



FINANCIAL POLICY MANUAL

CeSIS



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THIS FINANCIAL POLICY MANUAL WAS
APPROVED BY THE BOARD OF CeSIS

ON

6TH June 2022..

SIGNED BY BOARD CHAIR PERSON



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SIGNED BY EXECUTIVE DIRECTOR



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Purpose of this Financial Policy Manual

1. Outline CeSIS's overall financial processes in broad terms and the reasons for those processes;
2. Provide common financial policies that must be adhered to by all CeSIS staff
3. It is not intended that this manual be considered a "stand-alone" document. It will refer in numerous places to other manuals and documents and must be read in conjunction with these to gain a complete understanding of CeSIS's financial structure, authorities and processes. The manual should, however, give the reader a basic understanding of financial management in CeSIS, most importantly, an understanding of the purpose behind the financial policy

Objectives of this Financial Policy Manual

Accountability: To ensure that responsibility for every commitment of funds is assigned to a responsible individual, that there is an audit trail of transactions to document that responsibility and ensure accurate reporting of the transaction.

Control: To ensure that every financial transaction is for a purpose and is carried out, in its essential elements, in a manner that is consistent and reflects proper financial procedures to ensure that proper authorities authorize and check the various stages of the transaction.

Efficiency: To ensure that funds are spent in a manner that maximizes the value received by CeSIS for that expenditure.

GENERAL

1. The Board of Directors formulates financial policies, delegates administration of the financial policies to the Executive Director and reviews operations and activities.
2. The Executive Director has management responsibility including financial management.
3. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts; disbursements; payroll; reconciliation of bank accounts; etc.
4. All employees involved with financial procedures shall take vacations or leaves of 5 consecutive work days each year. During such periods, back-up personnel who have been cross-trained in their duties will perform their tasks.
5. The Accounts Officer will maintain a current and accurate log of the chart of accounts, job accounts and accounting classes.
6. These policies and procedures will be reviewed bi-annually by the Board of CeSIS

CASH RECEIPTS (includes cheques)

1. The Executive Director opens any mail addressed to CeSIS or without specific addressee. The receipt of cheques or cash will be recorded in the accounting system. All other cheques or cash will be immediately forwarded to the Accounts Officer
2. The Accounts Officer will endorse all cheques by rubber stamp to read as follows:
PAY TO THE ORDER OF _____ Bank Account # FOR DEPOSIT ONLY
Organization Name: Account Number:
3. Report will be printed that includes the source and amount of the receipt as well as the total daily deposit amount.
4. The cheques and cash will then be forwarded to the Accounts Officer, who will complete deposit slips in duplicate. Receipts and deposit slip will be placed in an envelope for Bank.
5. If no cash is present, the envelope may be sealed and sent through the mail. If cash is present, the Accounts Officer will verify deposited funds prior to sealing the envelope and making the deposit in person.
6. Documentation for all receipts (a copy of cheque, letter, etc.) will be attached to the duplicate slip and filed chronologically.
7. All receipts will be deposited intact. No disbursements will be made from cash or cheque receipts prior to deposit.

8. The Accounts Officer will record each cash payment received in a number receipt book with a duplicate for the payer. Cash shall be locked in a secure location until taken to the bank.
9. The Executive Director will receive a copy of all deposit reports for review.

CASH DISBURSEMENTS

A. CHEQUE AUTHORIZATION

1. All invoices will be immediately forwarded to the Accounts Officer who will review all invoices for mathematical accuracy, validity, conformity to the budget (or other board authorization) and compliance with bid requirements.
2. Prior to payment, all invoices will be approved (indicated by initialing) by the Board Chair and the Executive Director who will code the invoice with an appropriate expense or other chart of accounts line-item number, class and job number (where applicable).
 - a. By approving an invoice, the Executive Director indicates that it has been reviewed and authorizes a cheque.
 - b. The Accounts Officer will ensure that all conditions and specifications on a contract or order have been satisfactorily fulfilled, including inventorying items received against packing slip counts. The Accounts Officer is responsible for timely follow-up on discrepancies and payment.
4. The Accounts Officer will prepare cheques on a weekly basis.
5. Authorized signers on CeSIS accounts include the Executive Director, Board Chairperson and Accountant.

B. CHEQUES

1. The Accounts Officer shall be responsible for all blank cheques.
2. All cheques, including payroll cheques (with the exception of direct deposit payroll items) will be signed by the Executive Director or designated members of the Board of Directors.
3. Voided cheques will have "VOID" written boldly in ink on the face and have the signature portion of the cheque torn out. Voided cheques shall be kept on file.

