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# FINANCIAL REGULATIONS

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# CHAPTER 1

## 1.0 INTRODUCTION

These Financial Regulations set out the financial policies and the framework for managing the DITSO's financial affairs. The Financial Regulations provide control over the whole of the DITSO's resources and give assurance to the Cabinet that resources are being properly utilized for the achievement of DITSO's Strategic Plan, business objectives, its financial viability, and value for money; and that DITSO is fulfilling its responsibility for the provision of effective financial controls over the use of public funds.

On occasions when consideration is being given to entering into transactions of an ad hoc or specialist nature not explicitly covered in the Financial Regulations guidance should be sought promptly from the DITSO President. This guidance should always be obtained before the transaction is undertaken and the DITSO accepts a financial commitment.

## 1.1 Short Title, Approval, Review and Amendments

These rules and policies that provide; Powers, Authority and Responsibilities in handling finances and related matters of DITSO shall be cited as the Dar es Salaam Institute of Technology Students' Organization (DITSO) Financial Regulations 2020 and shall come into force after the Council's approval. These Financial Regulations shall be reviewed after every five (5) years and any amendment to the same shall be approved by the DIT's Council.

## 1.2 Objective

DITSO President in collaboration with the Dean of students shall have the following objectives:

1.2.1 To control student revenue and expenditure.

1.2.2 To set and coordinate students sources of fund.

1.2.3 To secure the appropriate degree of protection of DITSO funds.

1.2.4 To ensure protection and enhancement of DITSO financial system stability.

1.2.5 To maintain confidence in the DITSO financial system.

1.2.6 To reveal new DITSO sources of income.

1.2.7 To safeguard DITSO properties.

### **1.3 Scope and Application**

The DITSO Financial Regulations set out in this document and any approved amendments there to be issued by the DIT's Council, are applicable to all DITSO operations for all students, Ministers, Members of DITSO, Student Representative Council and the President of Dar es Salaam Institute of Technology Students' Organization (DITSO).

### **1.4 Statement of Compliance**

Any member of the DITSO, the subject to these Financial Regulations, shall observe and comply with these regulations. Failure to observe and comply with these regulations and/or any attempt to circumvent them shall be a disciplinary offence charged under the Dar es Salaam Institute of Technology (Students' General Welfare, Conduct and Disciplinary Matters) Regulations, 2013 or any other written law.

### **1.5 Definitions**

For the purposes of this document, the definitions in the DIT Act and Students Regulations shall apply, unless the context requires otherwise. In addition, the following terms/words used in these financial regulations shall have the meaning as hereunder defined:

“Accounting Officer: means the DITSO President or any person appointed by the President to act on his behalf during his absence.

“Organization” means Dar es Salaam Institute of Technology Students Organization.

“Asset” means any resource controlled by the DITSO as a result of past events and from which future economic benefits are expected to accrue to the DITSO.

“Budget” means the quantification in monetary terms of the DITSO’s future plans for the financial period in monetary units.

“President” means the President of Dar es Salaam Institute of Technology Students Organization.

“Financial year” means a period of twelve months ending on 30<sup>th</sup> June of each year.

“DITSO Student Representative Council or Institute Student Representative Council” means DITSO organ referred to in article 16 of DITSO Constitution as amended 2018.

“Imprest Holder” shall be DITSO Minister of finance who has at his/her disposal a specified sum of money for disbursement on the service of the DITSO.

## **CHAPTER 2**

### **DUTIES AND RESPONSIBILITIES**

#### **2.1 DITSO Student Representative Council**

The DITSO Student Representative Council, as the governing body of the organization, shall be the ultimate decision making body and has responsibility for the DITSO financial well-being and in particular shall:

- 2.1.1 Be responsible for the management and administration of the DITSO properties both movable and immovable, funds and other assets including investment of such funds, and other assets of the organization.
- 2.1.2 Have general control over the conduct of the affairs of the organization with power to manage all matters not provided otherwise by these Regulations.
- 2.1.3 Before the commencement of a financial year, consider and approve the proposed budget, prepared in accordance.
- 2.1.4 Have power to invest DITSO funds in such investments or assets, and subject to conditions as are prescribed by feasibility study presented by the Minister for Finance.
- 2.1.5 Cause to be kept proper books of accounts and shall, as soon as is practicable after the end of each financial year, cause to be made a statement of accounts relating to such financial year and ensure that auditing is properly conducted on the statement so prepared.

