



YORK AREA QUAKER MEETING

Approval and Authorisation of Payments Policy

2021.06 6.3

The safety of Quaker money depends on a proper process both for **approving** the spending of money and the actual **authorisation** of that payment, either by cheque, or more commonly now, by bank transfer. Different terminology has been deliberately used to differentiate the two stages of protection.

Approval.

This can be either by a budget agreed in a meeting for church affairs (business meeting), by a specific minute of a business meeting, by agreed procedures of committees or, usually for small amounts, by specified individuals.

Budgets are usually agreed at a business meeting in late autumn and can be considered as approval for spending in particular ways.

Committees will have delegated permission to spend up to a certain limit, as recorded by their supervising business meeting.

Individuals may have delegated permission to spend up to £500. This permission to have been agreed and minuted by the appropriate supervising business meeting.

Other restrictions. There are some other policies affecting how LMs may spend their money. In particular, giving to non-Quaker organisations, the spending of legacies left to a particular meeting and the spending of amounts over 20% of the LM budget, need to be referred to Trustees, via the AM treasurer, or Clerk of Trustees

Authorisation

Before making any payment, the bookkeeper, treasurer, manager or warden, must check that the expenditure has been approved i.e., by seeing a copy of the budget, standing instruction, or minute. They should then check the invoice, or receipt.

Expenditure up to £500 can be authorised by a single, designated individual. Payments are usually made by electronic bank transfer, or debit card, but also by cheque, the latter requiring two designated signatures.

Expenditure over £500 requires two authorisations, with the proviso that an estimate should be obtained in advance.

Expenditure above £2,000 requires at least two quotations, above £5,000 three quotations. Any subsequent increase in costs above 5% of a quotation, must be approved by the relevant approving body.

Paper copies of invoices and receipts should be kept and annotated with the names of authorisers.

All bank accounts should have three authorised signatories, with the bank accepting any two from the three for cheques. No signature should be added to a cheque until all other details have been added (no pre-signing). Also, direct bank transfers should require any two from the three signatories, except where AM/LM authorisations and the bank allow just one.

All direct debit mandates must have two signatories.