4. In no event will:
 - a. invoices be paid unless approved by an authorized signer
 - b. blank cheques (cheques without a date or payee designated) be signed in advance
 - c. cheques be made out to "cash", "bearer", "petty cash", etc.
 - d. cheques be prepared on verbal authorization, unless approved by the Executive Director.

5. In the event that it is necessary to issue a duplicate cheque for cheques in an amount over 100 Cedis, a stop payment will be ordered at the bank on the original cheque.

BANK RECONCILIATIONS

1. Bank statements will be received directly and opened by the Executive Director
2. The Accounts Officer will reconcile the bank statement monthly.
3. The Treasurer of the Board will receive monthly statements of cheques paid on all accounts.
4. The Executive Director shall verify the reconciliation of the bank accounts on at least a quarterly basis.
5. On all cheques outstanding over 90 days, the Executive Director should take appropriate action.

PURCHASING

A. PURCHASES UNDER 500 Cedi

1. All purchases under 500 Cedis must be approved in advance by the Executive Director.
2. The Programs Manager is responsible to know if the item ordered is within the budget and guidelines.
3. If purchase is less than 150 Cedis, persons authorized by the Program Manager for immediate purchase and delivery can make the purchase. When this is done, invoice copies are to be turned in to the Programs Manager.

B. PURCHASES OVER 2000

1. Purchases of 2000 Cedis and above will be required to undergo a competitive bid procedure.

2. All bid requests will contain clear specifications and will not contain features which unduly restrict competition.
3. The Programs Manager will be responsible to ensure that all conditions and specifications of a contract, bid, or order have been satisfactorily fulfilled and will be responsible for timely follow-up of these purchases.
4. The Programs Manager will obtain at least 3 bids wherever possible unless prior approval by Executive Board has been obtained.
5. Purchases of 2000 Cedis and over will not be fragmented or reduced to components of less than 2000 Cedis to avoid the bid process.

PAYROLL

A. TIME SHEETS

1. Each employee will be responsible for completing a time sheet on a bi-weekly basis.
2. Completed time sheets will be dated and signed by the employee, stapled and will be submitted to the Executive Director at the end of the last working day of each pay period.
3. No payroll cheques will be issued without a completed time sheet.
4. Incomplete time sheets will be returned to the employee for correction.
5. The Accounts Officer will verify the accuracy of the time sheets.
6. Employees will be paid every month; deductions are itemized on each pay-cheques.

B. PAYROLL

1. The Accounts Officer will enter payroll, print payroll cheques, make direct deposit transfers print payroll reports and send reports to the Executive Director
2. The Executive Director will review the payroll cheques before they are distributed.
3. The Accounts Officer will distribute the payroll cheques to the employees.
Cheques will not be issued to any person other than the employee without written authorization from the employee.
4. The Accounts Officer is responsible for entering payroll reports into the accounting system.

C. PAYROLL TAXES

1. The Accounts Officer will prepare and transmit the payroll tax reports.
2. The Executive Director will verify payroll tax preparation on a quarterly basis.

D. BENEFITS

1. Payroll will be prepared in accordance with the personnel policies and benefit plan.

TRAVEL & EXPENSES

1. Each employee will complete an expense voucher if any travelling is done. Voucher should include all expenses. Voucher will reflect reimbursement sources other than CeSIS.
2. Mileage to and from meetings will not be paid by CeSIS, except for official meetings.
3. The expense voucher will be submitted within 10 days for payment, with a total, signed by the employee, authorized for payment by the Executive Director.
4. Reimbursement will be based upon current travel policies. Receipts must be attached to the expense voucher for lodging, common carrier transportation, and receipts for meals where required.
5. Incomplete expense vouchers will be returned.
6. Employees and board members will be reimbursed for travel and other related expenses at the rate set by the Board. The Executive Director must approve employee travel and workshop expenditures prior to their occurrence.
7. CeSIS will reimburse no more than the standard mileage rate for the business use of a car. CeSIS will reimburse meal expenses incurred. Per Diem rate of 100 Cedis per day. The mileage rate and per diem rate will be established annually by the board.

CONSULTANTS

1. Consideration will be made of internal capabilities to accomplish services before contracting for them.
2. Written contracts clearly defining work to be performed, terms and conditions will be maintained for all consultant and contract services.
3. The qualifications of the consultant and reasonableness of fees will be considered in hiring consultants.
4. Consultant services will be paid for as work is performed or as delineated in the contract.
5. The Board of Directors will approve audit and other significant contracts.

PROPERTY

A. EQUIPMENT

1. Equipment shall be defined as all items (purchased or donated) with a unit cost of 200Cedis or more and a useful life of more than one year.
2. The Administrative Officer will maintain an inventory log; which shall list a description of the item, date of purchase or acquisition, price or fair value of the item and its location.
3. A depreciation schedule shall be prepared at least annually for the audited financial statements.
4. The Accounts Officer will record all equipment in the accounting system. An entry must be made whenever property is disposed of or acquired.

