

Financial Control and Expenses Policy

Introduction

This policy sets out the principles for Financial Control and Expenses within the Friends of Downview Primary School.

It is relevant to all members and is endorsed by the Committee of the Friends of Downview Primary School ("FOD"). It will be reviewed annually to ensure that it remains appropriate to FOD and its volunteers' needs.

Applicability

This policy is applicable to all Trustees and Committee Members who are legally responsible for the running of FOD, and for all members who are entitled to be reimbursed for out-of-pocket expenses which they legitimately incur whilst supporting the delivery of the Charity's objects.

Cash Management

- When cash is collected by the school staff on behalf of the Charity, it will be delivered to the office and held securely until it can be collected and counted by two members of the Committee. This should be done as soon as is realistically possible. At least one of the members collecting the cash must be a bank signatory.
- If it is not possible for the cash to be banked on the same day, it should be kept in the school safe (up to £10,000) or can be stored temporarily at a Committee Member's home. No Committee Member should store more than £1,000 at their address overnight. Cash can be split between Committee Members. A record should be kept of who is storing cash and how much. Cash should then be banked as soon as is practically possible.
- In accordance with the insurance policy, no more than £5,000 should be held at an event or transported at any one time.
- For cash deposits between £3,000 and £7,500, there must be a minimum of two adults accompanying the cash, one of whom must be a bank signatory.

Bank Account Management

- The Bank mandate will require two signatures from a pool of three to four signatories.
- The Treasurer and/or Chair will operate the bank account and retain passwords for online banking.
- Any payments made through online banking should be authorised by two Committee Members.

Use of Bank Cards (including deposit cards) / Membership Cards

- Any such card issued is the property of the Charity and should be returned to the Committee if the card holder is no longer an elected Committee Member.
- All such cards should be held by Committee Members and stored securely to prevent any loss or risk of fraud.
- All financial transactions must be carried out by two authorised Committee Members and, as such, FOD does not have a bank card for purchases.
- All purchases must be agreed by the Committee prior to purchase.

Online Banking

- Any online banking details issued are to be stored safely and only known to the person they have been issued to.
- If online banking details have been issued to an individual, it is for their use only and not to be shared.
- If online banking details have been issued for the Charity rather than individuals, then these should only be known to the current bank signatories that have authority to act on behalf of the Charity.
- Dual authorisation is required for all payments, so one signatory will create the transaction and another signatory will authorise the transaction. The Committee should have agreed to any payments or transfers in advance.
- If a person with online bank details leaves the Committee, they should be removed as a bank signatory and the bank notified to remove their online access.

Expenses

All Trustees may be reimbursed for reasonable expenses incurred whilst carrying out their duties as a Trustee of FOD. A detailed list is below and all expenses must be approved by the Committee, other than the claimant, in advance.

- Travel expenses*
- Mileage*
- Parking*
- Printing (at 5p per sheet)
- Telephone calls*

*See explanatory notes for more detail.

Receipts must be provided for all expenses.

All claims for reimbursement must be made within 30 days of the date of expense using the approved form. Reimbursement will be paid by bank transfer.

Volunteers may also claim expenses in accordance with this policy, provided the expenses have been pre-approved by the Committee.

Purchases

Members of FOD are entitled to be reimbursed for purchases made for the Charity. Purchases must be pre-approved by the Treasurer or Chair and have already been agreed by the Committee as an agreed spending of funds.

Any member who has not received pre-approval for a purchase is not guaranteed reimbursement.

Receipts must be provided for all purchases.

All claims for reimbursement must be made within 30 days of the date of purchase. Reimbursement will be paid by bank transfer. Claims by members who have not received reimbursement from FOD before must use the pre-approved form in order to avoid any risk of mistake or interference with bank account details.

Waiving Expenses (Donating Expenses as Gifts in Kind)

Members who generously waive their expenses or purchases as 'donations' to the Charity inadvertently create some difficulties. If reimbursement of expenses and purchases are not claimed, they cannot be

entered into the accounts to show both the true running costs of the Charity and the generosity of its supporters through cash-donations. If the amount of waived expenses and purchases are entered into the Charity Accounts, the Charity may not claim Gift Aid on these amounts as 'Gifts in Kind' are excluded from Gift Aid.

Changes to the policy

The Committee reserve the right to change this Expenses Policy to maintain consistency with current best practice and the needs of the Charity.

Explanatory Notes:

- Telephone Calls - No reimbursement will be made for telephone calls that have incurred no actual cost as they were covered by a contract which included an allocation of 'free' calls.
- Travel Expenses - Public transport should be used where possible, and if travel is by private vehicle then a mileage allowance will be paid as agreed by the Committee in line with guidance provided by HMRC, providing the vehicle used has a valid certificate of Insurance, a valid MOT certificate and road tax (if required).
- Mileage will be calculated from the normal place of Charity work (Downview Primary School, Bognor Regis).
- Parking costs incurred when on Charity business away from the normal place of Charity work will be reimbursed.

This policy will be reviewed annually by the Committee prior to the AGM.