

## **Emerson's Green PTFA Financial Policy**

In order to achieve its purpose, the PTFA recognises that steps must be taken to ensure that all profit is collected, securely held and spent or given to appropriate people to spend on items or services that improve and augment the Emersons Green School facilities.

The key areas are:

- The role of the Treasurer including the collection, saving and payment of monies.
- The role of the Committee in identifying and approving appropriate causes.
- The individual role of each Committee member in declaring conflict of interests.

The PTFA Committee is collectively responsible for its finances and must formally agree to any project. However, it is the responsibility of the Treasurer to ensure that all financial transactions are presented and recorded correctly.

### **Money Authorisations**

The following controls will be applied when managing the money raised by the PTFA:

- Purchases under £100 must be agreed by the Chair and Treasurer before they are made. This can be verbally or via email.
- All purchases over £100 must be agreed in principle by the Committee before they are made, this can be done through email confirmation or meeting minutes.
- All donations to the school shall be approved by the Committee either at Committee meetings or via majority agreement email in extraordinary circumstances.
- Any items bought for any PTFA event by a volunteer, that have been agreed in advance with a PTFA Committee member, will be reimbursed by the Committee once a receipt/proof of purchase has been received.
- There will be no payment of expense claims to Committee members for petrol, telephone or childcare costs incurred when organising PTFA events.
- All other purchases including stationery and refreshment costs will be paid when accompanied by receipts as long as they have been agreed in principle by the Committee.

### **Bank Account Management**

The bank accounts will be maintained according to the following rules:

- The bank mandate shall require two out of three or four signatories for each cheque.
- The Treasurer and chair is authorised to operate the bank accounts.
- The Treasurer shall make a regular review of deposit, investment and current accounts suitable for charities.
- A minimum of £1000 will be kept in the bank account for emergencies.

### **Handling Cash**

There are extra rules for the handling of cash due to the difficulty of tracking transactions:

- For all events there will be a minimum of two people counting cash. One must be a committee member.

- Money from events will always be kept in the School safe and money will be counted on school premises.
- Money from events will be banked within a week of the event.
- No member may hold money from PTFA income in their private residence.
- The monetary limits to be carried when banking are as follows:
  - Up to £3,000 is to be banked by a minimum of one person;
  - Between £3,000-£7,500 by a minimum two people;
  - Between £7,500-£15,000 by a minimum of three people;
  - Anything above £15,000 then a specialist security carrier is to be used.

## **Accounts and Recording Transactions**

The Treasurer shall keep the accounts up to date in order to produce accurate reports for the Committee and to keep track of cash and bank balances:

- The Treasurer shall produce an income and expenditure statement and bank reconciliation for all Committee meetings plus breakdown of events as requested.
- The Treasurer will make arrangements for a simple audit/independent examination of the accounts at the end of the financial year. This should be a financially competent person or local accountant, who is not on the Committee or related to a Committee member.
- The Treasurer shall record the flow of money into and out of the PTFA:
  - All the money received by the PTFA must be recorded, no matter how small the amount may be. The full income figure should be recorded and not netted against any expenditure<sup>1</sup>.
  - All payments made from the account or out of cash income must be recorded and the receipt should be produced before the payment is made.
  - Bills must be paid when they are due.
  - Donations to the school must be recorded and broken down into general headings so that everyone knows what the money was used for<sup>2</sup>.
  - Bank records will be retained for 6 years.
  - ParentPay monies received will be cross referenced with a breakdown provided by the School Finance Officer
  - External providers may pay money into the PTFA bank account directly referencing their name and event.
  - Monies owed by the PTFA may be paid directly by bank transfer as long as there is 2 person authorisation via email agreement
  - Debit card spending under £200 may be made with prior agreement in principle for the purchase of PTFA resources.

## **Insurance**

Parentkind's subscription linked insurance provides its members with cover against fraud or dishonesty by any member of the Committee, including the Treasurer.

---

<sup>1</sup> It may be useful to break down income sources within an event in order to look at profitability of each part of the event

<sup>2</sup> The Treasurer should request proof from the school, in the form of an invoice or a signed certificate, as confirmation that the money has been spent on the items for which it was raised.

It is a condition of the current policy that cheques bear two signatures, and an independent annual examination or audit of the accounts is carried out by someone other than a Committee member or their relatives.

It is the responsibility of the Committee as a whole to ensure that the above is adhered to.

The Treasurer must also ensure that a reasonable standard of care and supervision of the PTFA's monetary affairs is implemented. For limits covered please refer to the current Parentkind Insurance summary <https://www.parentkind.org.uk/For-PTAs/Member-benefits/Insurance>.

### **Identifying Facilities & Spending Funds**

In order to ensure that the profit the PTFA makes is spent on items or services that improve or augment the facilities at Emersons Green School for the benefit of all pupils, the PTFA will allocate in accordance with three key areas namely:

- Supporting regular contributions
- Supporting faculty requests from students and teachers e.g. reception book bags, year 6 leavers t-shirts
- Spending funds on large projects to be agreed with the PTFA and the Headteacher at a committee meeting.

During the year the PTFA will invite the Teachers/TA's and Head Teachers to submit bids for monies with an explanation of why the funds are needed together with their cost.

The PTFA will consider the requests taking into account:

- Any previous large expenditure to that area in the previous year.
- Any other large expenditure items that have been agreed.

Where the PTFA agrees a purchase, the requester will be informed, and the Treasurer will release the money to the Emersons Green School Finance Officer once the purchase cost has been confirmed. Where possible, the requester will make the purchase.

Signed