

MANUAL OF PROCEDURES FOR FINANCIAL MANAGEMENT AND SUPERVISION

Title: Manual of Procedures for the Financial Management and Supervision of Proyecto Patria

3.1. Objective

Establish accounting, internal control, and financial supervision procedures to ensure transparency, efficiency, and accountability in the administration of the organization's resources.

3.2. Scope and Application

This Manual applies to all departments, projects, and committees of Proyecto Patria, with an emphasis on the work of the Treasurer, the Internal Audit Committee, and the Board.

3.3. Accounting and Recording of Operations

Accounting Method: The organization will use the accounting method [accrual or cash basis, depending on the recommendation] according to the applicable standards for non-profit organizations.

Accounts and Books: Accounting books will be maintained that clearly reflect income, expenses, assets, and liabilities, including restricted and unrestricted donations.

Financial Statements: They will be generated monthly or quarterly for review by the Treasurer and the Audit Committee.

3.4. Cash Flow and Approvals

Annual Budget: The Executive Director and the Treasurer will prepare an annual budget that will be approved by the full Board of Directors.

Disbursements and Authorizations: Any disbursement over \$500 USD will require the joint signature of at least two people (Treasurer and President, for example), or as indicated by the financial policy.

Donations and Grants: Restricted donations for specific purposes and general donations will be recorded separately.

3.5. Internal Control and Internal Audit

Internal Audit Committee: Responsible for reviewing the correct implementation of these procedures and submitting periodic reports to the Board.

External Audit: The NGO may hire an independent external auditor to examine the financial statements annually or as required by donors or regulations.

3.6. Financial Report to the Board

The Treasurer will present a financial report at each regular Board meeting, detailing the cash situation, budget execution, and pending commitments.

The Internal Audit Committee may complement this report with observations, findings, or recommendations.