society or Project up to £50,000.
15. In the event of an expense up to £2,000 that a Club, Society or Project does not have the funds available for, the Deputy President (Finance & Services) may still authorise this expenditure if they believe that the Club, Society or Project will be able to recover the expense within the financial year.

16. The Executive Committee may authorize all Club, Society & Project expenditure over £50,000 up to £100,000 subject to the funds being available to the Club, Society or Project, and after consulting with the Head of Finance and Finance & Risk Committee.
17. In the event of an expense up to £10,000 that a Club, Society or Project does not have the funds available for, the Executive Committee may still authorise this expenditure if they believe that the Club, Society or Project will be able to recover the expense within the financial year.
18. Operational Managers may authorize expenditure consistent with their budgets up to £10,000.
19. Operational Managers may authorize expenditure consistent with their budgets up to £100,000 subject to approval by the Head of Finance and Deputy President (Finance & Services).
20. The Trustee Board may authorize all other expenditure.

Orders

21. Orders of goods or services shall only be placed using an Imperial College Union order form or in accordance with a duly authorized contract.

Loans to Staff

22. Loans to staff must not be made without the written permission of the Managing Director given in consultation with the President and Chair of the Trustee Board. Arrangements for repayment of such loans must be put in place before the funds are advanced.

Long-Term Commitments

23. Only the President jointly with the Managing Director shall sign a contract which commits the Union to any obligation that extends beyond the current financial year. Such contracts shall only be signed with the prior written authorization of the relevant budget holder. Such authorizations shall be made within the limits of authorisation set out above.
24. Staff roles may be created in accordance with the Union's budget by the Managing Director after consultation with the relevant budget holder.
25. Appointments of staff (except those employed on a 'casual' or 'zero-hours' contract basis) and any variance to their contracts shall be authorized by the Managing Director after consultation with the President and the relevant budget holder.

26. Staff roles may be removed by the Managing Director after consultation with the Trustee Board and the relevant budget holder.
27. Staff roles may be changed by the Managing Director after consultation with the President and the relevant budget holder.

Events

28. The limits of authority as defined above shall be applied to the total of all expenditures relating to events organized on behalf of the Union.
29. Prior authorization shall be given in writing.

Cash Holding

30. Other than trading outlets for legitimate operational purposes (as determined by the Executive Committee), no constituent part of the Union may hold cash without the prior written authorization of the Deputy President (Finance and Services).
31. Cash takings shall be deposited with the Union's bankers within three (3) College days of receipt and no expenditure may be incurred from cash receipts.
32. Members and employees may carry or hold cash or other valuables with due regard to the limits set from time to time by the Union's insurers.

Borrowing

33. The Union shall not borrow any external funds without the prior written authorization of the Trustee Board.

Guarantees and Indemnities

34. The Union shall not give any guarantees or indemnities without the prior written authorization of the Trustee Board.

Supplies on Credit

35. Goods and services may be issued on credit in accordance with approval procedures and credit limits set by the Trustee Board.

Inventories and Asset Management

36. The Union shall maintain a full inventory of all its assets valued (individually or in aggregate) in excess of £200.
37. It is the responsibility of all Union Officers, Club, Society & Project Chairs and operational managers to ensure that they maintain a register of such items and inform the Head of Finance when such items are purchased.
38. None of the Union's assets shall be disposed of without the written permission of the relevant authority.
39. Assets valued in excess of £10,000 belonging to the Union or any constituent part thereof, shall not be sold, re-allocated or otherwise disposed of without the prior written authorization of the relevant budget holder and the President in consultation with the Head of Finance and Managing Director.
40. Central Union assets valued in excess of £1,000 belonging to the Union or any constituent part thereof, shall not be sold, re-allocated or otherwise disposed of without the prior written authorization of the relevant budget holder and the Deputy President (Finance & Services).
41. Club, Society & Project assets valued in excess of £200 belonging to the Union or any constituent part thereof, shall not be sold, re-allocated or otherwise disposed of without the prior written authorization of the Deputy President (Finance & Services).