INVEST NORTHERN IRELAND

FINANCIAL MANAGEMENT TEAM

BUSINESS PROCEDURES

DOCUMENT CONTROL SHEET

Change No.	Originator of change	Date of Change	Description of change
001	Ian Maxwell	December 2003	PO procedures amended
002	Ian Maxwell	January 2004	Paragraph 2.5 amended
003	KK Howyong	March 2004	AR procedures amended Payroll procedures amended
004	Adrian Ritchie	April 2004	Petty cash procedures inserted
005	Ian Maxwell	May 2004	Paragraph 2.25 on contacting EFT suppliers deleted
006	Jacqueline Hyndman	September 2004	Hospitality procedures inserted
007	Paul Taylor	December 2004	iExpenses procedures inserted PO price tolerances amended Travel booking procedures inserted
008	KK Howyong	March 2005	Payroll procedures amended
009	Adrian Ritchie	August 2005	Hospitality guidelines amended
010	Ian Maxwell	August 2005	Procurement Card procedures inserted
011	Ian Maxwell	May 2007	Budgeting procedures inserted
012	Ian Maxwell	June 2007	Reformatting of the document Updating of all sections
013	Joanne Lynas	July 2008	Purchasing procedures amended Accounts Payable procedures amended
014	Paul Taylor	Oct 2008	Purchasing procedures amended Accounts Payable procedures amended
015	Ian Maxwell	June 2009	General review and update. Added Section 11 on Disaster Recovery procedures
016	Michelle McLoughlin	March 2010	Updating of i-expenses hospitality procedures.
017	Michelle McLoughlin	Sept 2010	Updating of procurement card procedures

| 018 | Louise Flanagan | Oct 2010 | Updating of i-expenses procedures. |

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1. PURCHASING

REQUISITIONING PROCESS

1.1 Requisitioning goods and services will be the first stage in the purchasing cycle. The requirement to requisition goods and services will be identified, and the tendering process to agree the terms of the purchase will be undertaken by each Cost Centre, with the objective of achieving value for money. The procedures outlining the tendering process are described in section 1.15.

1.2 A PO should be raised in advance of any goods and services being delivered to INI. The PO should be receipted in a timely fashion when goods/services are received.

1.3 Oracle I-procurement will be used to record requisitions for program and admin expenditure. The preparation and payment of grant claims will not be processed through Oracle Purchasing, and the procedures for this function are documented in section 2 of this document.

1.4 Detailed I-procurement procedures can be found on the I-procurement page of the Intranet.

1.5 Requisitions are entered via one of 4 Stores. Some requisitions require additional information to be provided depending on the type of expenditure:-

- **Professional Services** relating to:-
    Consultancy Services
    CFAAD Consultancy
    Legal Services (SMP legal advisor should be contacted prior to requesting any legal services)

    Additional mandatory information will be required on the requisition form in relation to Use of Consultants and Legal Advice.

- **External Hospitality**

    A requisition should be completed for external hospitality. Alternatively there is the option to pay for hospitality and reclaim through I-Expenses. This can apply to all bills up to a total value of £200. If this is the preferred approach a Hospitality Prior Approval form must be completed and signed off according to the delegated limit for all hospitality expenditure with a value of £20 or more.

    (This can be viewed on the Invest NI intranet)

- **Serco Travel Desk**

All travel booked through the Serco travel desk requires a PO to be raised in advance.
 The Purchase Order is sent directly to Serco to book the travel itinerary. The cost will be charged to the Invest NI Government Procurement Card.

- **General Requisitions:-** relating to all other expenditure types

1.6   Other specific areas of expenditure to take note of include: -

- **Utilities/Non PO**

    For these services it has been agreed that a PO is not the most appropriate method of approving the payment. Instead the invoice will be approved after it is received via Oracle workflow**.** Finance maintains a list of agreed 'non po' services.

    Standing Orders/Direct Debit
    - Electricity
    - Rent/Rates
    - Northgate Contract
    - Ulster Bank Procurement Card
    - Worldpay online Charges
    - Hire Purchase Agreement
    - Companies Registry

    Headquarters – Bedford Square
    MRDE Invoice- approved by AOP

    - Facility unitary charge occupation headquarters
    - Car parking
    - Reprographics
    - File Management
    - Catering unitary charge
    - Catering variable charge

    Overseas & Local Offices – Non PO

    - Land Registry Fees
    - Serco Incidentals
    - Grounds Maintenance
    - Fire Safety Inspection
    - Renewal TV Licence
    - Maintenance Ventilation Systems
    - Waste Disposal
    - Franking Machines
    - Window Cleaning
    - Water Charges
    - Telephone Line Rental
    - On Site Shredding

- **Property Solutions Unit Instructions to Contractors**

The Clerk of Works identifies maintenance work and seeks approval from PSU. PSU will give verbal approval or may visit the site to inspect the work required. For maintenance contracts a requisition should be entered on I-Proc, once approved they will instruct the contractors to commence. A PO will be created on Oracle. On completion of the work an inspection will be carried out. Receipts should be made on a monthly or quarterly basis to the value of the work completed. For emergency maintenance work The Clerk of Works will estimate the cost of the work and process the requisition on Oracle as above, receipting the PO on completion. The invoice for the work completed will be received by Finance quoting the PO number.

- **Taxis/Executive Cars**

The **Transport Order Form** is signed by the line manager in each Cost Centre and sent to Serco to book the taxi. For executive cars a travel itinerary must be sent with the transport order form to include any waiting times. Serco will forward these forms to Facilities Management. A requisition and PO is not required. The invoice from the taxi firm will be received by Finance and scanned to Facilities Management. Approval will be sought from Facilities Management by approval workflow.

- **Training Courses**

The **Training and Development Application Form** must be completed and authorised in each Cost Centre. For internal and corporate training tenders or quotations will form the basis to appoint training providers For external training the price is entered on to the training and development form by the individual. The form is forwarded to Staff Training for approval, they will enter a requisition on I-Proc. On approval of the requisition a PO will be created on Oracle. Once the training course has been completed the Training team will receipt the Purchase order. The invoice will be received in Finance quoting the PO number.

- **Ordering Stationary Items**

All requests for Stationery items must be ordered through SERCO FM Easy, by each cost centre. SERCO is responsible to replenish stock. SERCO will view the items and prices from the supplier website and collate an offline order, this is passed to Facilities Management to enter a requisition on Oracle. On approval of the PO, SERCO will place the order with the supplier quoting the PO number. Once a PO is approved the PO is passed to the supplier to place the order. FM will receipt the PO on receipt of the goods. The invoice will be received in Finance quoting the PO number.

Overseas Offices will continue to order their own stationery items.

- **Secondees/Temp staff**

  A General Requisition should be raised via I-procurement to cover the agreed length of the service.

APPROVAL OF REQUISTIONS

1.7   The approver will receive an automatic e-mail via outlook to inform them that there is a requisition requiring their approval. Approval Limits for each grade are detailed in the **Delegated Approval Limits** document. I-procurement will seek approval up the management chain until the Delegated Approval Limits are satisfied.
Once the requisition is approved a Purchase Order (PO) will be automatically created on Oracle. Whilst the responsibility for submitting an accurate requisition lies with the requester the approver has responsibility for approving the purchase. The onus therefore, is on the approver to be satisfied with each aspect of the requisition.

1.8   The PO will be sent via outlook to the requester, this should be sent to the Supplier. PO's for travel entered via the Travel Store in I-proc will be automatically emailed to traveldesk@investni.com.

1.9   Goods and services cannot be receipted, until the PO has been approved.

RECEIPTING GOODS AND SERVICES

1.10   Ordered goods/services will be delivered to the Cost Centre concerned. The PO should be receipted as soon as the requestor is satisfied with the goods/services and would be happy to pay for these goods/services. If partly complete a partial receipt can be entered.

1.11   Entering a receipt is giving finance approval to pay invoices up to the value of the receipt.

1.12   Entering a receipt also creates an accrual – charging the requisition's GL code with the value of the receipt, adding any VAT.

1.13   Goods can be receipted up to the quantity ordered. This will allow part orders to be receipted. Once the full quantity has been receipted the PO is closed for receipting. If there is a remaining quantity on the PO to be delivered, and these goods are not required, then the requestor must cancel the PO, and the remaining commitment will be reversed.

1.14   On a periodic basis each Cost Centre can print out a report from Oracle detailing all POs that have not been receipted. Please follow the instructions in the **Purchase Order Housekeeping** guidelines.

1.15   Procurement of Service Contracts Guidance Note

1. **Services for the delivery of Invest NI programmes**.
    This will involve the provision of services by a supplier to deliver an Invest NI programme. The service will be managed under a contract, or service level agreement and payment will normally be based on the achievement of agreed outputs.
    The contract must contain arrangements to validate that the expenditure incurred by the supplier is in line with contracted costs, and that delivery targets have been achieved.
    Examples of this type of service will include the delivery of programmes by External Delivery Organisations (EDO's), promotion and marketing expenditure, event management, and contracts with the overseas office service providers.

2. **Other Services, not directly related to Invest NI programmes**.
    This involves the purchase of services to assist Invest NI in developing systems and procedures, and to inform Invest NI policy. It is not directly linked to the delivery of client services. Examples will include consultancy support for economic and financial appraisals, programme evaluations, staff training, I.T systems work, facility management services for Invest NI offices, tax advice and financial consultancy.

    All contracts for services must be procured through Central Procurement Directorate (CPD). In the event that CPD cannot be used the Oracle requisition must contain a justification for not engaging with the services of CPD, and details of the alternative quotations obtained. The appropriate number of quotes is dependent on the amount of the contract, and this information is contained in Annex 1.

    If CPD has not been used and alternative quotes are not possible, then approval for a single tender submission must be obtained, in advance of placing the contract, by the Managing Director of Corporate Services.

