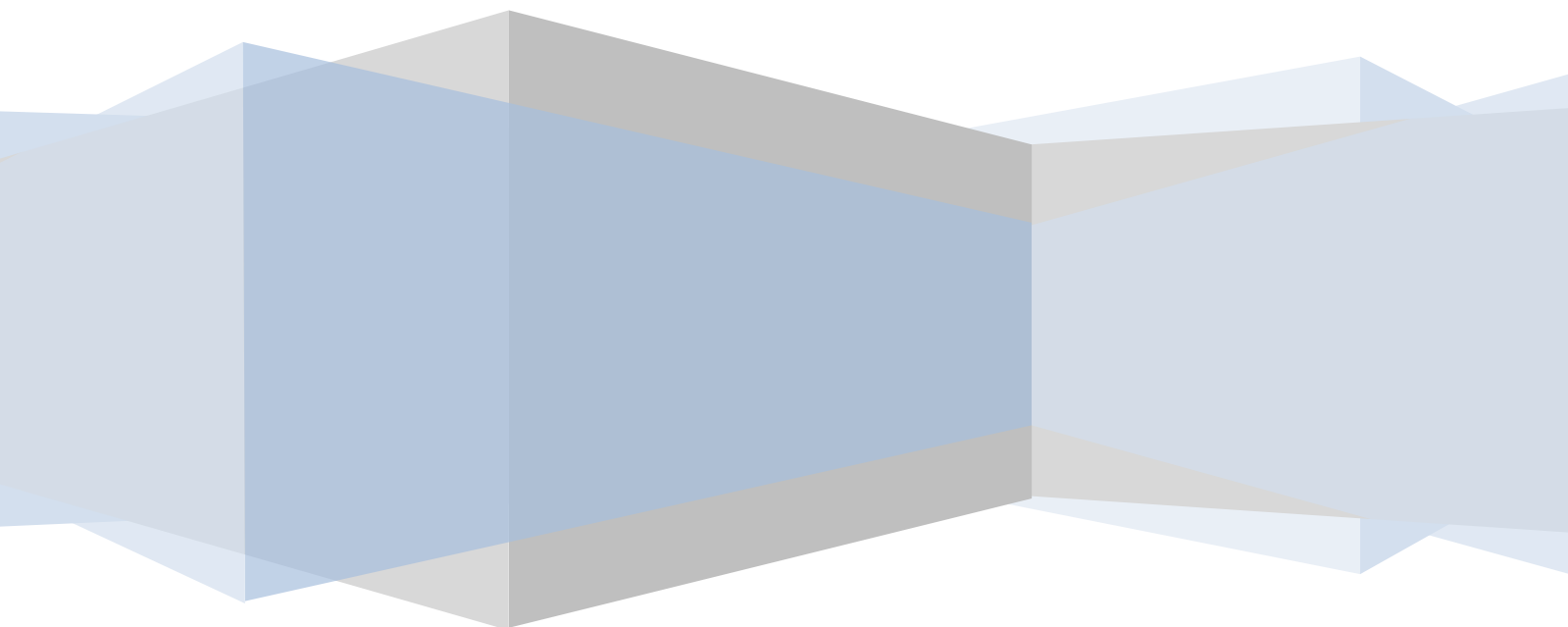


# **Financial Policy & Procedures**

## **Waterford PPN**



# Financial Policy & Procedures

## 1. Policy Statement

- 1.1. Waterford PPN is committed to ensuring that its financial management is conducted to the highest standards which are transparent, clear and well planned.

## 2. Purpose

- 2.1. To ensure transparent accounting practices and good fiscal control of all matters related to Waterford PPN finances.

## 3. Scope

- 3.1 This policy covers all financial transactions either incoming or outgoing.
- 3.2 The Waterford PPN Resource Worker, members of the PPN Secretariat and the hosting organisation, namely Waterford City & County PPN Clg, are responsible for ensuring any financial dealings are managed in the way that is described in this policy.