#### **2.2 Cabinet**

The Cabinet shall have the following duties:

- 2.2.1 Preparation of annual budget, the quarterly, half- yearly and annual income and expenditure statements, and the strategic plans of DITSO.
- 2.2.2 Presentation of annual report on the operations and activities of DITSO, handing-over report, and other things or matters as shall be directed by the ISRC.



- 2.2.3 Keeping and maintaining proper books of accounts and records with respect to DITSO funds and cause them to be audited annually by an auditor appointed by the DITSO.
- 2.2.4 Fixing of rates of membership fees and subscriptions annually.
- 2.2.5 Promoting and supervising fund-raising activities for DITSO.
- 2.2.6 Performing such other functions and activities as may enhance the realization of the objectives and functions of DITSO.

## **2.3 DITSO's President**

Representative Council for implementation of all financial decisions of the ISRC meeting and in particular shall:

- 2.3.1 Prepare and submit quarterly financial report to the Deputy Principal Administration and Finance (DPAF) through Dean of Students.
- 2.3.2 Prepare at the end of the year financial report of the organization.
- 2.3.3 Be the Accounting Officer of the organization and shall be responsible for promoting and maintaining the efficient utilization of the assets and finances of the organization.

## **2.4 Prime Minister**

The Prime Minister shall be the assistant to the President in all planning, financial and administrative matters. He/she shall be responsible to the president for the performance of his duties and functions and in particular shall:

- 2.4.1 Help plan, direct and coordinate planning, finance and development processes.
- 2.4.2 Effectively and efficiently manage all administration functions of the organization.
- 2.4.3 Provide expert advice in the conceptualization, design with respect to resource mobilization, implementation, evaluation and timely feedback on plans, projects and programs of the organization.

2.4.4 Coordinate procedures and practices on financial management and control. All organization organs shall be required to apply these Regulations under the superintendence of the Minister for Finance. Any dispute in interpretation shall be referred to the legal officer of the DITSO.

## **2.5 Finance Minister**

The Minister for Finance shall be responsible for implementation of financial decisions made by the ISRC Meeting.

2.5.1 The Minister for Finance shall receive all requests for fund and see if they comply with the budget and then approve them and send to the President for being authorized.

2.5.2 The Minister for Finance shall administer and supervise all economic activities and projects of the organization.

2.5.3 The Minister for Finance shall be responsible to collect revenues of the organization.

2.5.4 The Minister for Finance shall be responsible to co-ordinate all organs in preparing Annual Budget before being approved by the DITSO Student Representative Council.

2.5.5 He/she shall be responsible for presenting the overall budget of the organization to the ISRC before other ministers came to present their budget.

2.5.6 He/she shall be responsible for making adjustments of the budget decided by the DITSO Student Representative Council.

2.5.7 Shall initiate the development of fundraising strategies for the organization.

2.5.8 The Minister for Finance shall be responsible for advising the DITSO President on all financial matters of the organization.

2.5.9 In collaboration with the DITSO legal officer he/she shall be responsible to prepare all contracts relating to fundraising and projects provided that the contract has an approval of DIT Principal through Dean of Students.

2.5.10 Perform any other duties as may be assigned by the Cabinet and ISRC.

## **CHAPTER 3**

### **BUDGETING AND BUDGETARY CONTROLS**

#### **3.1 Overview**

For the purpose of exercising financial discipline and control it shall be necessary to forecast the revenue and expenditure on a realistic basis, taking into account the past, actual, current situation, future trends and work/activities. In order to enforce control and discipline in financial movement in the DITSO there shall, be an annual recurrent expenditure budget.

At least two months before the beginning of new financial year, the Minister for Finance shall request various organs to submit income and expenditure proposals for the financial year.

The organs shall submit within three weeks of the request to the Minister for Finance proposals for the income and expenditures. Reasons for the proposals should be explained and the order of priority given without leaving behind General election fund.

