

Youth Charter Financial Management Policy & Procedures

Introduction

The purpose of financial management in the operation of all Youth Charter activities is to fulfil the organisation's mission in the most effective and efficient manner and to remain accountable to stakeholders, including clients, partners, funders, employees, and the community. In order to accomplish this, the Youth Charter commits to providing accurate and complete financial data for internal and external use by the Executive Director, the Treasurer and the Board of Trustees.

Authority

The Board of Trustees is ultimately responsible for the financial management of all activities. The Treasurer is authorised to act on the Board's behalf on financial matters when action is required in advance of a meeting of the Board of Trustees.

- The Executive Director is responsible for the day-to-day financial management of the organisation. The Board authorises the Executive Director to hire and supervise staff and independent consultants, pay bills, receive funds, and maintain bank accounts.
- The Executive Director is authorised to make online payments of up to £5,000. Online payments for amounts greater than £5,000 shall require a requisition payment sign off by the Treasurer and Board Chair.
- The Executive Director is authorised to enter into contracts for activities that have been approved by the Board as a part of budgets or plans. The Board of Directors must authorise any contracts outside of these parameters and all contracts with a financial value greater than £15,000.
- The Executive Director is authorised to manage expenses within the parameters of the overall approved budget, reporting to the Treasurer and Board of Trustees on variances and the reason for these variances.
- The Board of Trustees must approve any use of the board designated cash reserve fund.

Responsibility

The Executive Director shall:

- Account for donor restricted and board designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
- Report the financial results of Youth Charter operations according to the schedule established by the Treasurer and Board of Trustees, at least quarterly.
- Pay all obligations and file required reports in a timely manner.
- Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Board.
- Record fixed assets with purchase prices greater than £500 as capital assets in accounting records.
- Depreciation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technology equipment.
- Limit vendor credit accounts to prudent and necessary levels.
- Obtain competitive bids for items or services costing in excess of £5,000 per unit. Selection will be based on cost, service, and other elements of the contract.

The Youth Charter may award the bid to any provider and is not required to accept the lowest cost proposal.

The Board of Trustees shall:

- Review financial reports at each board meeting.
- Provide adequate training to members to enable each member to fulfil his or her financial oversight role.

Financial Transactions with Insiders

No advances of funds to employees, officers, or directors are authorised. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed.

In no case shall Youth Charter borrow funds from any employee, officer, or director of the organisation without specific authorisation from the Board of Trustees.

Budget

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organisation goals, and specific five-year objectives, the Executive Director shall:

- Submit operating and capital budgets to the Finance Committee in time for reasonable approval by the Board prior to each fiscal year.
- Use responsible assumptions and projections as background, with the general goal of an unrestricted surplus.

Gift Acceptance

Youth Charter will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organisation. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The Executive Director shall sell any stock given to the organisation immediately upon receipt by the organisation.

Youth Charter shall accept contributions of goods or services other than cash that are related to the programmes and operations of Youth Charter. Any other contributions of non-cash items must be reviewed and approved by the Board of Trustees before acceptance.

Asset Protection

In order to ensure that the assets of Youth Charter are adequately protected and maintained, the Executive Director shall:

- Insure against theft and casualty losses to the organisation and against liability losses to Board members, staff, or the organisation itself to levels indicated in consultation with suitable professional resources.

- Plan and carry out suitable protection and maintenance of property, building, and equipment.
- Avoid actions that would expose the organization, its board, or its staff to claims of liability.
- Protect intellectual property, information, and files from unauthorised access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

The Youth Charter Financial Policy and Procedures have been agreed and signed by the Board Chair:

Position: Chair of the Board



Signature:

Name: Prof. Geoff Thompson MBE FRSA DL

Date: 11-02-22