



## BYE LAWS H

### FINANCIAL REGULATIONS, SCHEDULES AND BYE LAWS

#### 1. Introduction

- a) The following provides a general introduction to the financial structure and principles of CUSU. The set of principles below apply to all the operations of CUSU and constitute the Financial Regulations.
- b) CUSU as a company limited by guarantee and a registered charity shall comply with the Education Act (1996), The Companies Act (2006) and the Charities Act (2006). The Board of Trustees shall have responsibility for the overall financial and legal compliance of CUSU.
- c) Amendments to these financial regulations shall require the approval of the Board of Trustees and following recommendations of Student Council and/or the Finance and General Purposes Committee.
- d) All members and staff of CUSU shall abide by these financial regulations.
- e) The operational responsibilities for finance rest with the Executive and its sub committee, the Finance and General Purposes Committee (F&GP), which make recommendations to the Student Council and the Board of Trustees.
- f) F&GP is responsible for a draft budget for the forthcoming year which is submitted to Student Council for approval; the Student Council shall submit the proposed budget to the CUSU Board of Trustees which is then forwarded to the University's Board of Governors.
- g) F&GP shall have the power to approve changes to the budget that result in up to a £3,000 worsening of the agreed annual budget, above which it shall require the approval of Student Council.
- h) There shall be appropriate external auditors appointed by the Board of Trustees on the recommendations of F&GP, which shall produce accounts for CUSU.
- i) The audited accounts shall be signed by the Chair of Executive and the General Manager of CUSU and submitted to the Board of Trustees and then to the Annual General Meeting (AGM) for approval.

- j) On approval by the AGM (or subsequent Union General Meeting) of the audited accounts they shall be submitted to the University's Board of Governors for information.
- k) Those staff and officers with responsibilities for budgets and expenditure shall be accountable to CUSU via regular reporting to F&GP and by strict observance of the financial regulations so as to maintain good financial practices.
- l) The following refers to a *Finance Guidelines Manual* which details all actual procedures. Copies of the Manual are available from CUSU on request.

## **2. General**

- a) CUSU's financial year shall commence on 1st August and end on 31st July in the following year.
- b) The Board of Trustees will receive for approval by 30 April each year the Annual Budgetary estimates for CUSU from the Student Council following recommendations from the Finance and General Purposes Committee (F&GP). These shall include along with the current year budget, estimates for the forthcoming year and financial forecasts for the following three years. The Chair of Executive and General Manager shall then submit these to the University Board of Governors for information.
- c) CUSU's annual audited accounts shall be presented to the AGM following approval from the Board of Trustees and also to the autumn sitting of the University Board of Governors.
- d) F&GP is responsible for ensuring the Union complies with all relevant laws and appropriate regulations. That by the receipt of reports through monthly F&GP Committees CUSU has a formal system of Financial Accountability.
- e) F&GP shall make decisions that are based on operational needs within the framework of the Finance Guidelines Manual.
- f) F&GP shall ensure that CUSU will not incur expenditure or enter into contracts that are inconsistent with charity law and relevant legislation.

## **3. Accounts**

CUSU shall keep accounts and accounting records in accordance with normal professional accounting standards

- a) Plan and conduct its financial affairs so as to ensure Financial Stability.
- b) Secure an external audit service from an eligible provider of appropriate experience

- c) Participate in the internal audit service secured by the University,
- d) Inform the University of CUSU borrowing any money in excess of £25,000 for a period in excess of 12 months.
- e) F&GP shall, on behalf of Executive, be responsible to CUSU Board of Trustees for the keeping of accounts and shall exercise monitoring of all CUSU finances

#### **4. Audit**

External Auditors shall be recommended for Appointment by the Board of Trustees and in compliance with legislation. The internal Auditor is appointed by the University and CUSU shall fully participate.

#### **5. Budget Holders**

- a) Budget holders are responsible for ensuring all expenditure should be in line with approved budgets.
- b) Additional Expenditure to the approved budget must be sanctioned by F&GP in accordance with Financial Guidelines.

