

Company Finance and Procurement Protocols

1. Authority

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

The BID CEO is responsible for the day-to-day financial management of the organisation. The Board authorises the BID CEO to hire and supervise staff and independent consultants, develop and implement projects and contracts, pay bills, receive funds, and maintain bank accounts.

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

2. Cheques, Disbursements and Accounts Payable Authorisation:

Cheques are to be signed by two signatures at all times.

Internet Banking payments are processed by BID CEO and to be secondary cross checked by FCA BID Director. BID Director then processes payment.

Any amount over £10,000 will require Board approval.

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

The BID CEO shall pay all agreed obligations and file required reports in a timely manner.

The BID CEO shall limit vendor credit accounts to prudent and necessary levels.

3. Income and Other Receipts

- The BID CEO shall account for BID Levy, voluntary contributions, grants, sponsorship and all other income, clearly defining the restrictions applicable to these funds.
- The BID CEO shall record fixed assets with a purchase price of £500 and above as capital assets in accounting records.

4. 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 company borrow funds from any employee or Board director of the organisation without specific authorisation from the Board Chair.

5. 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.

6. Contracts and Agreements Authorisation:

- The BID CEO is authorised to enter into contracts for activities, in line with furthering the aspirations of the Business Plan and Company up to and including £5,000.
- The BID CEO and/or Chair, Vice Chair and Company Secretary are authorised to enter into contracts for activities, in line with furthering the aspirations of the Business Plan and Company up to and including £10,000.
- The Board of Directors must authorise any contracts outside of these parameters and all contracts with a financial value greater than £15,000.
- Contracts from £1 to £5,000 are reviewed and signed by the BID CEO.
- The BID Director shall make no contractual commitment for bank loans, corporate credit cards, or for real estate lease or purchase without specific approval of the Company Secretary.
- Unless otherwise designated as a representative of the Company by the BID CEO, no other staff person has the authority to sign contracts or agreements on behalf of the Company.

7. Financial Reporting

- The Board of Directors shall review financial reports.
- The BID CEO shall report the financial results of the Company to the BID levy payer through organised and appropriate channels.

8. Budget

- In order to ensure that planned activities minimise the risk of financial jeopardy and are consistent with Board-approved priorities, long-range organisational goals and specific five-year objectives may be set.
- The BID CEO 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 Board of Directors for discussion in May.
- The final draft budget will be presented to the Board of Directors for approval in June/July.

Annual budgets are used for:

- Monitoring actual and budgeted costs for the 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 Board and business plan.
- 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 Board of Directors approval.

9. Asset Protection

In order to ensure that the assets of the Company are adequately protected and maintained, the BID CEO shall:

- Insure against theft and casualty losses to the organisation 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 organisation, its 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.

10. Procurement:

Where possible Swansea Business Improvement District Ltd will first and foremost look within its own BID area for all suppliers for services and products. If the quality or expertise is not contained within this BID boundary then the officers are permitted to engage with businesses in and around Cardiff and then if there are a lack of suitable providers, then products or services can be sourced from further afield.

Sole-Source Procurements - Management may, from time to time, wish to engage a provider of a unique expertise, product or service. As there would be no viable alternative to such expertise, product, or service, competitive bidding would be impractical or counterproductive. The CEO shall inform the Board within a reasonable time of the compelling reasons for making such sole source procurements.