#### **3.2 Budget preparation**

The Minister for Finance shall consolidate the overall estimated income and expenditure of the organization and make some adjustments according to priorities so that the estimated revenues can be able to suffice the expenditures.

#### **3.3 Budget Approval**

The organization Budget shall be prepared by March every year and Estimates shall be deemed approved after the Cabinet and ISRC has been passed through it and deliberated i.e approved by Students Affairs Committee (SAC).

#### **3.4 Expenditure**

No expenditure shall be incurred to the extent that it exceeds 85% of the total revenue and for the purpose of the organization except in accordance with the

provisions of the annual estimates or in accordance with the provisions of any supplementary estimates approved by the ISRC.

### **3.4.1 Authority for Expenditure**

3.4.1.1 The approved annual estimates shall constitute the authority necessary for charging expenditure against the funds of the DITSO.

3.4.1.2 No Student shall make payments or commit the funds of the DITSO except under the authority of the Dean of Student and DITSO Minister of finance.

3.4.1.3 The reallocation of expenditures into sub-accounts of the budget shall only be approved by the Dean of Student.

### **3.5 Cash Flow Forecasts**

It is the responsibility of the President of DITSO to exercise strict financial control by forecasting the receipts and payments in advance, follow up the collections and make payments according to the plan.

### **3.6 Performance Review**

The Cabinet shall make review of the revenue budget, capital budget and cash flow forecasts at least once in every quarter. The Management Committee shall recommend appropriate actions to be taken by the Institute Council where necessary.

# **CHAPTER 4**

## **FINANCIAL CONTROLS**

### **4.1 Financial Statements and Records**

- 4.1.1 It shall be the duty of the Minister of Finance to ensure that adequate and appropriate records are kept to evidence all movements of resources into and of DITSO.
- 4.1.2 To ensure that the performance of the DITSO is monitored continuously, it shall be duty of the Bursar to ensure that monthly performance reports are prepared as detailed in the accounting manual. The reports should include:
  - 4.1.2.1 Monthly revenue report.
  - 4.1.2.2 Revenue and expenditure statement.
  - 4.1.2.3 Other reports deemed necessary.
- 4.1.3 It shall be the duty of the Minister of Finance with the guidance from the Bursar to prepare at the end of every quarter, a quarterly report to show the progressive performance of DITSO. The reports shall among other things, include:
  - 4.1.3.1 Statement of actual revenues and expenditure.
  - 4.1.3.2 Expenditure analysis.

### **4.2 Sources of Funds**

The funds and resources of the DITSO shall consist of:

- 4.2.1 Student's contributions.
- 4.2.2 Gift and Grants.
- 4.2.3 Fund raising and project.
- 4.2.4 DITSO leadership application Fee.
- 4.2.5 Any money appropriated by the DIT.

### **4.3 Utilization of Funds**

4.3.1 The DITSO shall charge to revenue of every year all expenditure of the same year as approved in the budget. No expenditure of the current year shall be transferred to the following year.

4.3.2 Any excess of the revenue of the DITSO in any financial year over the total sums properly chargeable to revenue account of that year shall be applied by the DITSO in such a manner as the Institute Council may direct.

### **4.4 Care and Control of Assets**

It shall be the duty of the DITSO's President to ensure that all assets of DITSO are provided with appropriate safe guards and appropriate protection against waste, misuses, fraud theft, pilferage, misappropriations, destructions and other acts which may lead to loss of DIT assets.

### **4.5 Custody of Valuable Documents**

All the valuable documents shall be in the safe custody of the Dean of students.

### **4.6 Operation of Bank Accounts**

4.6.1 The DITSO will operate bank accounts approved by the DIT Council.

#### **4.6.2 Cheque Signatories**

All the cheques issued by the DITSO shall be signed jointly by two of the authorized signatories. Category A signatory is the Dean of Student and DPAF Category B signatories are President and Finance Minister. In case of the President absence the Finance Minister will sign the cheques in Category B.

**Category A:** 1. Dean of Student  
2. Deputy Principal Administration and Finance

**Category B:** 1. President  
2. Finance Minister

#### **4.6.3 Bank Reconciliation Statement**

Statements from the Bank shall be obtained at least once in every month and reconciliation statement shall be prepared by 5<sup>th</sup> of the next month.