#### **6. Capital and Depreciation of Assets**

- a) Assets are defined as a purchase that has a useful life of longer than one year and the cost is in line with the capitalisation threshold. This threshold will be determined by F&GP in line with Financial Guidelines. Capital expenditure must follow financial procedures as stated in the Finance Guidelines Manual.
- b) Equipment assets are subject to straight line (i.e. spread equally over the period) depreciation as follows:
  - Building plant and equipment – 10-15 years
  - General Equipment, furniture and fittings – 5 years
  - Vehicles, apart from Motor Coaches – 3 years
  - Computers and software – 3 years

#### **7. Contracts**

- a) No contract or financial agreement (e.g. leasing contract) may be entered into without specific authorisation given by F&GP
- b) All CUSU contracts shall be signed by the Chair of Executive and the General Manager, in line with company law. The General Manager and appropriate Sabbatical Officer shall sign all contracts made in the name of CUSU organised by a Committee, Society or Sports Club of CUSU (e.g. sponsorship of a sports club or society).
- c) Contracts for recurrent expenditure (e.g. electricity or maintenance of equipment) shall be made by the General Manager or their nominee following authorisation by F&GP.

- d) Contracts for employment of staff shall be signed by the Chair of Executive or nominee
- e) All contracts for capital works or equipment which entail a recurrent expenditure shall be submitted to F&GP for its approval
- f) All contracts involving initial expenditure in excess of an amount in accordance with the Finance Guidelines Manual shall normally be submitted for tender. At least three quotes shall be submitted to the Finance and General Purposes Committee for a final decision

### **8. Disposal of CUSU Assets**

Disposal of Assets will be in accordance with the Financial Guidelines Manual.

### **9. Expenses and Allowances**

Applicable to CUSU External Trustees, Executive Officers, Officials, Employees, members of CUSU on official business in the course of their duty as sanctioned by Student Council or Executive. All claims shall be in line with Financial guidelines

### **10. Gifts, Benefactions and Donations**

The General Manager is responsible for maintaining records in respect of gifts, benefactions and donations made to CUSU and initiating claims for the recovery of tax where appropriate.

### **11. Insurance**

CUSU shall maintain appropriate insurance cover, to include employers' liability, public liability, interruption of business, fire/theft, and libel, as well as others which are considered prudent to safeguard CUSU's assets and reputation.

### **12. Investments**

Board of Trustees may make or vary investment of the funds of CUSU as outlined by CUSU policy and shall inform Student Council of such based on the recommendations of F&GP and Student Council.

### **13. Levels of Expenditure**

Spend should be in line with budgetary allocations and in line with authorisation levels as stated in the Financial guidelines manual.

### **14. Ordering of Goods and Services**

- a) Goods and Services may only be ordered in accordance with CUSU Financial procedures as stated in the Financial Guidelines manual
- b) Any member of CUSU (including elected officers, and employees of CUSU) or persons who purport to order goods and services on behalf of CUSU in a

manner not in accordance with the financial procedures shall render themselves personally liable for the cost of the goods or service.

### **15. Risk Management**

The Board of Trustees shall receive and review a risk register no less than every six months, this shall incorporate risks both financial and professional to CUSU and has been recommended by F&GP.

### **16. Security**

- a) Employees and Officers and Budget Holders are responsible for maintaining proper security at all times for all buildings, stock, stores, furniture, cash etc under their control in line with financial guidelines.
- b) Data protection laws must be abided by all employees and officers at all times and applied to electronic and paper based information.

### **17. Stocks and Stores**

- a) Stocks and Stores shall be ordered and stored in line with Financial guidelines.
- b) Any surpluses or deficiencies revealed by stocktaking shall be reported to F&GP and appropriate action taken where necessary.

### **18. Use of CUSU Assets and Equipment**

The use of all CUSU Assets and Equipment shall be for official use only. Any personal and private use shall only be allowed in accordance with Financial guidelines