

Reigate & Redhill U3A – Financial Policies

MONEY HANDLING POLICY FOR GROUPS

PURPOSE OF POLICY:

- i. To provide guidance to group leaders on the procedures to be applied and the records to be kept when dealing with monies received from group members.
- ii. To set minimum requirements for reporting monies collected and paid out to both group members and the U3A Treasurer.

GUIDING PRINCIPLE:

All Reigate and Redhill U3A groups should be self-financing and it is therefore the responsibility of all group members to pay their share of group expenses.

- This is how the majority of U3As nationally run their groups and is the fairest approach for the wider membership of each U3A, given that the costs involved can vary widely between groups.
- The self-financing principle also includes any start-up costs incurred when new groups are established. To cover such costs, contributions may be increased for the first meeting or two, providing that this arrangement is fully explained to group members beforehand.
- It is important that this principle applies to all activities undertaken on behalf of the group, including administration, in order that neither the group leader, nor indeed any other group member, should end up out of pocket.

HIRE OF VENUES:

The vast majority of all U3A group activities take place in members' homes and, in this case, expenses tend to be limited to a small payment (current recommendation is up to 50p) to the host to cover refreshments.

Some group meetings are however, too large for most members' homes and some activities do not lend themselves to taking place in a home setting. In these circumstances, group meetings may be held in a hired venue instead.

In order to support groups and group members who find themselves in this situation, Reigate & Redhill U3A has established a policy of providing central funding for an

element of the cost incurred in respect of venue hire. The level of this subsidy is currently set at 50% of the venue cost, subject to a ceiling of:

- £250 per financial year for groups which meet at least 26 times per year
- £150 per financial year for groups which meet less frequently

It is essential that any venues hired by groups are booked in the name of "Reigate & Redhill U3A" rather than in the name of the group leader or another member. This is because U3A insurance policies (particularly public liability insurance) do not provide cover where venue hire contracts have been made in individual's names rather than in the name of the U3A.

Invoices/receipts should be obtained for payments to the venue and provided to the U3A Treasurer in support of any claim for subsidy.

ORGANISED OUTINGS, TRIPS, VISITS AND SHOWS:

Higher levels of expenditure tend to be incurred when groups organise outings, visits, trips, shows, etc. and, as a consequence, the financial and other risks involved increase accordingly, requiring different arrangements than those for regular group meetings.

- Whilst Reigate and Redhill U3A wishes to support groups in undertaking such activities, it also needs to help organisers to minimise the risks. Group leaders should therefore consult the Groups Co-ordinator in the first instance, who will direct them to the most appropriate person to provide help and guidance.
- U3A policy in this area is that the trip organiser should require payment in advance from those members who plan to attend, ideally by cash or a cheque payable to Reigate and Redhill U3A. Money received this way can be lodged with the U3A Treasurer, who will then pay the venue/transport costs from the main U3A bank account. Group leaders should avoid handling payments for trips through any other bank accounts and all invoices should be in the name of "Reigate & Redhill U3A" rather than in the name of any individual member.
- Incidental expenses should be budgeted and included in the charge made to members, with receipts obtained wherever possible for incidental payments made.

EQUIPMENT:

As already stated above, all groups should be self-financing. This includes any purchases of equipment necessary to the normal working of the group.

As all group members are responsible for their share of the group's expenses, equipment purchases valued at £100 or more should be approved by all members of the group. Details of any such purchases should be given to the U3A Treasurer, who will arrange for the purchase to be recorded on the U3A Asset Register.

RECORD KEEPING:

Group leaders should keep a record of amounts received and paid out during the financial year, as well as any balance in hand at the end of the financial year. These details to be made available, on request, to the U3A Treasurer.

In the interests of transparency, this information should also be made available to group members, as they are funding the group with their contributions and have a right to know how monies collected are being spent.

The level of detailed record keeping necessary will, to some extent, depend upon the group:

- Where group meetings take place in group members' homes and the only member contributions are paid to the host to cover refreshments, this does not need to be formally recorded.
- For a small group, with relatively limited other expenses, the recording of the financial affairs need be nothing more than keeping a simple log by date of incomings and outgoings.
- A group with rather more significant expenses (e.g. where a venue is hired for group meetings) needs to be a little more formal:
 - A register of attendance and contributions should be kept for each meeting, so that each member attending can be marked as present and a record kept of any monies paid to cover the hire of the room, the provision of any refreshments and the cost of any incidental expenses which the organiser may have incurred.
 - Usually a fixed charge is levied to members, regardless of how many actually attend the meeting. This may result in a surplus or deficit being accumulated by the group leader, which must then be rectified by the group members in some way. This could be achieved by occasionally having a meeting free of charge, or at an additional charge, or by adjusting the meeting charge upwards or downwards for more significant ongoing variances. Group leaders are advised not to hold more than £100 in surplus money in their own home.
 - To share out the workload, a group leader may wish to delegate financial record keeping to another group member, who would keep track of all monies and, once a year, provide a summary for group members' information/approval.
 - Where the U3A pays a venue subsidy, this should be separately identified in any figures reported to the U3A Treasurer

It is a group decision as to how their financial records are kept. The U3A committee would however, strongly encourage groups to use the Group Ledger facility within Beacon to assist in accounting for monies paid and received.

SHARING OF PETROL/DIESEL CAR TRANSPORT COSTS

PURPOSE OF POLICY:

- i. To encourage members to offer to share the use of their own transport to attend U3A events,
- ii. To allow members to accept transport without embarrassment by paying a fair contribution toward petrol/diesel costs

SUGGESTED COST SHARING ARRANGEMENTS:

Members giving lifts to other U3A members to any U3A event may ask for a voluntary contribution to help cover petrol/diesel costs. The following guidelines may be used when doing this:

- Passengers' share of costs could be paid to the car owner during the trip or when leaving the car at the end of a trip.
- Total mileage for a shared trip could be calculated from the car owners' home and back to the car owners' home. This total mileage will be shared between car owner and passengers.
- Fuel costs of 30p per mile could be shared by all the members travelling, including the car owner.
- Costs could be shared as follows:

Driver and One passenger: 15p per mile each

Driver and Two passengers: 10p per mile each

Driver and Three passengers: 8p per mile each passenger, 6p per mile - the driver

Driver and Four passengers: 6p per mile each

Please note: The monetary contribution is towards fuel costs only and the car owner will also pay a fair contribution. There is no payment towards car maintenance costs or for the owner's time.