

**Imperial College Union  
Finance & Risk Committee // 3 February 2021**

**Financial Procedures Changes**

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Purpose: To ratify the Chair's Action and approve changes to our financial procedures and authorisation limits for Bankline payments.

### **1. Context**

Currently, the finance team operate three separate payment runs, one for student claims, one for CSP invoice payments and one for Union invoice payments. They make two student claims runs and one CSP invoice run each week and a Union invoice run every other week.

All payments are authorised on Bankline by either an officer trustee or a senior manager as the Finance Manager does not have the authority to make payments. If senior staff are not available, payments need to be cancelled and reloaded for authorisation the following day. For payments over £1k, a second authorisation is required.

In addition, there are no authorisation limits set for any authorisers on Bankline.

This process has led to the following problems:

- High administrative burden for officer trustees and senior managers
- Lack of ownership by the finance team
- Duplication of finance team tasks
- Late payments to suppliers
- Unnecessary and time consuming one-off urgent payments
- Unnecessary email queries
- Frustration for everyone involved in the process

### **2. Process Improvements**

The plan is to implement the follow:

- i. One combined payment run for all payment types, once a week on the same day each week
- ii. Increase the dual authorisation threshold on Bankline to £10k
- iii. Set the Finance Manager up as an authoriser on Bankline with an authorisation limit of £25k
- iv. Remove the officer trustees as authorisers on Bankline
- v. Set authorisation limits of £25k on Bankline for senior manager authorisers
- vi. No authorisation limits for the Managing Director and Director of Finance & Resources

These changes will mean that all staff, students and suppliers will know when the payments will be made and what the deadlines are for submitting invoices and claims. Authorisers will only need to be available once a week at a set time and most payments will now be authorised by the Finance Manager with only an occasional need for a second authoriser. We have also made some changes in finance team responsibilities and the way that invoices are processed which will further strength the payment process and improve efficiency.

### **3. Governance**

We have already implemented the changes having received email authority from Graham Parker as Chair of the Finance & Risk Committee.

We now need the committee to ratify the changes. Amendments to the Delegation of Authority and the Financial Procedures Manual will be carried out as part of the overall review of our financial procedures later this year.