    In the case of contracts for the delivery of Invest NI programmes (example 1 above), good practice in terms of procurement and accountability requires that the costs incurred by the service provider are validated before payment is released. Consequently the following information must be provided as an accompaniment to the invoice: -

-   *Time sheets*
    If the contract has been let on a time input basis, the service provider must include time sheets to support the invoiced amount.

- *Associated costs / Disbursements*

The recharge of any costs incurred by the supplier to Invest NI must be supported by appropriate invoices. This, for example, may include invoices paid by the supplier for the hire of a conference venue, printing of brochures, or the provision of hospitality.

Contracts or Service Level Agreements with suppliers should contain clauses to facilitate the provision and validation of this additional information. Furthermore, contracts that are co-financed by the EU European Regional Development funds should contain conditions for suppliers to adopt good procurement practice.

When receipting this type of expenditure within iProcurement, Divisions should satisfy themselves that claimed expenditure has been adequately supported with documentary evidence and was wholly and necessarily incurred in delivering the agreed outcomes. This will range from fixed price service delivery contracts to contracts based upon time and associated costs.

Time sheets and other costs incurred by the service provider must be sent to the appropriate Division. Once all the necessary supporting information has been validated the Division should receipt the Purchase Order in Oracle, and then instruct the supplier to send the invoice for payment to the Finance Division. The supporting timesheets and associated disbursements should be retained by each Division for audit purposes.

Procurement Control Limits

2 or 3 Oral Quotations depending on the need to have a price comparison (fax or e-mail confirmation should be obtained)	Up to £1,500
4 Selected Tenders	> £1,500 - £10,000
5 Selected Tenders	> £10,000 - £30,000
Publicly advertised open or restricted tender competition	> £30,000 – EC Thresholds

OVERSEAS OFFICES – LONDON, DUBLIN AND BRUSSELS

1.16   Expenditure relating to London, Brussels, and Dublin is paid out of the Invest NI bank account. Each of these offices will complete the Overseas Office Requisition Forms detailing their requirements, and forward them to the appropriate sections in International Sales and Marketing Division (ISMD).

1.17   ISMD will enter the converted sterling amounts of approved requisitions as a requisition in Oracle. The overseas office must remit to ISMD schedules detailing the POs that have been received. ISMD will then receipt the appropriate POs in Oracle.

1.18   The invoices for these three offices should be sent to FMT. Sterling Invoices to UK bank Accounts will be processed as normal.

1.19   Foreign Currency invoices are manually checked to the PO and paid if values match and the PO is receipted, once payment has been processed the sterling amount will be entered as the invoice amount and matched to the PO. Any differences between the estimated PO amount and the sterling invoice amount will be debited or credited to the overseas Cost Centre.

OVERSEAS OFFICES – NORTH AMERICA, GERMANY, JAPAN AND KOREA

1.20   Bank accounts for offices in North America, Germany, Japan and Korea are funded by imprests requested from and processed by ISMD.

1.21   POs for the above offices will be raised, processed outside Oracle and paid by the overseas office. Each office will inform ISMD of their monthly expenditure. ISMD will advise FMT of the costs to be charged to each expense code by way of journal entries.

OVERSEAS OFFICES – TAIWAN

1.22   This office is managed by a contractor who invoices Invest NI on a monthly basis. Approved requisition, purchase and receipt records for this service are processed in Oracle by ISMD.

2. ACCOUNTS PAYABLE

RECEIVING INVOICES

2.1   All invoices for INI should be sent directly from suppliers to Finance.
All invoices should clearly quote the PO number. If a PO does not
exist this is deemed as a breach of procedures unless otherwise agreed as a
non PO type. A list of Payment Types can be viewed in the attached document
http://SVRMERIDIOWEB/Meridio/browse/downloadContent.aspx?document
I d=4642045&sendAsRef=1

2.2   The Transaction Processing Section in FMT will stamp the invoice with a
received date. The invoices are batched by invoice type (maximum of 20) per
batch. A batch header must be completed for each batch detailing the Batch
Type, Control Count, and Control Amount. The batch naming convention is
documented in paragraph 2.11

MATCHING PO TYPE INVOICES TO POs

2.3   Each invoice is then matched to a PO in Oracle. It is possible in Oracle to
match one invoice to multiple POs, and one PO to multiple invoices. For
details of the processes to be followed in Oracle refer to the Purchasing User
Guide.

INVOICE VALUE IS GREATER THAN THE PO VALUE

2.4   The invoice value should match the quantity received multiplied by the unit
price on the PO. If the Invoice amount is higher than the PO amount the
invoice will be automatically put on hold by the system and emails will be sent
by the system seeking approval for the increased amount. Approval will start
with the PO requestor, they should enter a reason in the comments field as to
why the price has increased then click Approve. Approval will continue up
their management chain until the Delegated Approval Limits are satisfied. The
invoice will then be ready for payment. If there is no valid reason for the
invoice discrepancy then a suitable comment should be entered and the
requestor should then Reject the notification. Finance will then contact the
supplier to raise a dispute.

INVOICE VALUE IS LESS THAN THE PO VALUE

2.5   If the invoice value is less than the PO value by any amount, it will be
matched and paid in Oracle. The price difference will be credited back to the
Cost Centre when the invoice is matched.

INVOICE MATCHED TO A PO THAT HAS NOT BEEN RECEIPTED

2.6   If an invoice is matched to a PO that has not been receipted, the invoice will be put on hold. If content to pay, the requestor must receipt the PO, and approve the workflow notification which will be initiated by Oracle. Approval will continue up the management chain until the Delegated Approval Limits are satisfied. If payment is not to be processed a suitable comment should be entered and the requestor should then Reject the notification. Finance will then contact the supplier to raise a dispute.

NON PO TYPES

2.7   Non PO types are used where the cost of goods/services is not determinable before INI is charged eg Utilities. Non PO type services will be agreed in advance between the cost centre and FMT. Invoices of this type are entered into Oracle and are approved for payment via email workflow starting with a nominated person. Approval will continue up their management chain until the Delegated Approval Limits are satisfied.

BREACH OF PROCEDURES

2.8   If an Invoice is received by Finance and there is no PO quoted and when searched for, no PO in Oracle for that service and it has not been deemed a 'Non PO' type service then the requestor of the goods/service will be in breach of procedures.
The invoice will be logged on the system, the supplier will be contacted to find out who ordered the goods/services and then Finance will issue a breach of procedures form to the requestor of the goods/service. This form must be completed (indicating a reason for the breach, the GL code for the invoice) and be approved by the correct grade of manager as per the Delegated Approval Limits, but at least grade 7.

No PO should be entered in arrears for an Invoice in Breach.

PAYMENT OF GRANT CLAIMS

2.9   To process grant payments a **Batch Input Form** must be completed, by Claims Inspectorate, BIS, or IRTD. For loans and share capital the issuing division must complete the **Authorisation of Payment (Loans and Shares) Form** and the **Batch Input Form**.

2.10   The boxes on the Batch Input Form should be completed as follows:-

Supplier Number	Enter the supplier number from Oracle
Site Name	Enter the supplier site name to send payment to
Invoice Date	Enter the date that is on the invoice, or the date payment is authorised by the Division
Invoice Number	This will normally be the LOO number, or Loan or Share Agreement reference number and must be unique
Description	Enter a description of the invoice
Net Amount	Enter the net amount of the invoice
VAT Code	Enter the VAT code; 0%, 5%, 17.5%, 100%
VAT Amount	Enter the amount of VAT if applicable
Distribution Account	Enter the GL code combination
Prepared By	The name of the individual who has completed the details on the form
Checked By	Checked by EO2 grade or applicable approved grade
Authorised By	Authorised by SO grade (or equivalent)

2.11   When completed the forms should be forwarded to the Transaction Processing Section for batching. For loans and shares the Authorisation of Payment (Loans and Shares) Form must accompany the Batch Input Form. FMT will assign a batch name, dependent on the payment type, as displayed below: -

Payment Type	Supplier /General Payments	Grant Payments (Batch Form)
Purchase Order	P	GR
Non Purchase Order	N	GL (Laser)
AOP	A	
Foreign Payments	FGN	
Credit Notes	C	
Breach	B	

2.12   For all the payments in the batch FMT will complete the header box on the **Batch Input Form** as follows: -

Batch Name	Enter the batch name as per the naming convention
Control Count	Enter the number of individual payments on the Batch Input Form
Control Amount	Enter the total amount (incl. VAT) of the payments on the Batch Input Form

2.13   The forms are then sent to Transaction Processing Section to process in Oracle. A check on each Grant Batch Input for;

> Signing Authority
> All Fields are complete
> Grants batches should be sorted into
> GR- Normal Grant Batches &
> GL- Laser Batches

CHECKING INVOICES – VALIDATION

2.14   To confirm that invoices have been entered into Oracle correctly, FMT will validate each batch. A check on each invoice will be completed for;

> Supplier name (Invoice vs. system)
> Batch Total Amount against Batch header
> Investigate any discrepancies
> GL batches - Claim No: and Letter of Offer No:
> Correct Invoice Type has been entered

Grant, AOP, Foreign and Breach batches will be validated by a Staff Officer.
PO & Non-PO will be validated by an EOII

2.15   Imported batches for NIBSP and I-Expense invoices are validated by a Staff Officer after checking that the batch total is correct.

INVOICE APPROVAL INITIATION

2.16   Twice a day the invoice initiation process is run in Oracle. This initiates the AME invoice approval process for all validated batches. It is this process which initiates approval notifications to requestors and approvers.

PROCESSING PAYMENTS IN ORACLE

2.17   Transactions Processing Section will print off the Preliminary Payment Register. This selects all validated and approved invoices. The report is reviewed and signed off by a Finance Manager. If agreed then Transactions Processing Section will advise Northgate by fax to process the BACS payments.

2.18   To make foreign and telex payments Transactions Processing Section use the Northern Bank eBusiness Banking online system. This payment form is authorised online by 2 of the panel of authorised staff on the bank mandate.

