



Reading Central and Abbey Quarter BIDs Finance Protocols

Authority

The REDA Board of Directors (Board) is ultimately responsible for the financial management of all activities relating to the BIDs.

The BIDs Manager is responsible for the day-to-day financial management of the BIDs as well as the development and implementation of projects.

The Board and BID Committees authorise the REDA Executive Director to hire and supervise staff and independent consultants, and contracts, pay bills, receive funds, and maintain bank accounts.

The REDA Executive Director is authorised to manage expenses within the parameters of the overall approved budget, reporting to the BID Committees and REDA Board of Directors on variances and the reason for these variances.

Cheques, Disbursements and Accounts Payable Authorisation

The BIDs Manager is authorised to sign cheques and agree payments up to £5,000.

Amounts greater than £5,000 requires endorsement of the REDA Executive Director.

Any amount over £25,000 will require BID Committee approval.

The Board of Directors must approve any use of the Board designated cash reserves or funds.

The REDA Executive Director shall pay all agreed obligations and file required reports in a timely manner.

Income and Other Receipts

The REDA Executive Director shall account for BID Levy, voluntary contributions, grants, sponsorship and all other income, clearly defining the restrictions applicable to these funds.

The REDA Executive Director shall record fixed assets with a purchase price of £500 and above as capital assets in accounting records.

Financial Transactions with Staff, Directors

No advances of funds to employees or Board Directors are authorised. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed.

In no case shall the BIDs borrow funds from any employee or Board director of the organisation without specific authorization from the Board Chair.

The REDA Executive Director will approve all reimbursement requests as appropriate. Original receipts must accompany requests to be reimbursed. Items without a receipt will not be reimbursed.

Donation and Gift Acceptance

The Company may accept contributions of goods or services, other than cash, that are related to the programs and operations of the organisation. Any other contributions of non-cash items must be entered into a register and reviewed and approved by the Board of Directors.



Contracts and Agreements Authorisation

The REDA Executive Director is authorised to enter contracts for activities up to £25,000. Over this amount authorisation must be given from the BIDs Committees.

The REDA Executive Director shall make no contractual commitment for bank loans, corporate credit cards, or for real estate lease or purchase without specific approval of the Board.

Unless otherwise designated as a representative of the BIDs by the REDA Executive Director, no other staff person has the authority to sign contracts or agreements on behalf of the BIDs.

Financial Reporting

The BIDs Committees and REDA Board of Directors shall review financial reports at each meeting. The REDA Executive Director shall report the financial results of the BIDs to the membership on the schedule established by the Board. As part of this reporting, the REDA Executive Director shall provide adequate information to members to enable each member to fulfil their financial oversight role.

Budget

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with the BID Business Plans, long-range organisational goals and specific five-year objectives may be set.

The REDA Executive Director will be responsible for preparing the preliminary operating and capital budgets using responsible assumptions and projection backgrounds, with a general goal and an unrestricted surplus.

The preliminary budget will be presented to BIDs Committees and REDA Board of Directors for discussion when appropriate.

The final draft budget will then be presented to the BIDs Committees and REDA Board of Directors for approval when appropriate.

Annual budgets are used for:

- Monitoring actual and budgeted costs for the BIDs Committee and REDA Board's review by way of presentation of scheduled financial statements.
- Assisting the organisation to focus its resources on the goals and objectives set forth by the BIDs Committee and REDA Board.
- Controlling financials by setting practical limits to be spent on specific programs and activities.
- Budgets may be amended during the fiscal year when circumstances change substantially, and subject to BIDs Committee and REDA Board of Directors approval.

Asset Protection

In order to ensure that the assets of the Company are adequately protected and maintained, the REDA Executive Director shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organisation itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property, building, and equipment.



- Avoid actions that would expose the organization, its BIDs Committees, Board, or staff to claims of liability.
- Protect intellectual property, information and files from unauthorised access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

Procurement

The first priority for Reading Central and Abbey Quarter BIDs is to directly invest back into the levy payers by using their services wherever possible. This way levy payers can see a direct return on their investment.

A hierarchy of purchasing / supplier is prioritised as follows :

1. Reading Central & Abbey Quarter BID area
2. Wider Reading borough area
3. Berkshire
4. South East
5. UK or overseas

The second priority for Reading Central and Abbey Quarter BIDs is to consider whether a preferred supplier should be used. The provider would be engaged for a unique expertise, produce or service, where there may be no viable alternative and competitive bidding would be impractical or counterproductive. The supplier must fulfil one of the following criteria:

- is highly specialist and a suitable alternative supplier cannot be identified.
- Is highly commercially confident and information regarding the need for this service is confidential and therefore we do not wish to release into the public domain.
- Relies on knowledge from a relevant previous collaboration with a supplier.

Where sole source procurement does not apply the following procurement authorisation limits must be followed:

Up to £10k – REDA Executive Director authorisation based on value for money, price, ability to deliver within timescales, experience, reputation, recommendation, warranty, guarantee.

Up to £50k - commission or advertise the work from a range of suppliers, a minimum of 3 quote requests, for BIDs Committee approval.

Over £50k - commission or advertise the work from a range of suppliers, a minimum of 3 quote requests, for BIDs Committee and at least one REDA Board member approval.