## 4. Glossary of Terms and Definitions

- 4.1. **Accounts Ledger:** this records all monthly incoming and outgoing transactions.
- 4.2. **Budget:** This is the agreed projected spending for the year – all actual spending will be compared to this to ensure there is sufficient funding to cover costs.
- 4.3. **Income and Expenditure Account:** This records the amount of money going into and out of the organisation compared to budgetary targets. This will show whether actual spending is in accordance with projected spending as described in the budget.
- 4.4. **Bank Reconciliation Form:** this is a tool for checking that the amount in the bank matches the information in the accounts ledger and the income and expenditure account.

## 5. Principles

1. Decision making concerning all financial decisions will be transparent
2. Financial and administrative tasks will be organised to ensure efficiency.
3. Income and expenditure accounts which highlight any deviation from projected spending will be presented at all Secretariat meetings.
4. Waterford PPN Clg will abide by all tax standards, and ensure policy and practice reflects changes in tax legislation. Tax Clearance Certificates must also be obtained by Waterford PPN from suppliers of goods and services which have received cumulative payments in excess of €5,000 in any 12 month period.
5. Where possible Waterford PPN will use on-line payment methods, or payment types that avoid paper waste and needless expense.

## 6. Roles and Responsibilities

1. The PPN Secretariat has the responsibility for the finances of the organisation, which includes budget and financial strategy, approval and monitoring of expenditure and financial procedures. The Secretariat Finance Sub-Committee reports back to the Secretariat.
2. The finance sub-committee must also report quarterly to WCCC.

**The PPN Resource Worker** has a responsibility to ensure:

- 6.1.1. That the Finance sub group has clear up-to-date financials, which are accurate and presented in agreed formats.
- 6.1.2. Measures to safeguard financial procedures, such as monitoring of systems are in place.
- 6.1.3. Spending is monitored, ensuring this is in line with the projected expenditure as agreed by the Secretariat in the yearly budget and to notify the Secretariat should there be any deviation from the agreed budget.
- 6.1.4. Oversee and monitor the administration of all financial processes and records.
- 6.1.5. Monitor cash flow to ensure that there is sufficient income to meet projected expenses.
- 6.1.6. Keep all books of accounts and carry out all reconciliations.
- 6.1.7. Maintenance and safety of filing system.
- 6.1.8. Preparation and completion of financial returns and reports for Secretariat meetings.
- 6.1.9. Preparation of all necessary documentation for the Dept and the Plenary.

**6.2. The Secretariat:** The Role of the Secretariat is to:

- 6.2.1. The Secretariat has the role of guiding the finance strategy and financial procedures as well as ensuring that there are adequate control checks on Resource Worker and Volunteer costs.

**6.3. The Auditor:** The Role of the Auditor is:

- 6.3.1. Assess whether Waterford PPN is compliant with industry-standard internal controls.
- 6.3.2. Assess whether Waterford PPs financial reporting is accurate, complete and supported by relevant documentation.

## **7. Bank Accounts**

Waterford PPN Clg will host accounts solely for Waterford PPN use. The Secretariat will nominate signatories to authorise all PPN payments, Waterford PPN Clg will nominate signatories to process/raise the authorised payments, and these can include the Resource worker.

## **8. Payment Protocols**

- 8.1. The preferred method of payment is by direct debit or online banking. Cheques will be processed only where necessary.
- 8.2. The designated PPN signatories will review all bills to ensure these are correct and in line with projected expenditure before payment.

**8.3. Online Banking:**

- 8.3.1. Online banking transactions will be set up by the member of staff with authorisation. Information regarding the transactions with supporting documentation will be sent to the secretariat member with authorisation for second validation.
- 8.3.2. All invoices/receipts will be filed
- 8.3.3. The digipass will be kept in a locked filing cabinet between uses.

**8.4. Petty cash:**

- 8.4.1. Petty cash will be transferred from the main account to a petty cash account in amounts no greater than €500
- 8.4.2. All receipts will be filed.
- 8.4.3. The debit purchase card will remain in a locked filing cabinet between uses.
- 8.4.4. On occasion where a cheque or EFT payment is not accepted for a Waterford PPN purchase, cash to the limit of €50 can be used and receipt returned to the Resource Worker.
- 8.4.5. Petty cash is to be reconciled quarterly by the Resource Workers and spot checks must take place at least twice a year by one of the three reps on the sub-committee.