2.19   Cheque payments are only made if no other payment method is available, or the payment is for a one off small amount e.g. Interview expenses reimbursement. A report is run showing invoices with a payment method of 'Check' available for payment. A manual cheque is written by Transactions Processing Section and signed by 2 of the panel of authorised staff on the bank mandate. Cheque payment details are recorded manually in a log book before being recorded in Oracle as paid.

CREATING SUPPLIERS

2.19   Before entering a PO in Oracle, the requester will check if the correct supplier, supplier sites and payment methods have been set-up in Oracle. They will do a Supplier Enquiry in AP to check if the payment that they want to make can be processed.

2.20   If any of the details are not on Oracle then a **Supplier Maintenance Form** should be completed with the suppliers name, address and contact details. This form is sent to Finance.

2.21   Finance set up the new supplier name and address to enable the cost centre to be able to raise a requisition. The supplier will initially be set to 'Hold all payments' while finance are the process of requesting bank details.

2.22   Finance will contact the supplier to ask for bank details to be provided on headed paper signed by a Director or Manager.

2.23   Once bank details are provided these will be entered onto Oracle by Finance and the hold all payment will be released. All bank detail amendments are checked by a second member of finance on a daily basis.

TRAVEL AND SUBSISTENCE PAYMENTS

2.24   All expense claims must be made using Oracle Internet Expenses. Before an expense claim can be processed, the employee has to be set-up in Oracle. A **New Employee Form** should be completed, and approved by the employee's line manager. This form can also be used to amend an employee's details and to inactivate an employee's record. Once an employee is set up they with be given an Oracle username and password.

2.25   Please see the iExpenses user guide for details on how to enter an expense claim. This can be found on the Invest NI intranet.

2.26   Claims are approved online by Line Managers (SO grade and above). Any Receipts must be sent to FMT attached to the iExpenses report summary. If the claim has no receipts the process is paperless. Claims are then audited and paid on a twice weekly basis by FMT. Please refer to Section 8 for more details.

MOBILE PHONES

2.27   Mobile phone users must declare the value of personal calls inclusive of VAT. FMT will forward a copy of the invoice to each individual, with a request to complete the **Personal Calls Declaration Form**, detailing the value of his or her personal calls.

PETTY CASH

2.28   Several Petty cash floats have been created to facilitate the payment of small value transactions in relation to the daily business of Invest NI. This can range from the supply of Tea & Coffee to the purchase of Newspapers. The following locations are presently in receipt of Petty Cash: -

- FMT, Bedford Square
- CEO Office, Bedford Square
- Southern Local Office – Newry
- Western Local Office – Omagh
- Western Local Office – Enniskillen
- North Western Local Office – Londonderry
- North Eastern Local Office – Ballymena.

2.29   Petty Cash cannot be paid into an employee's personal account under any circumstances. **Individual offices should not open bank accounts**.

2.30   Petty cash is paid by Cheque directly from Invest NI's bank account. Any cheque will be addressed to "The Manager" of that location. Where Petty Cash has been allocated there is a requirement of three signatories. One of these signatories must be the manager within that location and the other two signatories must be EO2 grade or above. A maximum of £300.00 has been allocated to each location, which cannot be increased.

2.31   A letter to the local Northern Bank branch must accompany a cheque for petty cash topup. This letter is signed by authorised staff on the bank mandate and gives authorisation for a designated representative to cash the cheque.

2.32   Authorisation for Petty Cash allocation must come from FMT. Before any petty cash can be replenished, FMT must receive all receipts along with an AOP – **Authorisation of Payment (Non – Purchase Order)**. This can be located on the Invest NI intranet. This form must indicate opening balance, receipts in total & cash remaining. This form needs to be authorised by the manager of that particular Cost Centre.

2.33   In addition to this a **Petty Cash voucher** can be found on the intranet. This Petty Cash Voucher must be used when submitting receipts, one voucher per receipt.

2.34   Security arrangements: Petty cash should be locked away securely, and the key to the location of the petty cash should be securely stored. An **AOP (Non-Purchase Order)** must be returned along with all receipts pertaining to request to replenish funds to FMT.

INTERNAL HOSPITALITY

2.35   The Order Form must be completed by the secretary/p.a for the division, stating their requirements. This form must be signed off according to the delegated limits.

2.36   Serco must receive a Hospitality form at the time of the request completed in full; failure to comply will invalidate the request. There are no exceptions to this rule.

2.37   Serco will then send the invoice to the FMT to facilitate payment.

EXTERNAL HOSPITALITY – RESTAURANTS

2.38   Option 1 – Reclaim via I-expenses.

A Hospitality Prior approval form should be completed and approved as per the delegated limits for hospitality for all hospitality expenditure greater than £20.
The Invest NI staff member must pay in full the amount due. The receipt from the restaurant will be used to claim through the I-expenses module. This should apply to all bills up to a total value of £200. Expenditure incurred on alcohol should not be more than one third of the total bill, excluding service charge.

2.39   Option 2 – PO and invoiced to Invest NI
For amounts of more than £200 the option to pay and reclaim through iExpenses will remain the preferred approach. If this is not possible the related cost may be charged to the Invest NI account provided that the Invest NI's staff name is clearly written beside the signature on the receipt/ bill.

A requisition must be raised and approved in I-procurement prior to booking the Restaurant. There should be separate lines for Food and for drinks, an estimated amount for these should be entered on Oracle. The requisition will be approved according to the delegated limits as detailed in section 2.45. Once approved the PO should be communicated to the Restaurant. The PO should be receipted once the event occurred.

2.40   External consultants (i.e. not on the Invest NI / Civil Service payroll) who work for Invest NI are not allowed to charge meals to Invest NI's account at any time.

2.41   Once the invoice has been received by FMT it will be matched to the PO, and paid to the Restaurant concerned.

3. ACCOUNTS RECEIVABLE

CREATING CUSTOMERS

3.1. This is carried out by the AR Processor who is raising the invoice. The details of the new customer are then recorded on the Invoice Request form.

3.2. In the Oracle system, the AR processor will allocate the new customer to the Cost Centre who initiated the customer account and the new customer will appear on the Cost Centre's aged debtor listing.

INVOICING

3.3. Type of transactions that require invoicing includes:

- Trade receipts including contribution from client companies
- Rent, Insurance & Service Charges
- Sale of land and property
- Sale of equipment, vehicles, machinery, furniture, computers and other assets
- Interest
- Any other activities which we have performed that result in Invest NI receiving monies

Cost Centres should ensure that all relevant income streams are properly invoiced for. Cost Centres should not directly receive cash or cheques without consulting the AR Processor in FMT in the first instance.

3.4. Contributions receivable from other funding organisations, for example:

- The International Funds for Ireland;
- Contributions towards a trade exhibition etc;

The Cost Centre should request the organisations concerned (who make payment to Invest NI) to forward a covering letter detailing the purpose of payments along with the cheque,

3.5. Invoices for loan principal, which are not vatable, should not be raised without a formal request approved by a Staff officer or equivalent at FMT. Upon the receipt of request for a loan invoice, the AR Processor should inform a designated Staff officer or equivalent to seek formal approval.

3.6. Dividend received and receivable from our share investment in client companies should not be invoiced. The Cost Centre should contact the AR Processor by e-mail if there are concerns or queries over whether an invoice should be raised. If queries are raised through a telephone conversation, a file note should be documented by the AR Processor.

RAISING AN INVOICE

3.7.   For all other invoices the Cost Centre Support Staff should complete the **Invoice Request Form,** or in some instances an event booking form. These forms should be approved by a Staff Officer or equivalent (or a designated staff member), and forwarded to the AR Processor for entry in Oracle.

3.8.   The individual invoices are entered into Oracle Receivables, and the system will assign an invoice number to each invoice, which is written on the **Invoice Request Form**.

3.9.   The Invoice Request Forms will be reviewed by a Staff Officer or equivalent at FMT.

INVOICE PRINTING AND DISPATCHING

3.10.   The AR Processor will print out the invoices from Oracle, which will be reviewed by a Staff Officer or equivalent at FMT prior to distribution.

3.11.   The AR Processor will distribute printed invoices as follows:

-   Copy issued to External Customer directly apart from PSU and grant clawback invoices unless the cost centre requests that they send the invoice directly to the customer
-   Copy to be filed in FMT.

RAISING A CREDIT NOTE

3.12.   Credit Note requests are received in FMT, or may be as a result of an error when creating the original invoice. The Cost Centre requesting a credit note should complete a **Credit Note Request Form**, stating the reason for the credit note request, and forward it to the AR Processor in FMT. Credit Note should be authorised by a Staff Officer or equivalent (or a designated staff member) at the Cost Centre.

3.13.   Please note that credit notes for writing off balances owed to Invest NI or credit notes that could result in losses to the organisation, for example, subsequent waiver of money due, should not be raised. These transactions are subject to Invest NI's write off and losses policy. The Cost Centre should seek advice from a Staff Officer or equivalent at FMT, by e-mail, to ensure that these types of transactions are properly accounted for.

3.14.   The AR Processor will ensure that there has been an invoice raised to match the credit against, the credit note request is authorised by a Staff Officer or equivalent, and that the calculations on the credit note request are correct.

3.15.   The AR Processor will raise the credit note in Oracle, which should be reviewed by a Staff Officer or equivalent at FMT.

3.16.   Oracle will assign a number to the credit note. The number should be written onto the **Credit Note Request Form**, and filed by credit note number.

3.17.   The AR Processor will print out 2 copies of the credit note. The copies will be distributed in the same manner as invoices, for example:

-   Copy issued to External Customer directly apart from PSU and grant clawback invoices unless the cost centre requests that they send the invoice directly to the customer
-   Copy to be filed in FMT.

RECEIVING PAYMENT FOR INVOICES RAISED

3.18.   Receipts should be sent directly by the customers to FMT. Where receipts are received by the Cost Centre, they should be sent immediately to FMT.

