



## EXPENDITURE COMMITMENT AND GIFTS POLICY

<b>Changes from last Issue</b>	New policy
--------------------------------	------------

### TABLE OF CONTENTS

1	PURPOSE .....	1
2	RESPONSIBILITIES.....	1
3	POLICY REQUIREMENTS .....	1
4	AUTHORISED OFFICERS.....	3
5	REFERENCES .....	4
6	AMENDMENTS RECORD .....	4

### **1 PURPOSE**

Many Church Officers are in a position to authorise work or commit to expenditures on behalf of St George’s Church and Centre. The purpose of this policy is to minimise risk to the church by ensuring that financial commitments are made in accordance with good financial management.

### **2 RESPONSIBILITIES**

The role responsible for updating this policy is the PCC Treasurer.

### **3 SCOPE OF POLICY**

This policy is intended to cover general expenditures that vary throughout the year. Routine and relatively constant expenditures such as those paid by direct debit or are almost constant from one year to the next such as insurance and accounts examination are not the focus of this policy.

### **4 POLICY REQUIREMENTS**

#### **3.1 Budget Cover**

Any financial commitment should have clear budget cover. If there is any doubt on whether there is budget cover then the Treasurer should be consulted before commitment is made.

#### **3.2 Written Prices**

There must be a written statement of the proposed commitment. Examples include:

- Purchase of goods: Price lists must be available.
- Purchase of services. A written estimate must be provided. If the amount is likely to be £1000 or more three written quotations should be obtained.

- **Open ended expenditures:** In some cases the full extent of possible costs may not be known at the onset. An example would be an investigation to determine the cause of a problem. In such a case a maximum expenditure must be agreed in writing with the contractor. If the expenditure is reached then one of the Incumbent, Churchwardens or Treasurer should be consulted before further commitment is made.

### **3.3 Expenditures of over £250**

A purchase order should be issued if possible. These are issued by the Benefice Office Manager.

One of the Incumbent, Churchwardens or Treasurer should be made aware before commitment is made.

### **3.4 Safety related or Urgent items**

It may be the case that an urgent need for action is required, for example on the grounds of safety. In such cases it may be necessary to relax a requirement such as three written quotations. However, commitment should still not be made unless one of the Incumbent, Churchwardens or Treasurer is consulted.

### **3.5 Unsolicited offers of goods or services**

Small gifts (less than £50 value) may be accepted by group facilitators or group leaders if considered useful to the church (e.g. toys for Tiddlers and Toddlers, flowers or plants for displays). It should be clear to all involved in organising any activity that gifts are not expected and expenses can be claimed via expenses process (details available from the Church Office).

If the offer of a more substantial gift appears to be of interest or value to St George's one of the Incumbent, Churchwardens or Treasurer should be consulted before commitment is made.

Offers of work or other services should be discussed by the appropriate working group who are responsible for ensuring all relevant policies are being applied (e.g. Health and Safety, Safeguarding etc.) and that it is in line with the principles of the PCC.

### **3.6 Monetary Gifts**

Significant monetary gifts (over £250) should be discussed by the Finance committee to ensure that the gift is from a reputable source, and is in line with the PCC's principles before a commitment is made.

Consideration should be given to the financial status of the individual/organisations making the gift and whether it is at a level appropriate to their circumstances and refused where it is not considered appropriate.

### **3.7 Solicited offers of goods and services**

There may be instances where low value gifts are requested as part of a project/activity (e.g. items for holiday club, cakes for a celebration etc.). When these are required, it should be



clear that they should be freely and willingly given and if appropriate expenses can be claimed (e.g. cake ingredients).

Where requests of work or other services are made to people known to the church it should be made clear that these can be declined. No inference should be made of further paid work as a result of the gift. Where these may have any legal, or other implications they should be discussed by the appropriate church leadership team/committee to ensure all relevant policies are being applied (e.g. Health and Safety, Safeguarding etc.) and that it is in line with the principles of the PCC.

**The PCC should remember that they do not have to accept a gift if it not required by the church, they are uncertain of its source or if they are not happy at abiding by the donor's conditions. There is no formal reason why PCCs should agree to accept every gift but written evidence of gifts and their restrictions is desirable.**

### **3.8 Expenditures on goods and services; Use of Church bank accounts**

In general, it is desirable, for audit and financial control purposes, that Church and Centre bills are paid from the bank accounts. This means that suppliers should submit invoices which are then paid through the Church's payment process.

For small expenditures (< £100) this may not be realistic and an expenses form or email submitted to the Treasurer giving the relevant details will suffice. In the event that exceptions are requested (e.g. a supplier will not provide goods or service of >£100 value on the basis of invoicing followed by payment then the Treasurer should be consulted).

Expenses should be in line with the agreed purpose of the budget and the principles of St George's Church.

## **5 AUTHORISED OFFICERS**

Officers of the church authorised to commit expenditure, within budget limits, are:

Incumbent

Churchwardens

Benefice Office Manager

Working Group Facilitators:

- Communications
- Facilities & Fabric
- Finance
- Nurturing Faith
- Pastoral Care
- Worship & Liturgy
- Choir and Music



Designated Group Leaders e.g.:

- Allotments
- Events
- Holiday Club
- Tiddlers & Toddlers

**6 REFERENCES**

No other policies are related to this policy.

**7 POLICY REVIEW**

This policy should be reviewed and updated annually.

**8 AMENDMENTS RECORD**

<b>Issue</b>	<b>Date</b>	<b>Summary of Changes / Reasons</b>	<b>Policy Author (including role)</b>
1	March 2022	New policy	PCC Treasurer