LEASES

A. REAL ESTATE

1. The Executive Director will review leases prior to submission to the Board of Directors for approval.
2. All leases, clearly delineating terms and conditions, will be approved by the Board of Directors and signed by the Board Chair.
3. The Executive Director will keep a copy of each lease on file.
4. The Accounts Officer will be notified of each lease and lease specifications, and will make proper general journal entries for same.

B. EQUIPMENT

1. The Executive Director will review all leases.
2. All leases, clearly delineating terms and conditions, will be approved and signed by the Executive Director.
3. The Executive Director will keep a copy of each lease on file.
4. The Accounts Officer will be notified of each lease and lease specifications, and will make proper general journal entries for same.

INSURANCE

1. Reasonable, adequate coverage will be maintained to safeguard the assets of CeSIS. Such coverage will include property and liability, employee compensation, employee dishonesty and other insurance deemed necessary.
2. The Executive Director will carefully review insurance policies before renewal.
3. The Executive Director will maintain insurance policies in insurance files.
4. Insurance policies will correspond to the calendar year whenever possible.
5. The Administrative Officer will prepare and maintain an insurance register.

TELEPHONE

1. Personal long distance or cellular phone calls made on CeSIS's telephones by employees must be logged with the Administrative Officer, indicating that it is a personal call. Employees will be billed on these calls.
2. CeSIS's business calls from phones outside the office should be billed to CeSIS's telephone account.

BOOKS OF ORIGINAL ENTRY

1. CeSIS will utilize a double entry system for accounting for all funds.
2. Adequate documentation will be maintained to support all general entries.
3. At the end of each month, the Accounts Officer will prepare a Balance Sheet, Statement of Activities, and Statement of Activities by Project that will be reviewed by the Executive Director.
4. The Statement of Activities report will include a comparison to the budget.
5. CeSIS will maintain its accounting records on the accrual basis in a manner that facilitates the preparation of audited financial statements conforming to generally accepted accounting principles.

GRANTS AND CONTRACTS

1. The Executive Director will carefully review each award and contract to ensure compliance with all financial and programmatic provisions. The Administrative Officer will maintain originals of all grants and contracts in a file. The Accounts Officer will prepare initial entries as appropriate to record each award.
2. The Accounts Officer will prepare and maintain on a current basis a Grant/Contract Summary form for each grant or contract awarded to CeSIS. This form shall include the name, address, contact person, and phone number for the funding organization; the time period applicable to expenditures; all significant covenants (such as bonding or liability insurance requirements) and restrictions on expenditures; all require financial and program report and due dates; and the chart of accounts line-item number for the revenue deposited.
3. The Accounts Officer will prepare financial reports to funding sources as required.
4. The Executive Director will review and approve all reports to funding sources.
5. It will be the responsibility of the Executive Director to ensure that all financial reports are submitted on a timely basis.

BUDGETS

1. The Executive Secretary and the Accounts Officer shall prepare the financial budget.
2. The Accounts Officer/Administrative Officer will ensure that budgets are on file.
3. The Board of Directors must approve proposed changes in the budget, should they exceed 2000 Cedis or 15% of the line item, whichever is greater.

LOANS

1. The Board of Directors will approve loans.

FISCAL MANAGEMENT:

1. The office should **not contain petty cash**. Cash and cheques should be deposited as soon as possible.
2. Any cash or cheques not yet deposited must be kept in a **locked cash box**.
3. The cheque book should be kept in a secure area, locked in the office and preferably, locked separately in a cabinet or within the cash box.
4. Financial records should be kept up to **Ten (10)** years.

OTHER

A. MINUTES OF MEETINGS

1. The Secretary of the Board will prepare accurate minutes of all meetings of the Board of Directors and committees.
2. The Executive Director will note all items in the minutes relating to finance and take appropriate action.

B. NON-PROGRAM INCOME

1. Donations of cash and non-program related income will be separately accounted for.

C. ACCOUNTS RECEIVABLE

1. Documentation will be maintained for accounts receivable.
2. Accounts receivable will be recorded in the books and collected on a timely basis.

D. FINANCIAL PROCEDURES

1. Financial procedures will be reviewed bi-annually by the Fiscal Committee. The Board of Directors must approve changes to the financial procedure manual prior to implementation.

E. AUDITS

1. The Board of Directors shall annually contract with an independent auditing firm a full audit of the books, to be completed prior to the following first of September.

F. PERSONNEL FILES

The Administrative Officer will maintain a personnel file for each employee, containing appropriate documents, such as the signed compensation agreement, approval of changes in compensation and withholding forms for taxes, benefits, deferred compensation, etc.