3.19.   The member of staff at FMT who is responsible for opening the post should record all receipts in the daily receipts books and pass them to the AR Processor.

3.20.   FMT will total the receipts and lodge to the Invest NI Bank Account on a daily basis. A Staff Officer/EOI will approve and review the lodgement and also check and evidence this after the lodgement has been brought to the bank.

3.21.   FMT will record the details of the receipts lodged on the **Receipts Details Form**, and complete the boxes on the form as follows:

Invoice Number	The invoice that the payment relates to
Receipt Number	Leave blank (to be completed by the Receipts Processor in Accounts Branch)
Customer Name	Enter the customer name
Description of Receipt	Enter a description of the receipt (for miscellaneous transactions)
GL Code	Enter the GL code combination (for miscellaneous transactions)
Net Amount	Enter the net amount
VAT	Enter the VAT if applicable
Gross Amount	Enter the gross amount

3.22.   The AR Processor should complete a **Receipt Batch Header Form** for the total number and value of receipts that are on the **Receipts Detail Form**. The Receipts Detail and Batch Header forms are then entered into Oracle.

3.23. The **Batch Header Form** should be entered into Oracle Receivables, and the system generated number written on the Form. The individual receipts within the batch should be entered into Oracle Receivables, and the Receipts Processor will manually assign a sequential number to each receipt, which should be written on the **Receipts Detail Form**. The Receipts Processor should assign the receipt to the outstanding invoice in Oracle Receivables.

3.24. The **Receipt Batch Header** and **Receipts Detail forms** should be filed in batch number order.

3.25. Direct payment into the Invest NI bank account will be noted and recorded in Oracle Receivables.

MISCELLANEOUS RECEIPTS

3.26. Any monies received against which an invoice has not been raised should be entered into Oracle Receivables as a miscellaneous receipt. FMT will total the miscellaneous receipts and lodge to the Invest NI Bank Account.

3.27. The AR Processor should record the details of the receipts lodged on the **Receipts Details Form**, which will include a description of the transaction, GL code to code the revenue against and the amount received.

3.28. The **Receipts Detail Form** should be signed as reviewed and approved by a Staff Officer or equivalent in FMT and forwarded to the Receipts Processor in FMT to enter into Oracle.

3.29. The AR Processor should complete a **Receipt Batch Header Form** for the total number and value of receipts that are on the Receipts Detail Form.

3.30. The **Batch Header Form** should be entered into Oracle Receivables, and the system generated number written on the Form. The individual receipts within the batch should be entered into Oracle Receivables, and the Receipts Processor will manually assign a sequential number to each receipt, which should be written on the **Receipts Detail Form**.

3.31. The **Receipt Batch Header** and **Receipts Detail Form** should be filed in batch number order.

CREDIT CONTROL PROCESS

3.32. The Cost Centre has overall responsibility in ensuring money is received for each invoice raised, as the Cost Centre initiates the transaction and has closer working relations with the customer. However AR Processor can contact the customer to request payment if cost centre gives authorisation to do so.

3.33. Payment terms on invoices are thirty days unless cost centres specify that payment is required immediately. Monthly statements detailing outstanding balances are sent to Customers at the beginning of each month. If a payment has not been received from the customer:

- After 30 days from the invoice due date, a reminder letter requesting payment will be issued by the AR Invoice Processor;
- A second reminder will be issued 60 days after the due date;
- A third reminder after 90 days
- Up to a final reminder after 120 days.

3.34. The AR Processor will print the AR Aged Debtors Report in Oracle Receivables on a monthly basis, detailing the aging of all debts, and distribute to the Cost Centres within 2 working weeks from the month end. The Cost Centre should then review this report and follow up the outstanding debts with the customer, in particular on debts over 90 days from the due date.

3.35. At the year end, the Cost Centre should assist the production of annual accounts by determining the appropriate level of debt provisions required.

LEGAL ACTIONS

3.36. Any debts which are overdue by more than 180 days, i.e. 6 months after the due date, the Cost Centre should consider legal actions where appropriate.

OFF SET

3.37. A debt (loan principal due, interest due or ordinary trade debtor invoice due) owed to Invest NI can be off set with payment due to the client company.

3.38. It is the Cost Centres responsibility to arrange off set with the client company where appropriate. Cost Centre must obtain mutual consent with the client company where an off set is to be done, especially on large amounts such as loan or interest due.

3.39. The monthly aged debtor report should provide useful information on outstanding debts. The Cost Centre can inquire on Oracle Accounts Receivable module.

3.40. The Cost Centre should inform AR Processor or Accounts Payable Payment Processing team on all off sets. These transactions and the related journals must be authorised by a Staff Officer or equivalent.

3.41. **An off set form / checklist**, which is available on the intranet, should be completed for each off set and appropriately signed off by a Staff Officer in the Cost Centre. The completed form together with the relevant paper work should be forwarded to the AR Processor or a Staff Officer in FMT for further actions.

WRITE OFF

3.42. Any amounts which are irrecoverable may be required to be written off, the associated impact is a loss of public monies.

3.43. Any write off must be done in accordance with **Invest NI 'Write off of losses' procedures** which is available on the intranet with approval levels (see **'delegated limits' Annex C** on intranet). An L1 form must be completed in all cases which must be authorised by the Finance Director.

3.44. The Cost Centre (Deputy Principal or above) should identify debts which are considered as irrecoverable and require write offs, and inform a Staff Officer in FMT of the related details who will further verify the outstanding amounts.

3.45. FMT will then inform the Grants and Legal team and arrange for proper documentation to be completed by the Cost Centre for further authorisation in accordance with the approval limit in place.

3.46. However, rounding amounts of up to £1, the Cost Centre can directly request the AR Invoice Processor to write off such amount. The AR Invoice Processor should obtain approval by a Staff Officer or equivalent after discussion with a Grade 7 within FMT.

PERIOD-END PROCEDURES

3.47. The Interface from AR to GL should be run on a weekly basis. This will transfer all completed invoices and receipts from AR to GL. The Receivables information interfaced into the General Ledger will be automatically posted.

3.48. When all invoices and receipts have been processed, the Financial Systems Section in FMT will open the next period in Oracle Receivables, and close the current period when the Invest NI bank account has been reconciled.

3.49. A full reconciliation of the aged debtor listing will be carried to ensure that the balance of AR ledger agrees to the General Ledger. This reconciliation should be reviewed by a Staff Officer or equivalent.

4. GENERAL LEDGER

JOURNALS

4.1. A journal can be requested by any cost centre and should be e-mailed to FMT.

4.2. The designated staff member in FMT, who is responsible for the input of all journals to the General Ledger, should then complete a **Manual Journal Entry Form**. This will be used as a source document for input to the general ledger.

4.3. Once the journal has been entered in Oracle, the processor should: -

- Record the batch and journal number on the relevant journal forms;
- Sign the journal form as 'Input By'; and
- Document the input period on the journal form.

4.4. To ensure segregation of duties, a person independent from the original data keyer must approve all journals on-line. Once the journals have been entered, they will be sent to an independent person for on-line approval. Journals are approved by the designated journal approver. When approval has been given, the journals will be available for posting. The journal can be posted by the person who entered the journal into Oracle.

4.5. Each journal batch should, then, be filed in order of journal reference.

REPORTS

4.6. The Financial Systems Section in FMT is responsible for processing the monthly and quarterly suite of financial reports for Cost Centre managers, DETI and senior management.

4.7. Before reports are distributed, checks are carried out to ensure that the data content is accurate and that the summary and lower level reports reconcile with each other.   Reports can be accessed on-line or, alternatively, requested from FMT.

DEVELOPMENT OF REPORTS

4.8. Ongoing maintenance of existing reports is the responsibility of the FMT. Whenever any new codes are set up in Oracle General Ledger, a review is carried out to ensure that these codes are included within the definition of existing reports. If not, then they are added in accordingly.
Any requests for new reports should be made to Financial Management Team.

EARNIE PAYROLL

4.9.   Every period an Earnie Payroll file is run.
-    EARNIE Payroll (for employees of Invest Northern Ireland)

4.10.   This file is extracted from the EARNIE payroll system by the Payroll section that carries out a check to ensure that (a) the accounting record balances to zero and (b) each transaction line has a nominal ledger code. The file is, then, deposited in a temporary UNIX directory on the Oracle system.

4.11.   The Financial Systems Section transfers the file from the UNIX directory to the general ledger interface table at which stage a control report is produced detailing any errors encountered on uploading the file.

4.12.   If errors have occurred, these are investigated with the Payroll section that makes the necessary amendments to the file before transferring it to the UNIX directory in Oracle.

4.13.   If there are no errors, the journal import process is, then, run to transfer the payroll costs from the general ledger interface table into the general ledger itself as an unposted journal. This process automatically produces an Oracle report which states whether or not the program has run successfully.

4.14.   Any errors encountered are listed in the report. Once investigated by the Accounting section, the errors are then corrected on the system before posting the journals in general ledger.

4.15.   If no errors are encountered during the journal import process, then, the journal is posted immediately to update the salary accounts in general ledger.

POST AND RECONCILE SUB-LEDGERS TO GENERAL LEDGER

4.16.   The following sub-ledgers are automatically posted at 8.30am to the general ledger.
-    Payables;
-    Receivables;
-    Purchasing.

Any change required to the scheduling of these jobs is the responsibility of the Financial Systems Section.

4.17.   At the end of every period the sub-ledgers are reconciled with the general ledger.

4.18.   The total on the AP Trial Balance report, produced from the Payables module, is agreed to the trade creditors control account (expense code **0600**) in the general ledger.

4.19. The total on the AR Reconciliation report, produced from the Receivables module, is agreed to the debtors control account (expense code **0200**) in the general ledger.

POST MONTH-END JOURNALS

4.20. FMT is responsible for the preparation and posting of all period end journals, including accruals, prepayments, and capital journals.

