

UCC SOCIETIES

UCC Societies Financial Management Policy

Purpose

To ensure that UCC Societies finances are handled responsibly and to facilitate the application of sound day to day financial management practices.

Scope

This policy pertains to any Society member or members of the Societies Executive team who play a part in any area of Society finances such as budgeting, cash handling, Society lodgements and payments etc.

Definitions

SO refers to the Societies Officer.

SEP refers to the Societies Executive President.

SEFO refers to the Societies Executive Finance Officer.

SEFC refers to the Societies Executive Finance Committee.

SEA refers to Societies Executive Assistant.

HOSL refers to the Head of Student Life.

Policy Statement

UCC Societies shall comply with UCC best practise in relation to financial management. It is vital that all Society members are acutely aware of the appropriate financial procedures to follow when carrying out the day to day activities of their Society. Proper financial controls must be put in place to ensure that there is appropriate financial governance and transparency within UCC Societies.

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Roles and Responsibilities

Society Finance Officer

The Finance Officer is an integral component of the overall management of the Society and has the following responsibilities:

- Accountable to the Society committee and ultimately all members of the Society for all financial transactions.
- Responsible for the financial well-being of the Society which includes maximising revenue, controlling expenditure, safeguarding assets and reporting on the financial status of the Society.
- Preparation of an annual budget for the Society which is submitted to the SEP within the specified deadline.
- Monitoring actual expenditure versus budget throughout the year and analysing key variances.
- Ensuring that all Society members within the Society have received adequate training in relation to the financial management policy and all UCC Societies financial policies and procedures.
- Working with the Society committee and other Society members to maximise income generation through obtaining sponsorship, fundraising etc.
- Protecting its Society members from inappropriate charges for the mishandling of funds by ensuring that the Society fully complies with the UCC Societies Cash Handling policy.
- Ensuring that lodgements are reflected on the Society's portal within 24 hours of deposit of the funds in the Societies Bank Account.
- Managing the day to day finances of the Society to ensure that there are adequate funds available to cover the running costs of the Society.

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- Ensuring that spend is in line with budget and is aligned to the strategic goals of the Society.
- Ensuring that Society suppliers are paid on timely basis and that Society members are sufficiently reimbursed for expenses incurred within an appropriate timeline.
- Ensuring that applications for funding are submitted to the Societies Executive Finance Committee promptly. This is particularly important for the larger and more active Societies in order to maximise cash flow.
- Making key decisions with the Society Committee in relation to Society expenditure and ensuring that any additional spend outside of the specified budget is adequately financed. Where it appears that a deficit may arise, spending will need to be curtailed or additional income will need to be generated.
- Reporting to the Society Committee on the financial status of the Society on a regular basis (ideally every 2 months). Ensuring that all members understand the information presented and are aware of their obligation to pay attention to the financial status of the Society.
- Acts as the key point of contact in relation to any financial issues that arise. The Finance Officer is responsible for following up with the SEP and the SO in order to resolve any problems that occur.
- Ensures that the Society's purchasing procedures comply with UCC Societies Purchasing Policy at all times.
- Monitoring the Society income and expenditure account on the Societies portal on a regular basis to ensure that it is an accurate reflection of the Society's activities.

Societies Executive

- Ensuring that all Society Chairs, Vice Chairs, Finance Officers, Secretaries and Society members comply with the UCC Societies Financial Management policy and have received adequate training.

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- Providing support to Society Finance Officers in ensuring that adequate financial controls are in place. Ensuring that appropriate procedures are established to sustain the financial stability of each Society.
- The SEP is responsible for managing any financial issues which arise in UCC Societies and liaising with Society Finance Officers, the Societies Executive and SO in order to resolve them e.g. Society overspends, funding issues etc.
- Making key strategic decisions in relation to Society activities and the future of UCC Societies.
- The SEP/SO play a key role in the approval of Society expenditure and ensuring that Society expenditure is appropriate.
- Enforcing Society compliance in relation to the appropriate use of the Society credit card and the handling of cash on behalf of UCC Societies in order to safeguard against fraud or theft.
- The SEP and SEFO (as members of the SEFC) play a vital role in relation to the review of Society budgets and ensuring the equitable distribution of Society funding.
- Reinforcing the requirement to follow the UCC Societies Purchasing policy in relation to all Society expenditure.
- Review and approval of Society requests for additional funding.