8.5. **Expenses** -PPN Staff, Secretariat Members and Representatives are entitled to claim expenses incurred from attending meetings of the groups they were elected to as per **Waterford PPN Travel Policy**.

#### 8.6. **Goods & Services**

- 8.6.1. For the purchase of any goods or services approval is required at the following organisational level according to the amount of expenditure, as indicated:  
**Up to €500** - Raised by the Resource Worker on IBB and approved and authorised by one sub-committee on the IBB.  
**Over €500** - Two sub-committee members approval, to be raised by the Resource Worker on IBB and authorised by one sub-committee member (with the exception of wages)  
**Payment to sub-committee members** – Payment of expenses etc is raised by the Resource Worker and is **NOT** to be approved by the sub-committee member making the claim.

### 9. **Keeping Accounts**

9.1. Accounts are computerised using Excel and all income and expenditure is recorded to meet the reporting requirements of the Secretariat and Funding Bodies.

9.2. Regular reconciliation of bank accounts.

#### 9.3. **Accounts are:**

- 9.3.1. Kept on the Waterford PPN page of the Waterford City & County Council intranet portal.

#### 9.4. **Income**

- 9.4.1. When income is received through cheques / cash, income is entered into the accounts ledger and monies lodged immediately into the bank account.  
9.4.2. Income as indicated in the income and expenditure sheet should be reconciled with the bank statement.

#### 9.5. **Expenditure**

- 9.5.1. All expenditure should be made from the bank account, including cashing cheques for petty cash to allow for check reconciliation and ensure good records are kept.  
9.5.2. Cheques are to be recorded sequentially (and numbered) in the accounts ledger. Cancelled cheques must be retained and documented so that it's clear what happened to them.  
9.5.3. Other expenditure items e.g. standing orders, bank charges, etc. must be recorded in the accounts ledger. This should be reconciled with the monthly bank statement.

### 10. **Reporting to Secretariat**

- 10.1.1. The finance sub-group made up of three Secretariat members and supported the by Resource Worker must for each Secretariat meeting provide a financial report completed for the year to date, and a summary produced under each expenditure heading.  
10.1.2. Extraordinary expenditure should be highlighted and explained.  
10.1.3. A budget for the rest of the year should be presented detailing committed costs and demonstrating appropriate cash flow management.  
10.1.4. The income and expenditure account should be reviewed with any areas with significant deviation from the budget queried.  
10.1.5. Cash flow should be checked to ensure projected incoming funding will cover projected outgoing funding.  
10.1.6. Finance sub-group may convene to discuss various financial or funding issues and also to liaise with the appointed auditor.

## **11. Financial Reconciliation**

11.1. Bank reconciliation: Agreeing the accounts with the bank statements should be done monthly with quarterly spot checks.

## **12. Retention of Financial Documentation**

12.1. Accounting records should be held for a period of 7 years, which includes: all invoices and receipts, income correspondence, payments to employees and trainees, and information regarding contracted staff should be filed. Files will also include budgets, accounts returned, tax returns, payroll, legal documentation, annual accounts, financial policies, procedures and amendments, and general correspondences on finance.

## **13. Budget Approval**

13.1. Proposed budgets should be provided to the Secretariat by their each year

13.2. Budgets should be approved by the Secretariat prior to the start of the budget year. These may need to be adjusted to reflect changes in projected income.

13.3. Where there is the possibility of reductions in projected income the Secretariat will ensure contingency planning to facilitate quick and clear decision making in the event of reduced income and the need to reduce costs.

## **ANNEX**

- Subcommittee TORs
- WPPN & WCCC SLA
- WPPN & WCLG SLA
- Travel Policy
- DCRD Circular
- DRCD PPN Handbook

<b>Updated and approved by Finance Sub-Committee</b>	20.01.2022
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