RECONCILE SUSPENSE ACCOUNTS

4.21. FMT is responsible for ensuring that suspense and control accounts are reconciled on a monthly basis.

OVERSEAS OFFICES

4.22. International Investment Division (ISMD) completes monthly expenditure and reconciliation accounts for overseas offices which are authorised to operate their own bank accounts. This information is forwarded to FMT.

4.23. FMT will check the figures and reconciliation's, and journalise the costs and income in Oracle. Each overseas office has an imprest expense code (Cost Centre 000, expense code 8000 to 8999 range), which is agreed to the overseas office bank account balance. The expenditure and income is posted to the overseas office Cost Centre and appropriate expense code, and balanced against the overseas office imprest expense code. The net expenditure for the period will equate to the amount that the overseas office bank account should be funded.

4.24. ISMD will complete an Authorisation for Payment Form to transfer funds in the national currency to the overseas office bank account.

CLOSING THE ACCOUNTING PERIOD

4.25. The GL accounting period is closed by the FMT after all of the above procedures have been completed.

FIXED ASSET PROCEDURES

4.26. The criteria for the capitalisation of Fixed Assets is taken from the appropriate accounting standards contained under UK GAAP, and as interpreted by FReM. The policy and depreciation rates adopted by Invest NI are documented in the Accounting Policies section in the Annual Report and Accounts.

Monthly Procedures

4.27. On a monthly basis, upon completion of the month end payment processing, a review of a range of expense codes is undertaken by an EO staff member in FMT to ascertain if any items of expenditure should be capitalised. Any items identified as capital are documented on an "Asset Additions" form. The Asset Addition form is authorised at SO grade or above. Once approved these forms are filed with a copy of the associated invoice.

4.28. The EO will enter the asset additions into the asset ledger, known as Real Asset Management System (RAMS). Once all the additions have been entered into RAMS the depreciation calculations will be run and the journals are automatically produced for asset additions and depreciation. These journals are copied to an ADI spreadsheet and uploaded to the Oracle General Ledger. The asset reports for each category of asset are printed from RAMS and reconciled to the Oracle General Ledger codes.

4.29. All physical assets are tagged for tracking purposes. The ICT team attach the tags to IT assets and the EO in FMT attach the tags to non-IT assets. The asset number is entered against the asset record in RAMS.

Asset Disposal and Write-Off

4.30. Assets are depreciated over their estimated useful life. When assets are fully depreciated they are disposed off in RAMS. If the assets have been fully depreciated, then an assessment should be made if they have any remaining value or use. If the asset is deemed to have some remaining useful life then it should be "relifed" in RAMS. The journals will then be automatically created in RAMS, and uploaded to the Oracle General Ledger to adjust the depreciation values.

4.31. If the asset does not have a remaining useful life, then it will be disposed off in RAMS. The appropriate division managing the asset is also required to assess whether the asset has any resale value. If it is considered that there is a realisable amount from the sale of the asset, then appropriate quotations should be sought in order to maximise the disposal value. The number of quotations received for sale is not prescribed, but the assessment should be based on the estimated value of the asset, and the number of viable purchasers in an external market. Any disposal costs should be netted off the consideration received. The division should complete the Fixed Asset Disposal

Form and return to FMT with details of the sale. The profit or loss on sale will be deemed to be the net consideration less the net book value on RAMS.

Interim and Year-End Accounts

4.32.   The valuation of fixed assets is adjusted for current cost prices. This process of indexation involves the application of price indices for each category of asset. These indices are entered into RAMS in period 12, and the appropriate impairment values are automatically calculated. These journals are copied to an ADI spreadsheet and uploaded to the Oracle General Ledger.

4.33.   A fixed assets summary schedule is prepared for the Interim and Year-End Accounts. Indexation is only run for the Year-End Accounts. An individual listing of all assets from RAMS is reconciled to the Oracle General Ledger codes, and the summary schedule for the Annual Accounts is prepared.

5.   CASH MANAGEMENT

RECONCILING THE BANK STATEMENT

5.1.   The Invest NI bank statement will be downloaded on a weekly basis from the Ulster Bank, using the Anytime Banking Service. The bank statement is then loaded into Cash Management. FMT will match the bank statement in Cash Management against the transactions in the Payables and Receivables ledgers.

5.2.   The closing bank balance on the Invest NI account will be reconciled at the period-end to the GL bank account code (01-000-0501).

5.3.   FMT will process any correcting journals that are required to balance the GL to the bank statement.

5.4.   The Systems Administrator will close the accounting periods in AP and AR once the bank reconciliation has been completed for the month.

6. SYSTEMS ADMINISTRATION

CREATING NEW USERS

6.1. To request a new user in Oracle, the Cost Centre should complete the **Oracle User Form,** detailing the user's name and responsibilities required in Oracle. The Oracle User Form is forwarded to the Financial Systems Section in FMT who will create the user and assign the appropriate responsibilities.

6.2. The Financial Systems Section will contact the user when the new account has been created.

ASSIGNING RESPONSIBILITIES

6.3. A User Responsibility is a level of authority within Oracle, which contains a defined set of reports and menus. Several user responsibilities are defined for each module. A user may be assigned one or more responsibilities.

6.4. The **Oracle User Form** will detail the tasks that the user will be required to undertake. The user will be assigned the most appropriate responsibilities to carry out these duties.

6.5. If a user's responsibilities change or the Oracle logon is no longer required then the Cost Centre should detail these amendments on the **Oracle User Form**. The form is then passed to the Financial Systems Section to amend in Oracle.

RESETTING PASSWORDS

6.6. If a user has become locked out of their Oracle account, they should contact Financial Systems to reset their password. The Oracle system will prompt users to change their password every thirty days.

CHART OF ACCOUNTS MAINTENANCE

6.7 When making a request for a new code, Cost Centre, expense code and activity code, the **Request for New Code Form** Part A should be completed and authorised by the Cost Centre Manager. The form is then forwarded to Financial Systems for input to the General Ledger.

6.8 Once the relevant task has been completed on Oracle, the Financial Systems Section should complete Part B of the form, as evidence thereof, file the form in order of input date and, finally, notify the person making the request that the work has been done.

7. PAYROLL

7.1 Invest NI's payroll is split into two parts:

- NIPS Payroll

NIPS payroll system is maintained by DFP personnel branch and comprises staff members who are Civil Servants, i.e. ex-IDB and ex-IRTU staff who are seconded to Invest NI.

- EARNIE Payroll

EARNIE payroll system is maintained by FMT and deals with Invest NI's own staff.

ROLE OF HUMAN RESOURCES (HR)

7.2 HR supplies FMT with the source personnel information to FMT to complete payroll processing. HR's procedures in this respect are documented in the HR procedures manual.

7.3 HR provides authorisation for board members fees, which are paid on a quarterly basis in arrears through the EARNIE payroll system. Tax and national insurance are deducted and the net pay is paid into the members' bank account. Board members are paid every March, June, September and December.

7.4 Paragraph 7.3 does not apply to board members who specifically request payment to be made to their employers. In order to do this, the related board members are required to provide Inland Revenue clearance to Invest NI. The board members will then issue an invoice on a quarterly basis with VAT (where applicable) to FMT for processing.

7.5 HR liaises with DFP Personnel Department on NIPS payroll processing.

ROLE OF FMT

7.6 The key objective for FMT is to obtain authorised information to produce an accurate and timely pay run for staff salaries.

7.7 EARNIE system processes salary, PAYE, NIC, employee pension contribution, SMP and other normal deductions. However, EARNIE System does not calculate employer pension contribution.

7.8   FMT is responsible for:

- Processing EARNIE payroll based on authorised information provided by HR
- Calculating payroll other than annual payrise, bonus and changes to employee's pay during the year (i.e. change of scale etc)
- Payroll disbursement, i.e. BACS run
- Issuing payslips
- Prepare manual payment
- Calculate ROI payroll and disbursement
- Payroll journal posting to Oracle - EARNIE
- Payroll journal posting to Oracle – NIPS
- Deal with employee queries
- Calculating employer pension contribution
- Year end P35 issuance
- Issuing P45s
- Making payment to the Inland Revenue, DFP etc.
- Reconciling Oracle payroll control accounts

7.9   It is expected that going forward, the functions of calculation, issuing P45s, dealing with staff queries and the Inland Revenue will be transferred to HR which leaves FMT with processing information on EARNIE only. This process remains under review.

7.10   FMT should ensure at least 2 members of staff are trained on EARNIE payroll system. The optimum number is 3.

EARNIE SYSTEM BACK UP, SUPPORT AND PROCESSING

7.11   EARNIE system provider is INTEX, which is based in England. In house EARNIE system support is carried out by the IT Department, who performs the back up function.

7.12   There is limited access to the EARNIE payroll processing function. A maximum of 2 is allowed. Going forward, additional 2 members of staff (1 each at FMT and HR of at Staff Officer or equivalent) should be provided with read only access.

7.13   It is intended that the IT Department prints exception reports on a monthly basis, detailing access time and staff and other relevant details for proper review by a Deputy Manager both at FMT and HR. This process remains under review.

7.14   Each monthly report is properly filed and signed off after reviewing. Queries are to be resolved within 3 working days from when the report is reviewed.

7.15   A processing time table is set up, discussed and agreed between FMT and HR in advance of the new financial year.

7.16   A provisional timetable, or the estimated time required for annual pay rise processing is factored into the processing timetable.

7.17   All information received relating to salaries from HR is received by an agreed date.

7.18   The Payroll Processor stamps or initials the date and time of receipt. The Payroll Processor is normally an Executive / Admin Officer.

7.19   The Payroll Processor will perform the following completeness check:

-    New starts information
-    Leaver information
-    Maternity leave information
-    Paternity leave information
-    Change of address information
-    Change of tax code information
-    Change of salary information, i.e. back pay etc.
-    Change of Cost Centre information
-    Ensure that all amendments are properly authorised by the HR Manager

7.20   The Payroll Processor calculates pay information. The following is adhered to at FMT:

-    If an Admin Officer prepares calculation, a Staff Officer or equivalent must check it
-    If a Staff Officer prepares calculation, a Deputy Manager or equivalent must check it

7.21   The preparer must initial the calculation and the reviewer must sign off the calculation before it is processed on EARNIE.