SO

- Ultimate responsibility for the safeguarding of cash held on behalf of Societies.
- Must ensure that appropriate record keeping is maintained, and appropriate financial controls are in place for accurate records.
- Ultimate responsibility for ensuring that funds are used in line with approved budgets and controls are in place for approval of expenditure and banking transactions.
- Ultimate responsibility for the secure guardianship of the UCC Societies credit card and card information and enforcing the requirement for its appropriate use.

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- The SO (as a member of the SEFC) is responsible for the review of Society budgets and for ensuring the fair and unbiased distribution of the Society's grant and additional funding.
- The SO must liaise with portal administrators (I&C digital) on the Societies online financial management portal to ensure it's technical maintenance and improvement.
- Performing a pivotal role in supporting the strategic goals of UCC Societies and ensuring that there is a sound financial base to support Society activities into the future.

SEA

- Supporting UCC Societies in the carrying out of their day to day activities by processing payments on behalf of Societies in a timely manner.
- The SEA is responsible for monthly reporting on the financial status of Society accounts and reporting cash flow issues or deviations from budget to the SO and the SEP.

Procedure

Good financial management requires the ability to analyse and review financial information, effectively manage funds, make key financial decisions, implement sound financial practices and requires a thorough understanding of a Society's financial position and obligations.

Internal Controls

It is vital that internal controls are incorporated into UCC Societies which enable the clear division of duties. There should be clarity in relation to who is responsible and accountable for the key areas of financial management. In order to eliminate the possibility of one person being able to record and process a complete transaction, separation of responsibility for duties is fundamentally important. Segregation of duties significantly decreases the likelihood of errors, omissions, oversights, deliberate manipulation or abuse.

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Financial Management Process

The 5 key areas of financial management within UCC Societies are:

1. Financial Planning
2. Society Income Receipt and Lodgement
3. Society Expenditure
4. Reconciliation
5. Reporting

1. Financial Planning

- The Finance Officer plays a key role in the area of financial planning particularly in relation to budgeting and financing. Annual income and expenditure budgets should be prepared by the Finance Officer for review by the Society committee in May. While budgets may be viewed as a means of limiting expenditure, they are considerably more useful than this. In reality, a budget is an effective tool in planning the efficient and effective application of financial resources on a day to day basis to support the Society's goals into the future. The budget is a statement of the likely sources of income and anticipated spend to support operating activities. It is essential that input is encouraged from Society committee members in relation to the budgeting process.
- Actual spend versus budget should be reviewed on a regular basis (ideally every 2 months) and a variance analysis should be conducted with an explanation sought for key variances.

2. Society Income Receipt and Lodgement

- Society income can be derived from a variety of sources e.g. fundraising, sponsorship etc. It is imperative that Societies adhere to the Societies Cash Handling policy in relation to the collection, storage, transport and deposit of cash in Bank of Ireland. Segregation of duties

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with regard to the handling of cash is essential. For example, if a Society member is responsible for cash collection at a fundraising event and subsequently counts and deposits the funds in Bank of Ireland, it is difficult to detect any discrepancies or wrongdoing. There is an increased risk of undetected errors if a person is responsible for checking their own work. The principle of segregation is crucial in relation to both Society income and expenditure. Society committees must ensure that all Society members handling cash on behalf of Societies or dealing with Society funds have clear segregation of duties.

- The Finance Officer must ensure that all lodgements are accounted for and correctly recorded on the Society's portal. As the year progresses, Societies must consider the Society's financial position and determine whether there is a need to increase income generation in order to finance the planned activities of the Society.
- Any income in relation to UCC Societies should be lodged to the Society's Bank account. Under no circumstance should Society's monies ever be deposited to a Society member's personal bank account or any other account that is external to the Society account.

3. Society Expenditure

- It is vitally important that all Society members understand the correct procedure in relation to Society expenditure. Members must be fully aware that all expenditure must be appropriate and incurred wholly on behalf of the Society.
- Invoices/receipts must be retained by Society members which need to be uploaded to the Society's portal when submitting an expenditure request.
- Members must be mindful of the requirement to comply with the UCC Societies Purchasing and Payments policies.
- The Societies Office is responsible for the processing of payments on behalf of UCC Societies.

