

## UKOPA

### UNITED KINGDOM ONSHORE PIPELINE OPERATORS ASSOCIATION

#### REGULATION No. 1 – EXPENDITURE APPROVAL PROCEDURES.

The procedure listed below shall be followed when applying for expenditure approval to spend/commit monies on behalf of the Association :

##### 1. Expenditure Application Proforma.

Association proforma reference UKOPA/02/0022 shall be completed, and submitted to the Management Council for approval in respect of any application to spend/commit monies on behalf of the Association.

No monies shall be committed in the absence of such approval, excepting that in special circumstances the Chairman is authorised to approve expenditure in writing to a level of £,5000 pending receipt of full approval.

##### 2. Rules for Approval.

- 2.1 All expenditure applications shall be considered and either approved or not approved by the Management Council. Applications may be considered at a scheduled meeting of the Management Council or by electronic mail, but all shall formally ratified at a meeting of the Council.
- 2.2 In the absence of full agreement within the Council, expenditure applications shall be approved/rejected by majority vote. This to apply to both e mail applications and applications considered at Management Council Meetings.
- 2.3 All applications to be routed via the Secretary who will issue to Management Council Members, together with a copy of an updated expenditure forecast.
- 2.4 There will be no contingency allowance on approvals. The person responsible for the expenditure, normally a Working Group Chairman, will be required to control expenditure within the approved level and refer back to the Council by e mail if overspending of the authorised sum is suspected. In addition, the person responsible for controlling the expenditure shall provide the Secretary with an updated outturn and phasing details 4 weeks in advance of scheduled Management Council Meetings.
- 2.4 Where applicable, Working Group Chairmen will review quotations and prepare expenditure approval applications. This may involve joint proposers on applications where quotations relate to involvement of more than one Working

Group. In such situations, proposers will be expected to consider efficiency measures such as optimising time input by organising more than one Working Group meeting on the same day, (eg the FDMG and RAWG), or by minimizing attendance to that which is absolutely necessary.

3. Acceptance of Quotations.

Following approval of expenditure, the Secretary will issue a standard acceptance letter/order confirming acceptance of the quotation as submitted ( or to a level set by the Management Council), together with details of deliverables.

4. Records of Applications and Financial Forecasts.

The Secretary shall maintain a record of all approved/rejected applications, a running total of approved expenditure applications and an updated two year financial forecast.