7.22   The Payroll Processor processes the above information on the EARNIE system. The following is adhered to at FMT:

-    The Payroll Processor can either be an Admin Officer or Executive Officer
-    The Payroll Processor is supervised by either a Staff Officer or equivalent
-    The Payroll Processor initials each item of change or stamps as 'Entered', that is reviewed by a Staff Officer or Equivalent
-    All inputs to the EARNIE system should ideally be done within the same day (if possible) to ensure the All Change Report reflects all relevant amendments
-    If it is not possible to process all amendments within the same day, amendments should be segregated (i.e. by employee number or by type of changes, for example new starts / leavers etc) and processed in stages. At the end of each day, an All Change Report is printed which should list out items input onto the system that day

7.23   During the processing period, any queries are formally communicated to HR contact (Staff Officer or equivalent, or a designated HR staff member assigned by HR) in written form, at least by way of emails. All responses are formally documented or emails responses are printed as evidence of instructions.

7.24   Queries dealt by way of a telephone conversation are documented including responses, but FMT should limit the occurrence of resolving queries over telephone with HR.

7.25   Once all the information has been processed, the source information is filed in an orderly manner. An All Change Report and profoma payslips are printed.

7.26   The Payroll Processor will pass the All Change Report, source information and profoma payslips to a Deputy Manager at FMT, who performs a validation check of at least 50% of the amendments, and a spot check of at least 20% on other 'non change' details (consistency check). The Deputy Manager initials items checked and passes any queries to the Payroll Processor for further actions.

7.27   The above is then passed to HR for 100% validation. Once the validation is completed, a HR Deputy Manager or equivalent passes the completed reports and queries for further actions.

7.28   The Payroll Processor processes all queries within 2 working days, preferably within the same day. The revised / final All Change reports are passed to HR for final validation.

7.29   Once HR provides final authorisation, the final payslips are printed for spot checks (10%) by a Finance Manager or equivalent at FMT. Following this process, the Finance Manager or equivalent provides authorisation for BACS run to be processed.

7.30   BACS run must be processed at least 3 working days before the pay date of 20th of each month. If 20th falls on the weekend, then Friday is the pay day and actual BACS run date should be calculated by deducting 3 working days.

7.31   After the BACS run, a confirmation report will be printed from BACS box. When confirmation from BACS is received it is attached to paylist and signed off by either the Finance Manager or the Deputy Manager. The confirmation report is properly filed.

7.32   Following pay day, EARNIE system will remain open for up to 3 working days to allow queries and final amendments. The occurrence is limited. Any amendment which will result in further payment will be dealt with by cheque and must be communicated and authorised by HR Deputy Manager or equivalent.

7.33   The EARNIE system is closed by the 3rd working day following pay day. If pay day falls on the weekend, then the EARNIE system will be closed by 3rd working day, i.e. normally on Wednesday.

7.34   Once the EARNIE system is closed, the Payroll Processor informs the Transaction Processing Team of FMT who will process payroll interface with Oracle, which results in journal automatically prepared and posted to Oracle.

7.35   Once the EARNIE payroll journal is uploaded, the Payroll Processor reviews the Oracle control accounts, EARNIE reports and prepares payment requests for all deductions.

7.36   The payment requests are authorised by a Deputy Manager or equivalent at FMT who should review against the monthly report and Oracle and check payment coding, before payment request is authorised.

REPUBLIC OF IRELAND (ROI) PAYROLL PROCESSING

7.37   There are employees located in the Invest NI's Dublin office who are subject to Ireland's personal tax regulation.

7.38   HR provides any changes to the employee's pay details to FMT along with the main EARNIE payroll.

7.39   The Payroll Processor processes on spreadsheet the relevant tax, national insurance and employee pension contribution deduction, which is to be reviewed by a Staff Officer or equivalent at FMT before 100% validation and authorisation by HR.

7.40   Once the calculation is authorised, FMT will prepare payment request and cheques will be raised for payment to the individual and Ireland Revenue Commissioners.

7.41   The payment request is authorised by a Deputy Manager or equivalent of FMT (following HR's authorisation).

7.42   This is reflected in Oracle when payment is made, normally by the end of the same month.

7.43   The employer pension contribution is separately calculated by FMT as per the main EARNIE payroll employees.

HR CHECKING OF ALL CHANGE REPORT AND ROI PAYMENT

7.44   In line with HR procedures, an EARNIE All Change Report printed by FMT is reviewed by HR, who will trace the changes to the source documentation.

7.45   HR performs 100% validation and provides authorisation before final stages of pay run at FMT.

7.46   The 100% validation and authorisation by HR also applies to the ROI payroll.

NIPS PAYROLL PROCESSING

7.47   HR communicates all changes required to DFP Personnel.

7.48   HR performs checks on NIPS report.

7.49   On a monthly basis, FMT receives electronic journals from DFP and the Transaction Processing Team will upload to Oracle.

7.50   The NIPS system deals with all salary, deductions, employee and employer pension contributions.

7.51   The Transaction Processing Team files the journal and the Payroll Processor prepares payment request to payment for the gross amount.

7.52   DFP Personnel Branch makes payments for all deductions due to the Unions, Inland Revenue, pension etc.

7.53   As a final procedure, FMT ensures that the journal uploaded agrees to NIPS report.

EMPLOYER PENSION CONTRIBUTION

7.54   Manual calculation applies to EARNIE payroll only.

7.55   FMT obtains updated contribution banding for pension contribution from HR.

7.56   Pensionable pay comprises annual salary earned, back pay and overtime. Bonuses, allowances etc. are not pensionable.

7.57   The Payroll Processor downloads information on annual salary entitlement and pay to date by Invest NI information onto an Excel spreadsheet comprising the information detailed in paragraph 7.56.

7.58   The Payroll Processor prepares pension calculation in accordance with the statutory banding.

7.59   The completed calculation is reviewed by an independent Staff Officer for accuracy and completeness before it is reviewed by a Deputy Manager or equivalent.

7.60   As the calculation is expected to be reviewed by an independent Staff Officer who is not involved with EARNIE processing, the employee names are deleted or hidden by the Payroll Processor before the review. Employee codes are kept in case of future queries and for audit trail purposes.

7.61   Once completed, payment is made to DFP which is authorised by a Finance Manager or equivalent.

PAYSLIP ISSUANCE

7.62   At FMT, the Payroll Processor prints payslip by department.

7.63   FMT distributes payslips in the following manner:

-    At HQ, FMT distributes payslips to each department
-    FMT forwards payslip to the Dublin office by post

7.64   FMT keeps a copy of the payslip in a secure filing cabinet as permanent records.

7.65   FMT plans to review the payslip distribution methods with HR going forward.

PAYROLL RECONCILIATION

7.66   At FMT, a designated member of staff performs payroll control accounts reconciliation.

7.67   Balance sheet control accounts should not contain any NIPS posting / balance as Invest NI pays DFP in gross term.

7.68   All payroll control accounts contained within the 600 series are to be reconciled. The balance should agree to the EARNIE payroll report less payment made.

7.69   As EARNIE journal upload is expected to be done by the 3rd working week, the control accounts should be reconciled by the 1st working week of the following month.

7.70   Reconciliations are supported by EARNIE reports and payment records, which are reviewed by an independent Staff Officer or equivalent at FMT.

7.71   Journals are prepared to correct postings. Journals are prepared by the reconciling officer, reviewed by a Staff Officer or equivalent before it is processed on Oracle by another designated member of staff within FMT.

7.72   All journals go through the same FMT process and will require separate approval by a designated Staff Officer, who is not involved in payroll processing.

YEAR END P35 ISSUANCE

7.73   Tax year runs from April to March each year. The filing deadline for year end return is normally by the 3rd working week in May.

7.74   FMT is responsible for performing year end procedures on the EARNIE system and close off for the year end while DFP Personnel is responsible for NIPS payroll year end procedures.

7.75   FMT aims to complete the year end before the May payroll cycle takes place, i.e. by the start of May when possible.

7.76   The Payroll Processor performs all necessary procedures on EARNIE system and reconciliations are prepared. Records are obtained from Oracle system where necessary in relation to payments.

7.77   Once reconciled, the following possible scenarios could occur:

- Total payment is matched to total liability due to the Inland Revenue
- Total payment is less than the liability due to the Inland Revenue, therefore Invest NI will have to make a further payment
- Total payment is more than the liability due to the Inland Revenue, therefore Invest NI is due a credit

7.78   The reconciliation and completed returns prepared by the Payroll Processor are reviewed by a Staff Officer before a final review by a Deputy Manager.

7.79   The Finance Manager signs the final return and performs spot checks on the reconciliation.

7.80   FMT performs electronic filing, i.e. filing on line, which is mandatory from 2004/05 onwards.

8.   iEXPENSES

8.1   The travel supervisor, known in this document as the "auditor", accesses Oracle to view claims awaiting processing, submitted from Invest NI employees and approved by their line manager. This is through the iExpenses Audit Manager, Audit, and Manage Expenses Reports screen. The auditor prints the report to audit the paperless expenses claims. The auditor will receive paper based claims with receipts from the employees.

8.2   The auditor views the report and selects claims with Report Status "Pending Payables Approval". These claims are those which have been approved by the employee's approver and are awaiting payment.

BANK DETAILS

8.3   The auditor checks in AP to ensure there is only one electronic site set up for the employee with the correct bank account details linked to the site (usually an "Office" site). The auditor ensures the name in the bank account tab is the employee's name. If there are no bank details set up in Oracle, the employee must complete the "New Employee Form" and submit to the auditor. The GL section in FMT subsequently set up the new bank account details in Oracle and links the EFT site to the supplier. The supervisor checks the amendments in Oracle are correct and when appropriate the systems administrator creates a user in Oracle.

