**📘 Finance & Accounting Policies**

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**1. Introduction**

**Sound financial management ensures that the organization remains sustainable, credible, and trustworthy. Financial governance goes beyond balancing accounts—it ensures compliance with laws, safeguards resources, and demonstrates accountability to regulators, investors, customers, and employees.**

**This manual establishes a comprehensive framework covering governance, expense management, procurement, resource allocation, anti-money laundering, auditing, and confidentiality. It creates standardized procedures, assigns responsibilities, and enforces accountability across every department.**

**2. Financial Governance & Accountability Policy**

**Principles**

* **Stewardship of financial resources must align with strategic priorities and ethical standards.**
* **Decisions must be free from conflicts of interest.**
* **Transparency and segregation of duties are mandatory in all financial operations.**

**Responsibilities**

* **Board of Directors & Audit Committee: Set governance principles and oversee external audits.**
* **Chief Financial Officer (CFO): Lead compliance, controls, and financial planning.**
* **Department Heads: Manage budgets and ensure adherence.**
* **Employees: Submit accurate claims, comply with procurement rules.**

**Procedures**

* **Segregation of Duties: No employee may control a transaction from initiation to settlement.**
* **Approval Hierarchies: Expenditures above thresholds require multi-level approvals.**
* **Conflict of Interest: Must be disclosed and documented.**

**Enforcement**

* **Misreporting, unauthorized spending, or fraud may lead to termination and legal prosecution.**

**3. Expense Reporting & Reimbursement Policy**

**Eligible Expenses**

* **Business travel (economy airfare unless justified).**
* **Accommodation at approved hotels.**
* **Meals during travel or business meetings.**
* **Ground transport and office supplies.**

**Ineligible Expenses**

* **Personal leisure activities.**
* **Luxury upgrades without approval.**
* **Alcohol unless for approved client entertainment.**
* **Fines, penalties, or personal purchases.**

**Documentation**

* **Original receipts or digital copies required.**
* **Claims must be filed within 30 days of expenditure.**

**Process**

* **Claims submitted via the Expense Management System (EMS).**
* **Supervisors verify accuracy.**
* **Finance processes reimbursement within 10 business days.**

**Enforcement**

* **Fraudulent claims result in denial, disciplinary measures, and possible legal escalation.**

**4. Procurement & Vendor Payment Policy**

**Principles**

* **Procurement must be transparent, fair, and competitive.**
* **Vendors must be selected based on quality, price, compliance, and sustainability.**

**Procedures**

* **Competitive bidding for contracts above financial thresholds.**
* **Vendor due diligence covering legal compliance, reputation, and financial stability.**
* **Contracts must define scope, deliverables, payment terms, and dispute resolution.**
* **Payments within 30–45 days unless contract specifies otherwise.**

**Anti-Corruption**

* **Kickbacks, bribes, and preferential treatment are prohibited.**
* **All vendor interactions must be documented.**

**Enforcement**

* **Violations may lead to contract termination, blacklisting, or prosecution.**

**5. Budgeting, Forecasting & Resource Allocation Policy**

**Budgeting Cycle**

* **Departments draft budgets annually, consolidated by Finance.**
* **Final approval by Executives and Board.**

**Forecasting**

* **Quarterly re-forecasts adjust for market conditions.**
* **Departments must explain variances above 10%.**

**Capital Expenditure**

* **Separate approval process for large investments.**
* **Cost-benefit analysis required for major projects.**

**Accountability**

* **Department heads are personally accountable for misuse of funds.**

**Enforcement**

* **Deliberate misrepresentation may result in suspension of budget authority.**

**6. Anti-Money Laundering (AML) & Financial Crime Prevention Policy**

**Scope  
The organization prohibits money laundering, terrorist financing, fraud, and illicit activity.**

**Responsibilities**

* **AML Compliance Officer: Oversees program and files reports.**
* **Employees: Must report suspicious activity.**
* **Vendors/Partners: Must pass Know Your Business (KYB) checks.**

**Procedures**

* **Customer Due Diligence (CDD): Verify customer identity before transactions.**
* **Transaction Monitoring: Flag high-risk or unusual transactions.**
* **Red Flags: Offshore accounts, large cash deposits, unusual patterns.**
* **Training: Annual AML sessions mandatory for finance staff.**

**Enforcement**

* **Non-compliance may result in regulatory fines, termination, or criminal prosecution.**

**7. Audit, Reporting & Internal Controls Policy**

**Internal Controls**

* **Segregation of duties and approval workflows enforced.**
* **Access to financial systems restricted based on roles.**

**Audit Requirements**

* **Internal audits conducted annually.**
* **External audits performed by certified firms.**
* **All audit findings must result in corrective action plans.**

**Reporting Standards**

* **Must comply with IFRS/GAAP.**
* **Quarterly management reports submitted to CFO and Audit Committee.**

**Enforcement**

* **Failure to comply with audit requirements may trigger disciplinary action or regulatory intervention.**

**8. Record Retention & Confidentiality Policy**

**Retention Standards**

* **Records (receipts, invoices, contracts, tax filings) retained for at least 7 years.**
* **Longer retention if legally required.**

**Storage & Security**

* **Digital archives must have access controls and encryption.**
* **Physical records stored in fireproof secure archives.**

**Confidentiality**

* **Unauthorized sharing of financial data prohibited.**
* **Vendors and employees must sign confidentiality agreements.**

**Enforcement**

* **Mishandling or breach of confidentiality may lead to termination and legal escalation.**

**9. Compliance, Training & Enforcement**

**Training**

* **Mandatory finance, expense management, and AML training annually.**
* **Specialized workshops for procurement and budgeting staff.**

**Monitoring**

* **Quarterly compliance audits by Internal Audit.**
* **Whistleblowing channels available for financial misconduct reports.**

**Consequences**

* **Range from repayment of misused funds to termination and prosecution.**

**10. Review & Updates**

* **Finance policies must be reviewed every 24 months.**
* **Updates require CFO and Audit Committee approval.**
* **Changes must be communicated to all employees and vendors within 30 days.**

**11. Conclusion**

**Financial & Accounting Policies ensure transparency, accountability, and sustainability. They provide guardrails for managing resources ethically, complying with regulations, and maintaining stakeholder trust.**

**By enforcing strict governance, audit standards, and anti-fraud measures, the organization safeguards its assets, protects its reputation, and ensures long-term growth.**