Minutes of the CUSU Board of Trustees, Friday 16th June, 2017.

<table>
<thead>
<tr>
<th>Meeting of:</th>
<th>CUSU Trustee Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location:</td>
<td>CUSU Offices, 17 Mill Lane</td>
</tr>
<tr>
<td>Date/Time:</td>
<td>10am, 16th June J017</td>
</tr>
<tr>
<td>In Attendance:</td>
<td>Trustees: Chair, Amatey Doku (AD); Gareth Marlow (GM); Roberta Huldisch (RH); Éireann Attridge (EA). Page Nyame-Satterthwaite (PNS) arrived during the meeting (approximately an hour in).</td>
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<tr>
<td>Apologies:</td>
<td>Jessica Wing (JW); Audrey Sebatindira (AS); Hannah Thackwray (HT); Hachimi Maiga (HM).</td>
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<tr>
<td>Invitees in attendance:</td>
<td>Mark McCormack (MM); Jennifer Payne (JP); Daisy Eyre (DE).</td>
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A. Board Administration

1. Apologies for absence
   As above.

2. Conflicts of interest
   GM again announced a standing conflict due to work commitments engaging with a University Department. No action would be needed at this point.

3. Minutes of the last meeting
   - **Matters Arising: Approval of Minutes of April meeting (11/04/17)**
   - **Matters Arising: Approval of Minutes of April meeting (02/05/17)**

   Approval of the April minutes had taken place ahead of the meeting via circulation; at which time the May minutes were also circulated. Board again expressed approval of the minutes.

4. Starring and ordering or items for decision/discussion; deferring of items until next Board.
   None.

B. Organisational Updates

i) Organisational developments and risk

MM updated the Board, and items were discussed by the Board.

- CUSU Council had approved the 2017-18 budget, which was approved unanimously. The University had further offered their support to the Union’s decision-making in the process and had endorsed the Union’s direction of travel.
• Student Press had reported on a confidential email, sent from MM to nine members of staff, in May 2017. Staff were shocked and disappointed by the reporting of a leak and efforts had been made to bring the team together ahead of the press report. Security arrangements had been reviewed. The University had been supporting CUSU in the matter.

• An absence in the team, ahead of a planned vacancy in financial administration, had resulted in a slow-down and suspension of finance operations. MM was responding to the major risks, which included updating the Union’s bank signatories and mandate and managing the expectations of suppliers during a period of unforeseen suspension, and had been receiving support from the University who had assisted with the monthly payroll. MM’s capacity had largely been absorbed by these issues.

• From August CUSU would begin receiving funds for all previous University-employed CUSU roles in order to employ roles directly from CUSU. This would include the Financial Process Manager/Chief Accounts Clerk role. A recruitment process allowed for a review of financial practices, and would release more of the General Manager’s capacity and provide leadership in implementing a new financial procedures manual.

Board were keen to ensure suppliers were communicated with and that recruitment for the position proceeded as soon as feasible.

• MM updated on recruitment for vacant posts: the vacant Representation and Campaigns Coordinator and the new role, the Policy and Communications Manager; recruitment would begin the following week.

**ACTION:** MM to present paper to Board at the next meeting to detail transitional arrangements for periods of staff absence or vacancy during the coming Summer.

• CUSU Council had passed the motion to increase the size of CUSU’s Board of Trustees, inclusive of approving the new trustees proposed. The Board will now have five Sabbatical Trustees, two Student Trustees and three External Trustees. New trustees included JW, HT and HM.

• Due to delayed recruitment of student trustees in 2016 the terms of PJ and PNS may need to be shorter than a year, particularly if their student status was to come to an end.

**DECISION:** Board agreed that newly appointed student trustees would take office in July.

• CUSU’s Constitution and Standing Orders were still awaiting University approval by Grace, which was scheduled for later in June.

• Board were made aware of, and some reminded of, a complaint submitted in 2012 and gave an overview of activity related to the case, including advice received. The complainant continued to contact the Union.

The Board discussed the parameters of risk attached to the complaint. **ACTION:** MM to review the Union’s approach to risk assessment and report back to Board.

• Board were again updated on the delay to the signing-off of the audited accounts. Recent delays had been a result of the Union’s early adoption of the new FRS 102 accounting clause. New pieces of information were still being requested from the auditors to bring the 2015-16 accounts in-line with new statutory charity accounting requirements. Board had been provided with a draft set of accounts; the new
information required for the accounts related to disclosures and presentation as opposed to any concerns with the figures.

ii) SUAS Board report
Lisa Déry had authored a report, which would become a regular item, outlining the main activities of the Students’ Unions’ Advice Service (SUAS) for the recent period. Board welcomed the report and noted its contents.