PAPERLESS CLAIMS (claims with no receipts)

8.4   These claims are submitted uniquely for mileage and per diem reimbursements. The auditor checks each line on the expense report (employee report) by reviewing the following details:
-    Period claimed (no longer than 3 months old)
-    Expense types
-    Home and office addresses for employee (home addresses are not acceptable)Mileage is stated correctly (auditor checks with the RAC & AA websites)
-    Allowances are correctly stated

If the auditor requires any amendments to or clarification of the amounts in the claim, additional information can be entered on Oracle to justify any differences in the calculations.

PAPER-BASED CLAIMS (claims with receipts)

8.5 These claims are submitted for all other expenses where receipts are required, which may also include Per Diem and Mileage expenses. The auditor initially checks the paper claim submitted agrees to the amount on the Oracle claim. The auditor reviews each claim with the relevant rules against each type of expense.

8.6 Accommodation rates are checked with the Foreign & Commonwealth Office world wide subsistence rates and confirmed by e-mail with the approver/claimant if the rates being claimed are higher than the ceiling limits.

8.7 Assistance to study (the amounts being reimbursed are confirmed with Learning and Development Team, and they provide an approval form)

8.8 Business phone calls (amounts are to be split from the accommodation rates).

8.9 Car parking if no receipts are provided, the claimant can tick a box in Oracle to stipulate the original receipt is missing. .

8.10 For hospitality, professional membership fees, taxi, rail, bus if no receipts are provided, the claimant can tick a box in Oracle to stipulate the original receipt is missing. The auditor checks the claim is correctly stated inclusive of VAT, at 17.5%, in accordance with the receipts submitted.

VERIFIED CLAIMS

8.11 When the auditor is satisfied the expenses submitted are correct, the "Expense verified" box is ticked against each line of the employee's claim. This changes the status of the claim from "Pending Payables Approval" to "Ready for Payment" in Oracle. On the employee's claim the screen will appear with the following message: "The audit for this expense report is complete. The approved parts of this expense report are ready for Payables invoice import and payment".

REJECTED CLAIMS

8.12   If there are any issues with the expense claims, the auditor may wish to reject some of the lines on the claim. The auditor can tick the "Policy Non Compliance" box on the claim to reject any lines requiring amendments, or further justification. These ticked lines will be disallowed for payment and the employee can be paid these at a later date. The auditor can enter comments on the claim to explain the queries to the employee. The auditor e-mails the employee/approver to amend or approve the rejected lines on the claim, dependant on the issues outstanding. The auditor then amends the amount on the Expense claim to the revised total and submits the claim with the remaining unpaid lines in the next payment batch. (A revised hard copy of the paper-based claim is not requested from the employee unless additional lines have been added to the claim).

IMPRESTS

8.13   If an employee has received an imprest (a prepayment paid to an employee before they travel), Oracle will show the following message: "This employee has open advances. Use Oracle Payables functionality to apply these advances to this expense report". The auditor receives a list of the outstanding imprests currently in Oracle by liaising with FMT. The auditor then checks with DETI staff travel to ensure the employee's claim is to be reduced by the imprest (this will be dependant on the current imprests outstanding, the relevant date of travel and ensures the correct claim is being offset).

(a). If the **imprest is less than the expenses being claimed**, the expenses claim is offset against the imprest and the remaining balance is checked on the Expenses report to ensure the employee is being paid the revised amount.(As long as the claim is in relation to the Imprest)

(b). If the **imprest is greater than the expenses being claimed**, the expenses claim is offset against the imprest and no payment is released to the employee.(as long as the claim is in relation to the Imprest)

8.14   The auditor reviews the Expenses report again to ensure the payment totals on the claims with the status "Ready for Payment" matches those currently audited. Any auto-approved* claims are checked at this stage.

8.15   In Oracle AP, the auditor then creates the Payables import by entering a Batch Name (Format: Xdd/mm/yy ---- 1) from the Payables Invoice Import option in the AP Reports>Requests screen. The auditor prints the Expense Report Import Report and checks the totals agree to the audited claims. Rejected and auto-approved* claims are checked at this stage, and also any imprests being applied are valid (the auditor will un-apply imprests which are not relevant at this stage).

8.16   When the totals are confirmed, the auditor runs the AP Expenses Report in
        Discoverer, entering today's date. On the "Expense by Bank" sheet in this
        report, the totals should equal the batch payments being made. (This will
        include both UK employees and overseas employees). Where the invoice
        amounts and the amounts remaining do not agree, the difference should be an
        imprest being offset. There should be no amounts appearing on the
        "Expenses by Cheque" sheet.

8.17   The batch report is filed with the expense claims. The payment date is
        entered on each paper- based claim and on the Expense Report showing the
        list of paperless claims. The auditor completes the I Expenses Daily Run
        Cover Sheet with the Batch Name, Auditor Name, Issues Arising, No of
        Invoices paid, No of Staff paid and the date. This is also filed with the claims.

        STERLING BANK ACCOUNTS

8.18   The auditor translates the foreign currency amounts at the exchange rate at the
        date of the final expense claim submitted and creates an "expenses report" in
        Oracle (the Invoice Number is in the format OSXdd/mm/yy-1). The auditor
        clicks on the "Template – Internet Expenses" and inputs the information from
        the back page of the claim and applies any imprests where relevant.

8.19   The auditor prints a report to show a list of the claims being processed and
        checks this against the manual expenses forms which have been audited.

8.20   In AP the Payables Import Report is ran with "Source Payables Expense
        Reports".

        FOREIGN BANK ACCOUNTS

8.21   The auditor completes an application for Foreign Telex Form with the
        relevant details and passes to the staff member in the Accounts Payable team
        who will process the payment on Northern Bank on-line banking. Payment is
        made in the foreign currency using the rate of exchange on the day the claim
        is audited.

8.22   The on-line payment is approved by two authorised signatories.

8.23   The claim is passed back to the auditor for filing.

8.24   The foreign currency will be converted at the rate on the day the amount is
        debited from the Invest NI bank account. The difference between this and the
        amount of the sterling claim is credited or debited to exchange difference.

        NB Any person who is not paid by Earnie or NIPS (i.e. not an employee) will
        have to submit an expense claim via a PO. This will be in line with their
        contract with Invest NI (usually this is consultants).

9.   PROCUREMENT CARD

PROCUREMENT CARD – OVERSEAS OFFICES

CONDITIONS OF USE

9.1   A Government Procurement Card (GPC) has been issued for use in selected Invest NI Overseas offices, and the use of the GPC is subject to the following procedures and conditions.

9.2   The GPC will be issued to named staff in the Overseas Offices. A Statement of Use detailing Invest NI terms and conditions must be signed by the users of the card.

9.3   Use of the GPC is restricted to properly authorised and approved expenditure on Invest NI activity. Its use against those areas of expenditure detailed on the Authorisation Blocking Form is prohibited.

9.4   The GPC must be stored in a secure location when not in use.

ORDERING EXPENDITURE

9.5   The normal authorisation procedures for all areas and levels of expenditure as detailed in the Overseas Procedures Manual must be followed when using the GPC as a payment mechanism.

9.6   The number and type of quotations required as detailed in the Overseas Procedures Manual must be obtained. An authorisation/requisition form must be completed and approved at the appropriate level.

9.7   The order is placed with the selected supplier, and the GPC number is quoted to the supplier as the method of payment and the Oracle Cost Centre and Expense Code (7 digit) reference relating to the transaction is also quoted to the supplier along with the order.

9.8   A record entry should be made on the authorisation/requisition form indicating that the purchase has been made by GPC to ensure a duplicated payment is not made.

9.9   Where the GPC has been used to book hotels or conferences, any additional personal expenses incurred at hotels, conferences or events must be settled by the individual concerned and not charged to the GPC.

RECONCILIATION OF TRANSACTIONS

9.10   The Overseas Office will be responsible for reconciling the record of transactions incurred on the GPC to the source documentation, namely, the requisition approval, order, goods received note and supplier invoice. This reconciliation must be completed on the Deecal database.

9.11   Each reconciled entry on the database must have the correctly recorded Cost Centre and Expense Code reference. Once the monthly reconciliation has been completed, ISMD will then approve the transactions on Deecal.

9.12   ISMD will inform Joanne Lynas in FMT Division that the GPC reconciliation is complete for each month by the fifth working day of the following month.

9.13   FMT Division will upload the transactions to Oracle on the seventh working day of the following month.

9.14   Payment for the expenditure incurred on the GPC for each month will be made by direct debit from the Invest NI bank account on the seventh working day of the following month.

.   CARD ADMINISTRATION

9.15   Access to the Deecal database will be restricted to selected staff for reconciliation and reporting purposes. The passwords for access to Deecal are controlled by Paul Taylor in FMT.

9.16   Requests for amendments to single and monthly transaction limits and spending categories must be advised by ISMD to FMT. Approval for any change will be given by Ian Maxwell who will authorise the Ulster Bank to make these changes.

9.17   All expenses incurred on the card must be solely for Invest NI purposes. The incurring of personal expenses on the card will be treated as a disciplinary offence.

9.18   If the card is lost or stolen, FMT must be informed immediately by telephone. During office hours in Belfast, the points of contact are firstly Ian Maxwell and secondly Joanne Lynas. Outside office hours in NI, the Ulster Bank must be phoned immediately on 01144 870 6000 459 and this must be followed up by confirmation in writing to Ulster Bank Ltd, Card Products Department, PO Box 244, Belfast, BT2 7AY and copied to FMT.

PROCUREMENT CARD – TRAVEL FOR INVEST NI STAFF

CONDITIONS OF USE

9.19 A Government Procurement Card (GPC) will be issued for use in booking travel and hotels, subject to the following procedures and conditions will apply.

9.20 The GPC will be issued in the name of Joanne Lynas (GPC Card Administrator.) Access to the GPC will be restricted to Joanne Lynas.