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- Payment by cheque should only occur on an exceptional basis and in that scenario, the SO/SEP signature is required.
- Before an expenditure request is marked as “approved” on the Society's portal, the following checks will apply:
 - The expenditure request details will be checked to ensure that they have been entered correctly on the portal.
 - The supporting receipts/invoices will be reviewed.
 - If the society is spending guild funding, the expenditure will be reviewed to ensure that it is appropriate and in line with budget or in line with an additional allocation (i.e. Special Project, Non-Competitive Trip Abroad) approved by the SEFC.
 - The balance on the Society account will be checked to ensure that funds are available to cover the expenditure.
 - In the event that the Society account is in deficit or will be in deficit as a result of the transaction being processed, the request will be on hold until such time as the approver has followed up with the relevant Society to request further information.
- Each approver i.e. SO, SEP and SEA must nominate a deputy approver who is authorised to approve urgent expenditure requests in their absence.
- In the event that there is a difference of opinion between the approvers (SEA, SEP, SO) in relation to an expenditure request, the decision will be referred to the Societies Executive Finance Committee.
- The SEA will report to the SO and SEP on the Society's financial status on a monthly basis.
- Credit card payments which have been appropriately approved on the Society's portal can be processed by the Society committee member in the company of the SEA in the Society Office. The transaction details are entered by the committee member and the transaction is finalised by the SEA who inputs the credit card details. Credit card payments over the phone are not permitted in the absence of the SEA. In the event that the SEA is not present, the transaction may not be processed by the Society member. It is not

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permitted for the Society credit card details to be given to a Society member to book transactions by phone out of hours or at the weekends.

- In the event that the SEA is absent or on leave, the SO is responsible for the processing of credit card transactions.

4. Reconciliation

- Society Finance Officers are responsible for reconciling the amount of cash collected to receipts issued (where applicable).
- In the case of online payments, the Society Finance Officer is responsible for keeping track of all payments received for specific trips etc and ensuring that all members have paid the required amount and it is reflected on the online account.
- The Society Finance Officer must ensure that the Society portal account is a true reflection of the Society's financial activities and that the total of all cash received through fundraising, sponsorship monies, bank transfer and online is accurately recorded on the portal.
- The SEA is responsible for reconciling bank and credit card statements to the Society's portal accounts and for the correct identification of all Society income and expenditure including payments received via the online payments facility.

5. Reporting

- The Society Finance Officer has a responsibility to report to the Society committee on a regular basis (ideally every 2 months) in relation to the status of the Society finances. An update should be provided in relation to the amount of income received versus the income target for the year and the amount of expenditure incurred under each category versus budget. Forecasted spend for the remainder of the year should be discussed with Society members and the Finance Officer should be made aware of any significant planned expenditure.

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- The SEP has an obligation to report to the Societies Executive Committee in relation to any key financial issues affecting UCC Societies and their future activities. Regular updates should be provided which include discussion around Society funding, budgeting, overspends etc.
- The SEP is responsible for acting as the key point of contact between the SO and UCC Societies. The SEP should work closely with the SO to resolve any financial issues that arise.
- The Societies Executive Committee has a responsibility to act on behalf of UCC Societies in relation to requests for additional funding to provide input in relation to the activities of these Societies and the validity of their claims.
- The SEA has an obligation to report to the SO and SEP on a monthly basis in relation to the status of the Society accounts. In particular, the SEA should highlight Societies for which there are concerns that a deficit may arise.
- The SO must report to the HOSL on a quarterly basis in relation to the Societies accounts financial status including details in relation to the Societies bank accounts.
- The SO is responsible for following up on any financial issues/concerns in relation to Society finances with the SEP and Society Finance Officer.
- The SO is accountable to the HOSL in relation to Society Finances. An end of year financial report must be circulated by the SO to the HOSL for approval and then distributed to the Director of Student Experience and the Academic Council for the Student Experience.
- A year-end financial report will be produced by the SO in relation to the Bank of Ireland Societies current account which will be circulated to the HOSL. This will give information such as the opening balance, what funds were received during the year, what bank transfers and credit card transactions were processed, what bank charges were incurred etc.

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Related Documentation

Forms

Title	Link

Contacts

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Policy Review

This policy will be reviewed on an annual basis prior to the commencement of the new Executive by the SO and the Societies Executive in consultation with the Finance Office.

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Version Control

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