Board asked if the report could extend to detailing how service quality was being maintained and how exposed the service was, or could be, to any capacity constraints.

**ACTION:** MM to update the report format with Lisa ahead of the next Board meeting.

MM reported that the Graduate Union had committed additional resource to SUAS; the added resource would not be expected from CUSU. Board noted that it continued to hold employer’s liability and risk associated with any SUAS personnel.

Board discussed that there were a number of areas CUSU and GU work together. AD proposed a joint committee of both Boards for joint service oversight; joint working may be at risk if personnel move-on or as a result of turnover. There was a desire to implement continuity arrangements, which a joint committee could support. AD agreed to discuss further with the GU.

iii) Review of Management Accounts, July to April.

Board reviewed the variance report and financial commentary for the Union’s accounts as presented by MM. Year-to-date accounts showed a negative variance of £122k, which was mostly explained by the absence of external publications contracts income to-date.

On reviewing the cash-flow report Board noted that cash flow remained the main concern and plans should be in place to monitor this. JP updated on fundraising, services and business income expected by year-end.

C. For Decision

i) **Review and approval of Financial Procedures Manual, and review and approval of bank mandate**

Board had received copies of a revised Financial Procedures Manual (FPM). MM introduced the item:

- CUSU's financial procedures were last reviewed in 2009.
- The Board are asked to note the presented Financial Procedures Manual (i.e. finance policy) and approve. In particular Board were asked to approve a new bank mandate.
- The manual contains internal procedures relating to financial matters, and in particular, seeks Board approval for the bank mandate for the Union.
- The manual, an operating finance policy for the union, sought to improve institutional knowledge on bookkeeping and accounting affairs of CUSU; improve
handover of the finance function; and improve transparency and accountability to members.

MM gave an overview of some of the changes deemed noteworthy:

- Changes to the account signatories and definition of the expense approval process with authorising limitations and variations depending on expense amount and type;
- A definitive budgetary framework, including a new mid-year budget review;
- New requirements for some budget-holders to report on variances;
- Guidance on soliciting and managing grant and fund acquisitions;
- New procedures for transport, accommodation and subsistence claims;
- Revised payroll process, developed with CUSU's auditors.

**Specific clauses from the FPM to be minuted were:**

The account signatories for all CUSU bank accounts must consist of three members of staff (Financial Process Manager, General Manager and an appointed deputy (“Deputy GM”); one Sabbatical Trustee, who shall normally be the President; and one External Trustee, who shall be excluded from phone and online transactions (signatories may only act on previously approved expenses; signatories forbidden from authorising payments to themselves).

All expenditure processed through CUSU bank accounts must be authorised by at least two account signatories, with prior approval recorded as given by a budget-holder and a sabbatical trustee, or a resolution by the Board of Trustees, excepting instances outlined:

a) with the exception of weekly and monthly payroll payments, which only require one signature.

b) **Authorising limits** - The following limits must be adhered to when authorising payments from CUSU bank accounts:

*Table showing authorisation limits and terms for ordinary, single transactions:*

<table>
<thead>
<tr>
<th>Limit/Signatory</th>
<th>Single Payment Up to £5k.</th>
<th>Single Payment £5k - £20k.</th>
<th>Single Payment over £20k</th>
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<tbody>
<tr>
<td><strong>Primary</strong></td>
<td>Sabbatical Trustee signatory, FPM or GM.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Secondary</strong></td>
<td>Sabbatical Trustee signatory, FPM or GM, External Trustee or Deputy GM</td>
<td></td>
<td></td>
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<tr>
<td><strong>Additional Requirement</strong></td>
<td>Prior approval from Budget-Holder &amp; at least 1 Sabb. Trustee to give Trustee approval.</td>
<td>Prior approval from Budget-Holder &amp; at least 1 Sabb. Trustee and 1 additional trustee to give Trustee approval. Prior to payment being sent/processed, the payment should be printed and circulated to all trustees at least 24 hours prior to processing the transaction.</td>
<td>Assent noted in BoT minutes (or assented virtually by BoT) and/or approval granted via CUSU Council.</td>
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<tr>
<td><strong>Reserve</strong></td>
<td>Any other signatory.</td>
<td></td>
<td>None.</td>
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## Table showing authorisation limits and terms for combined (“batch”) or payroll transactions:

