TMO managers’ course

Governance

Scenario for discussion

You have been in post as manager of the Really Admirable TMO (RATMO) for three weeks. You are enjoying the job. The officers are experienced, friendly and competent. The TMO seems generally well-run. At the interview you were impressed to hear of the high level of community support. For example, the AGM is always well attended with over half the members attending.

This morning the chair, Ron, comes to see you. He asks you to sign a cheque made out to cash, for £1000. The authorisation, signed by the treasurer, is properly made out and says the cash is for ‘AGM expenses.’

You say to Ron that the financial regulations set a petty cash float of £100. He understands this. But, he explains, the TMO has always had a special £1000 float for the AGM which the chair uses to buy food and drink, including cakes and snacks made by members. The money is also spent on a popular children’s entertainer.

You are concerned that, in signing the cheque, you would be breaching financial regulations, but you do not want to offend Ron who you know to be an honest and committed chair. You explain you have some other issues on your desk right now and ask if he wouldn’t mind coming back later to discuss. He is a bit surprised, but asks if he can come back the following morning when he will need the cheque signing so that ‘the ladies’ can buy the ingredients.

* What options do you consider open to you?
* What action will you take?