

EXTRACTS FROM U3A TRUST FINANCE POLICY

Petty Cash

Every U3A must have strict guidelines regarding the amount of petty cash that a group convener or other members are allowed to hold to facilitate the running of an interest group and the actions to take to ensure compliance with the limit.

These guidelines must allow the committee (trustees) to monitor the income and expenditure of the groups within their U3A and ensure that the reporting mechanisms are adhered to.

This is essential to protect both trustees and group conveners. The committee has total responsibility for ensuring safe custody of members' money and the Trustees are the people with legal accountability.

Personal Credit Cards

U3As should not make such payments using personal credit cards because of the lack of Trustee control in relation to authorising payments. It would also be problematic if a supplier were to go into administration as the debt would be a personal debt against the card holder rather than the U3A.

Group charges

Charging for group attendances that involve costs (e.g. rent) may be done in different ways such as:

A standard charge which is the same each time and for each group regardless of numbers attending (e.g. £1 for typical provincial venues) per attendance.

On the basis that each interest group must be self-sufficient so they cover the charge between attendees on an interest group by interest group basis.

It is essential to remember that group self-sufficiency must not be interpreted as implying that funds belong to a group: all funds belong to the U3A.

All hall hire fees should be paid out of the U3A's bank account. It is essential that only trustees enter into any contract with other organisations (e.g. arrangements to hire halls).

Trying to collect the correct amount at each meeting to pay the rent is poor practice and can be very unfair if a particular meeting has a low attendance. Many U3As simply have a fixed fee per meeting and monitor the situation. If a group is placing too large a drain on funds then the members of the group can be given the choice of closing the group, paying a premium or moving to cheaper accommodation.

In some circumstances it can be advantageous to collect money for several meetings of an interest group in advance. The argument against this is that if some sessions need to be cancelled due to illness or other strong reasons when refunds may need to be made.

Whichever way a U3A chooses to go, it is very important that interest group members feel a strong sense of belonging to the U3A and understand what they can and cannot do. The guidelines issued by the U3A and the mandatory financial arrangements that are put in place will be instrumental in achieving this.

Interest Groups where no rental or similar costs are involved

For interest groups meeting in private houses it is often the case that the U3A committee defines a maximum payment (typically 50p) to be made to the host at each meeting to cover refreshments. If however a U3A decides on a larger payment then the money belongs to the U3A and the host must record the amount received and this must be treated as petty cash by the group convener/leader and paid to the main Committee with a completed financial return (including acceptable deductions for refreshments), at appropriate intervals.

Interest Groups without significant costs

For interest groups such as walks where the U3A does not incur significant cost, almost all U3As make no charge. However it is acceptable for a U3A to require all groups to contribute to general funds. In this case the payment is treated as a payment to U3A funds in the same way as for 'house groups'.

Expensive events

Expensive events such as theatre trips or educational days out must be charged at cost and all participants pay appropriately.

The organiser of an event should not benefit from any discount (e.g. a free place) offered by the organisation providing the event.

The value of free places should be shared out among all participants to the event.

Normal out-of-pocket expenses can be paid to an organiser out of the money collected for the event. As all U3A members offer their services free to the movement, the organiser(s) must not get any pecuniary reward for organising an event.

Paid speakers at monthly meetings

It is a fundamental part of the U3A ethos that teaching within U3A is by the members, for the members. Hence no payment can be made to members for tutoring or other work done for the movement. All work undertaken by volunteers for the movement is unpaid.

Paying 'monthly meeting' speakers (provided they are not U3A members) modest fees is in accordance with our ethos and is acceptable as it is on a one-off basis and not a part of a study group.

U3A tutors

The aim of the U3A movement is for members of interest groups to contribute, in many different ways, to the success of the group without the assistance of non-U3A members.

This mutual learning model is as appropriate today as it was when the U3A movement was founded in 1982. Much of the fun is provided by the mutual help within a group. The lack of internal expertise is not a valid reason for paying a tutor. It is surprising how rapidly a group of people can develop, without any significant initial knowledge, into a group which engages in serious study and even research.

Being 'all in it together' enhances self-confidence and groups without an expert are some of the most satisfying in a U3A. Having an expert paid tutor, can easily stifle these highly desirable outcomes.

Our peer-to-peer learning model is now widely promoted amongst many educational establishments including universities themselves as offering very successful learning outcomes.

Expenses

Refunds of costs which a trustee has necessarily incurred in order to carry out trustee duties can be paid.

As a general rule, claims for expenses must be supported by receipts. Examples of legitimate expenses would be authorised travel on trustee business, postage costs, stationery and telephone calls necessary for running a U3A.

All expenses should be authorised by an officer and, of course, no-one should authorise their own claim. It is legitimate to reimburse, either wholly or in part, committee-approved attendance at the Trust's AGM and Conference or at appropriate workshops.

Few U3As reimburse their Trustees for travel or other costs associated with attendance at normal committee meetings.

It is also acceptable on occasion to reimburse group conveners for expenditure, such as a mileage allowance for using their car on U3A business. The trustees must remind anybody who uses their car on U3A business to ensure that they have adequate insurance including occasional business use.