#### **4.6.4 Stale/Dishonored Cheques**

##### **4.6.4.1 Stale Cheques**

All cheques issued by the DITSO which are not presented to the Bank six months after issues shall be treated as stale cheques and shall be appropriately accounted for. Fresh cheques shall be issued based on the requests made by the claimants, and on return of the stale cheques, or non-issuing an appropriate indemnity cover, if the cheque is lost.

##### **s 4.6.4.2 Dishonored Cheques**

All the cheques received by the DITSO shall be deposited in the bank account on a day-to-day basis. Dishonored cheques shall be debited back to the debtors' accounts and credited to the bank accounts. Whenever the cheques received have bounced, fresh cheques with bankers' acceptance shall be obtained in place of bounced cheques.

#### **4.7 Loss of Cheques**

Where a payee has lost a cheque issued by DISTO before presenting it for payments, no new cheque shall be issued until the Finance Minister proves beyond reasonable doubt that no payment has been effected. The Deputy Principal for Administration and Finance shall put a stop payment order with the bank in order to ensure that no payment will be effected on the cheque. Also the Deputy Principal for Administration and Finance must obtain Certificate of indemnity of the loss from the payee.

## **4.8 Recurrent and Capital Expenditure**

- 4.8.1 The recurrent and capital expenditure for the year shall as far as possible be incurred within the limits of the annual budget approved by the Council through Students Affairs Committee (SAC).
- 4.8.2 All expenditure for capital and recurrent expenditure may be approved by any warrant holder or the Principal up to their limit as per procurement manual.
- 4.8.3 All capital and recurrent expenditure within the approved budget estimates and as appropriately approved shall be passed for payment by the Dean of Student. However, it is the responsibility of the Finance Minister to ensure that all payments are in order.

## **4.9 Hospitality Expenditure**

- 4.9.1 The total expenditure to be incurred by the DITSO on hospitality shall be limited to the approved budget estimates.
- 4.9.2 Any expenditure to be incurred on hospitality shall have the prior approval of the Dean of Student or his ratification where prior approval could not be obtained.

## **4.10 DITSO's Meeting – Fees and Expenses**

- 4.10.1 Any Member's fees to be paid to Members during the Meeting stipulated in the Constitution shall be according to the DITSO's Directives.
- 4.10.2 The expenses incurred by the Constitutional DITSO's meetings shall be treated as an expense that belongs to that meeting.

## **4.11 Mode of Payment**

- 4.11.1 All payments to outside parties shall, as far as possible, be made by crossed cheques.



- 4.11.2 All payments, particularly to outside parties, shall be supported by a claim in the form of invoice, work order, goods receipt note, approved list of payee etc. The Finance Ministry shall verify the accuracy of amounts payable before effecting payments.
- 4.11.3 Except as otherwise provided in these Regulations, all payments of Disto moneys shall be made in accordance with the authority and procedures prescribed in these Regulations.

## **4.12 Payment Hours**

- 4.12.1 The cash office is open at the hours prescribed by the Deputy Principal for Administration and Finance, to the Student and to the public for purpose of making payments and receiving cash.
- 4.12.2 Inquiries on payments shall also be made during the hours specified by the Deputy Principal for Administration and Finance.

## **CHAPTER 5**

### **INCOME**

#### **5.1 Notification of Income**

- 5.1.1 All officers of the DITSO concerned with the provision of services of the DITSO to customers (Students) or clients shall promptly notify the Deputy Principal for Administration and Finance the amount of Income due to the DITSO from such services.
- 5.1.2 Upon receipt of such notification the Deputy Principal for Administration and Finance shall promptly raise or cause to be raised the charges for the moneys due from the parties concerned.
- 5.1.3 Every acceptance of the DITSO's money by a cashier or by any other authorized person or transfer of money from one officer of the DITSO to another shall be acknowledged without delay, by means of an appropriate official receipt.
- 5.1.4 All moneys received on behalf of the DITSO shall be promptly deposited into designated bank account or with the cashier for safe custody.
- 5.1.5 All moneys received by the DITSO shall be deposited into the DITSO's bank account promptly and intact or handed to the DITSOs cashier who shall also promptly deposit it into the DITSOs bank account.