9.21 A Statement of Use detailing Invest NI terms and conditions for card use must be signed by Joanne Lynas.

9.22 Use of the GPC is restricted to properly authorised and approved expenditure on Invest NI activity. Its use against those areas of expenditure detailed on the Authorisation Blocking Form is prohibited.

9.23 The GPC must be stored in a secure location when not in use.

BOOKING TRAVEL

9.24 Each Cost Centre will contact the Travel Co-ordinator in Serco to obtain quotations/details for travel and accommodation. The Travel Co-ordinator will phone Carlson Wagonlit Travel (CWT) to obtain the travel options and costs.

9.25 The best available quote is passed onto the Cost Centre, who will complete a Travel Booking Form. The form is approved by a Director (Managing Director for overseas travel). A requisition must be raised on Oracle.

9.26 In order to provide a more accurate reflection of the cost of travel it is important that the full cost associated with travel bookings are detailed on the PO/Approval form. Further information on transaction charges is available from CWT under the OGC framework agreement costs schedule.

9.27 The order is placed with CWT the selected provider for all travel arrangements for Invest NI staff. All travel arrangements will be booked through a centralised booking desk provided by Serco at Bedford Square.

9.28 The GPC number for Invest NI is lodged with CWT, and the Travel Co-ordinator does not have access to the card or card number. The Travel Co-ordinator will quote the Oracle Cost Centre and Expense Code (7 digit) reference relating to the transaction to CWT along with the order.

9.29 Accommodation is to be settled by the individual upon check-out and reimbursed through iExpenses. (It is necessary to retain all receipts were reimbursement is required).

RECONCILIATION OF TRANSACTIONS

9.30   FMT will be responsible for reconciling the record of transactions incurred on the approved booking form. This reconciliation must be completed on the Deecal database.

9.31   Each reconciled entry on the database must have the correctly recorded Cost Centre and Expense Code reference. The reconciliation for the month must be competed by the fifth working day of the following month.

9.32   FMT will reconcile the transactions on the Deecal system to the CWT invoices. FMT will upload the transactions to Oracle on the seventh working day of the following month.

9.33   Payment for the expenditure incurred on the GPC for each month will be made by direct debit from the Invest NI bank account on the seventh working day of the following month.

CARD ADMINISTRATION

9.34   Access to the Deecal database will be restricted to FMT for reconciliation against travel booking forms. The passwords for access to Deecal are controlled by Paul Taylor in FMT.

9.35   Requests for amendments to single and monthly transaction limits and spending categories will be determined by FMT. Approval for any change will be given by Ian Maxwell who will authorise the Ulster Bank to make these changes.

9.36   All expenses incurred on the card must be solely for Invest NI purposes. The incurring of personal expenses on the card will be treated as a disciplinary offence.

9.37   If the card is lost or stolen, FMT must be informed immediately by telephone. During office hours in Belfast, the points of contact are firstly Ian Maxwell and secondly Joanne Lynas. Outside office hours in NI, the Ulster Bank must be phoned immediately on 01144 870 6000 459 and this must be followed up by confirmation in writing to Ulster Bank Ltd, Card Products Department, PO Box 244, Belfast, BT2 7AY and copied to FMT.

10.   BUDGETARY MANAGEMENT

BUDGETARY FRAMEWORK

10.1   The budget setting process is instigated through the Annual Spending Review. This exercise is commissioned by the Department of Finance and Personnel (DFP) across all Government Departments to determine the resources required over the forward three year period, in order to deliver the objectives set out in the Programme for Government. Following the agreement of the three year Spending Review budget an annual estimate is produced, which forms the basis for in-year monitoring in the following financial year.

10.2   Once the annual budget has been set, four in-year Monitoring Rounds are conducted to assist in the budgetary management process. This process ensures that spending plans for the financial year are amended in the light of the most up to date information allowing organisations to bid, surrender or realign resources as required.

10.3   Resource budget allocations are on an accruals accounting basis to align with the reported figures in the Annual Report and Accounts. In addition to the resource budget, Invest NI is allocated a cash budget or limit for each financial year. The cash limit is calculated by subtracting non-cash costs (namely depreciation, impairments, and a cost of capital charge) from the Resource budget allocation. The cash limit may be amended in a monitoring round to take account of any changes in forecasted working capital levels. The cash budget cannot be exceeded and must be expended to within 5 percent of the overall limit amount.

BUDGET SETTING

10.4   The annual budget allocation is confirmed by DETI Finance. This allocation is split across a number of budget categories, e.g. administration, capital, revenue, receipts, and non-cash costs. Resource accounting and budgeting rules govern the scope for movements between the budget categories.

10.5   FMT allocates an initial budget to each division within Invest NI. This allocation is on the basis of the previous year's budget, the level of brought forward commitments, work in progress, and will also take into consideration the priorities contained in the Corporate Planning process.

10.6   All divisions will provide to FMT a monthly profile of the initial budget allocation. The division must profile an estimated opening and closing grant accrual amounts to agree to their resource budget allocation. A division may request a different amount to the initial FMT allocation, and must provide a justification for the additional budget required. Where there are discrepancies between the initial allocation and the amounts requested by divisions, the CEO in conjunction with the Top Management Team (TMT) and the Finance Director will make the final decision on divisional allocations.

10.7 Once this process has been completed, FMT will upload the budget allocations to Oracle. The target for the uploading of budgets into Oracle is April, the beginning of the financial year.

10.8 The director for each division is responsible for the overall management and attainment of budget targets. This responsibility includes supplying budget profiles to FMT, reviewing monthly performance against budget targets, submitting changes to budget allocations, and informing FMT of any issues which may impact on the budgetary outturn.

IN-YEAR BUDGETARY CONTROLS

10.9 As the financial year progresses the budget for the whole organisation can be amended to reflect changing circumstances. This process is facilitated through the quarterly monitoring rounds, which are commissioned by DFP. The monitoring process is used to bid for additional budget, surrender budget, transfer budgets across categories where applicable, and perform any technical adjustments. The four monitoring rounds are normally timetabled for June, September, December, and February.

10.10 Internal budget adjustments between divisions can be facilitated in line with the quarterly monitoring rounds. This allows divisions to surrender budget back to FMT, or to transfer budgets between divisions. Budget changes cannot be made outside of these quarterly intervals. FMT will signal to divisions the precise timetable for transfers and surrenders to be made. Any budget lines affected by a transfer or surrender may be re-profiled. An e-mail confirmation must be received by FMT from the relevant budget holder and Oracle will be updated accordingly.

10.11 A complete re-profiling of divisional budgets will be allowed in September, mid way through the financial year. Re-profiling of budgets will not be allowed at any other time during the year unless there has been a transfer or surrender of budget during the quarterly monitoring rounds.

10.12 On a monthly basis the Finance Control Committee (FCC) meets to review the financial position of the organisation. The FCC is chaired by the Finance Director, and is attended by the Chief Executive, Managing Directors, two Board representatives, and other members of the Finance Division. The remit of the FCC is to: -

- Report monthly on the financial performance of each Group.
- Highlight and receive explanations for any areas of variance between outturn and budget.
- Agree any necessary actions to enhance financial management.
- Review forecast grant information.
- Agree quarterly monitoring returns, and other budgetary/ financial management issues.
- Provide a link to the Invest NI Board on financial matters.

REPORTING

10.13   The monthly accounting period in Oracle is closed three workings days after the month end. The reports for FCC are produced, and a profiling report for DETI is completed. To assist divisions in the management of budgets, a suite of reports have been developed in Oracle. These reports are used at the FCC and include: -

- Accrued Expenditure Summary Report by Division
- Capital and Revenue Analysis by Division
- INI Monitoring Report
- Administration Report
- Budgeted Receipts Report
- Resource Profiling Report to DETI
- Accrued Programme Reports for each Group

10.14   In addition to these financial reports, FMT distributes to each division on a monthly basis a detailed analysis report in Excel format listing all transactions for the year to date. This should be reviewed by each division and any queries or discrepancies reported to FMT.

10.15   Normally in May of each year FMT provide to DETI a Provisional Outturn for the past financial year, and a Final Outturn statement upon approval of the Annual Accounts. These outturn statements report on the expenditure against budget allocations. DFP have set targets for actual outturn against budget allocations. For revenue and administration categories a tolerance of two percent under the budget allocation is permitted, and three percent for the capital budget category. Over spending against budget totals is not permitted.

11. DISASTER RECOVERY PLANNING

ORACLE FINANCIALS

11.1 A disaster recovery plan is in place for the Oracle Financials system. The Disaster Recovery (DR) arrangements are provided under the Oracle Managed Service contract, currently operated by Northgate Information Solutions. In the event of the unavailability of the Bedford Square premises or if the Invest NI network and system fails, the Oracle Financials DR plan is invoked. This plan gives access for 6 staff from FMT to go to the HP building in Monkstown to access Invest NI's Oracle system.

11.2 Once a failure has been identified Ian Maxwell or Paul Taylor will invoke the DR plan. This will involve telephoning Dave Harrison or Jim Thompson at Northgate to inform them that the DR arrangements are required. Northgate will then take the backup of the Oracle Financials system from close on the previous working day and install this onto the server at the DR site in Monkstown. It will take approximately 12 hours once the DR is invoked until the Oracle system will be available for use in Monkstown. Up to 6 staff from FMT will go to Monkstown to use Oracle Financials.

11.3 On an annual basis FMT will test the DR plan to ensure that the arrangements at Monkstown are operating as required.

PAYROLL

11.4 Disaster recovery arrangements are also in place for the EARNIE payroll system. The Invest NI plan provides for the Newry Office to act as a disaster recovery location. A laptop is held in Newry with the EARNIE system installed on it. The payroll data is backed up on the Invest NI systems on a daily basis. In the event of DR being invoked the payroll data backup will be loaded onto the laptop in Newry and FMT payroll staff will travel to the Newry office to process the payroll.