<table>
<thead>
<tr>
<th>Limit/Signatory</th>
<th>Batch (Purchase Suppliers)</th>
<th>Payment Ledger</th>
<th>Batch Payment (Payroll)</th>
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<tbody>
<tr>
<td>Primary</td>
<td></td>
<td></td>
<td>FPM</td>
</tr>
<tr>
<td>Secondary</td>
<td></td>
<td>General Manager (in absence of FPM)</td>
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<tr>
<td>Additional Requirement</td>
<td>Individual payments must have been authorised separately prior to processing (in the normal way). Batch payments over £5k require additional approval of a Sabbatical Trustee who has not, to that stage, been implicated in any single transaction (e.g. by providing approval for a single transaction). If no Sabb Trustee is available, another Trustee shall approve.</td>
<td></td>
<td>1. Salary levels approved through governance structures. A payment schedule must be produced (i.e. printed from payroll administration software) and authorised by: i) A trustee; and, ii) A signatory who is not the same individual tasked with processing the payroll payment. 2. Once payroll processed and transaction complete, the “processing signatory” shall print a record of: i) recipients &amp; amounts paid in payroll payment; ii) bank account report showing deposit/s; and iii) payroll report from finance administration system. 3. A signatory, who shall not be the “processing signatory”, shall confirm/approve process is in order. 4. The “processing signatory” shall securely store and retain all approvals above for each payroll payment.</td>
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<tr>
<td>Reserve</td>
<td>Any other signatory.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safeguards and restrictions</td>
<td>No signatory or trustee may approve expenses to themselves at either the “Trustee approval” or “Signatory approval” stage. No single trustee shall be permitted to authorise “Trustee approval” and “Signatory approval” in any one/same transaction. Online bank transactions shall be reviewed by a non-“processing signatory” before processing as per stipulation in the Standing Orders. All approvals must be dated and recorded with evidence retained.</td>
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The Board noted the manual and bank mandate. Board queried the financial implications of the introduction of subsistence expenses for employees; Board welcomed the policy in principle, however felt prudent to consider the resource implications of the measure and to be able to monitor this expense if implemented.

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1 “processing signatory” shall mean the particular signatory who processed the payroll payment via CUSU’s bank account.
**ACTION:** MM to model the subsistence at events last year and project a rough cost of implementation. Report back to next Board.

Board felt it diligent to review the policy/manual once implemented to ensure it is fit-for-purpose, and/or any amendments are required, upon implementation.

**ACTION:** Board to review the manual again once a new finance roleholder is in post. Review after Michaelmas.

**DECISION:** Board accepted and approved the Financial Procedures Manual and the bank mandate; exclusive of the subsistence expense-claim clauses, which would be subject to ratification at next Board.

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**ii) Consideration of employee satisfaction survey and proposed actions**

Board reviewed the employee satisfaction report, which identified cross-team communication and collaboration as a key areas for improvement along with improvements to the physical working space.

Board discussed the importance of making improvements to the physical environment and asked this to be prioritised; the poor working environment was thought to be a key factor influencing productivity, morale and communication. Changes to the office lighting would help address these issues.

Board considered the University’s appetite for funding improvements. The University’s position seemed to be that sufficient investment in the building had already taken place. There could be traction if the University shared the Union’s health and safety concerns; CUSU should look to apply the University’s procedures for working environment to the office in an attempt to share costs for any improvements.

It was suggested that other solutions be explored, such as hot-desking, the use of laptops, rearranging the offices or using alternative spaces for workspaces.

There could be no delay on the matter and so a solid plan should be developed for the start of Michaelmas. AD suggested putting recommendations to wider staff team and then revisiting as a Board at a future meeting.

**ACTION:** MM to present a timeline of activity for the next Board on improving the physical workspace.

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**iii) Review and approval of TCS Constitutional amendments**

Board were asked to review the changes to the TCS Constitution. Board were broadly accepting of the changes, but felt some improvements could be made to enhance the student-led nature of the paper yet also clarify the Board’s role in managing risk. For example, the draft permitted the Board of Trustees to remove an editor from post in the event of an upheld complaint appeal, however the Board felt uncomfortable with this; yet there was no specific provision for the Trustees to remove articles in the event of an upheld complaint appeal (should it be required, e.g. for legal reasons).
The Board felt some amendments could help clarify the relationship of the Board. CUSU should have power to take legal advice and act upon that legal advice, as well as provisions that respond to scenarios inferring higher levels of risk.

**ACTION:** MM to approach TCS about the revisions and offer any support.

**D. Any Other Business**

None.