

# Expenses Policy

## Scope

This document defines Acts Trust's policy on the payment of expenses to staff, project workers and volunteers. It is based in FIN102 and takes into account two current policies viz. Restore Volunteer Expenses Policy and the Cash Handling policy. The latter two policies will become obsolete on the approval of this document. The Cash Handling Policy will be replaced by FIN112,

## Policy

Acts Trust only reimburses legitimate expenses properly incurred on its behalf. Acts Trust pays expenses for travel, hotel, conference, business, training and out-of-pocket expenses, provided they are agreed beforehand (except for small cash items). Wherever possible items of such expenses should be included in budgets (FIN101). Expenses claims must be made on the expense claim form (Appendix #) and accompanied by receipts. The policy must be clearly communicated within the Acts and included within induction training.

## Volunteer Travel

Volunteers are expected to make and pay for their own travel arrangements to and from their volunteering session. However, if this may put the volunteer into financial difficulty they can request support towards these costs. If approved with their line manager they can claim up to a maximum of £4 per day but not in excess of the actual cost. If travel is an integral requirement of the project, such as making home visits, then the travel cost may be reimbursed. If public transport is used then tickets should be presented with a note of the visit. The use of private transport must be agreed beforehand by the Senior Manager and the same mileage rate would apply as for staff. Staff using their own vehicles must ensure they have Business Use included on their personal insurance policies.

## Out of Pocket Expenses

If a volunteer is authorised to purchase any items for the project work:

- An advance of cash should be made available and can be obtained by means of the Advanced Cash form. The volunteer must obtain a receipt and return this with any remaining change to their line manager. The same procedure in FIN112 for petty cash must be followed.
- If no advance of cash is available and the volunteer is able, he/she may purchase the item(s) and submit an expense claim form, along with receipt(s). Monies will be reimbursed by cheque, or if the volunteer prefers by bank transfer.

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As staff are normally office based they are able to make such purchases from petty cash or the Senior Manager would obtain cash from the bank.

### **Project workers**

- Project workers may receive a 'Project Float', or a 'Cash Advance' to cover any expenses incurred for running a session
- Receipts must be kept for all expenses and attached to a 'Cash Advance' form
- Once the balance of the project float is spent, or nearly spent, the cash advance form, along with receipts must be handed in to the Operations Manager
- Subsequent transfers of cash will be made from the Acts Office to 'top up' the float as needed, and likewise subsequent 'Cash Advance' forms must be used
- Expenses must never be paid for with money received from fees/subs
- When fees/subs are collected at the same occasion that expenses will be incurred, two separate project workers must have responsibility for fees/subs money and expenses money independently, where possible
- When a project is completed, or all expenses are paid, the final 'Cash Advance' form must be returned as usual, but with any change that remains

### **Claims procedure**

Expense claims should be authorised by someone other than the claimant and checked for accuracy before payment. Expense claims should contain a self-declaration that the claim is accurate and incurred in connection with the business of the Acts Trust. To minimise the charity's cash payments, reimbursement should be made by cheque or BACS transfer.

The mileage rate paid for motor travel must be at HMRC rates that do not result in a tax or national insurance liability for the Acts Trust or the claimant.

Unless a dispensation has been granted by HMRC, a Form P11d will be completed and filed with HMRC detailing expense payments and benefits received by each staff member earning £8,500 or more. If necessary further guidance will be obtained from the HMRC website.

### **References**

FIN102 Control of Purchases, Payments and Loans

Restore Volunteer Expense Policy

Cash Handling Policy

FIN112 Cash Handling Policy

FIN101 Budget Control

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