#### **5.2. Control over Revenue**

##### **5.2.1 Arrears of Revenue – Sundry Debtor's Accounts**

A record of arrears of all sums which become payable to the DIT in respect of fees or other services shall be maintained in such a manner as to focus the attention of Principal on these arrears. An annual return shall be prepared for arrears outstanding as at the close of financial year

for inspection by the External Auditors. Such a return shall provide yearly summary of the arrears outstanding supported by a full analysis of such summary.

### **5.2.2 Write-off of Losses**

The DIT Council shall authorize to write off any loss and dispose of any item of surplus, obsolete and unserviceable nature.

### **5.2.3 Provision for Bad and Doubtful Debts – Trade Debtors**

- (a) All debts relating to trade debtors who are outstanding for over two years and considered to be bad shall be written off with the approval of the DIT Council.
- (b) A provision for doubtful debts shall be made in respect of specific debts only.
- (c) An age-analysis of all debts shall be prepared as follows with their respective rates of charge.
  - 1 to 2 years      50%
  - Over 2 years     100%

### **5.2.4 Writing back – debtors**

- (a) Efforts shall be made as far as possible to realize debtors even though they are written off in the books of account.
- (b) All such realizations shall be taken to the credit of income and expenditure account and shall be disclosed in the miscellaneous income

### **5.2.5 Writing Back – Creditors**

- (a) The Deputy Principal for Administration and Finance shall ensure that all bona fide claims on the DITSO, which are duly supported, are settled promptly.

- (c) All credits, which remain unclaimed for more than two years shall be written back to income with the due approval of the DIT Council as the case may be.

## **CHAPTER 6**

### **EXPENDITURE**

#### **6.1 Authority for Expenditure**

6.1.1 The approved annual estimates shall constitute the authority necessary for charging expenditure against the funds of the DITSO.

6.1.2 No Student from DITSO shall however make any payments or commit the funds of the DITSO except under the authority of the Dean of Student and signed by the President/Finance Minister or Both.

#### **6.2 Level of Approval of expenditure**

Approval of expenditure shall strictly be in conformity with the nature and levels of authority prescribed in the first schedules to these Financial Regulations.

#### **6.3 Progress Report on Expenditure**

The Finance Minister shall regularly report to the DITSO Authority Organs on the progress of the DITSO Expenditure as approved by the DIT Council.

#### **6.4 Emergency Expenditure**

6.4.1 In the event of an emergency necessitating the immediate expenditure of funds, which was not envisaged, the principal may approve an unbudgeted amount not exceeding his/her limit as per procurement manual as a stopgap measure to contain such an emergency.

6.4.2 The Principal shall immediately take appropriate steps to seek appropriate approval for supplementary funds to meet the full cost of such emergency any amount he/she may have approved.

## **6.5 Responsibility for Payment**

6.5.1 Any person making, allowing or directing payment without proper authority shall be held personally responsible for the amount of the payment.

6.5.2 Any person who is required to render accounts of payments shall be held responsible for inaccuracies of those accounts.

6.5.3 Where a payment has been made due to the negligence or misconduct on the part of accounting person, the amount so incurred shall be surcharged against such person.

6.5.4 Every person responsible for handling and/or signing a payment voucher who certifies the accuracy, correctness and propriety of the errors or losses that may arise from such payment.

## **6.6 Payment Vouchers**

6.6.1 Every payment shall be supported by a voucher.

6.6.2 The authority to check for propriety of a payment voucher shall be vested in the Minister of Finance. The DITSO President shall then authorize the release of funds for payment.

6.6.3 Payment vouchers shall be completed in all respect, detailing the authority and the coding of the expenditure; full description of the transaction or reason for payment and the quotation of number of bills or invoices so as to ensure the correct identification of the payment.

6.6.4 All alterations to the particulars given in the voucher shall be signed in full by the authorizing person.

- 6.6.5 Original invoices, bills statements etc. relating to the payment shall be attached to the original payment voucher except where the volume size or weight of such attachments make it inadvisable to do so. In such cases the documents shall be separately packed and suitably cross-referenced to the relevant payment voucher.
- 6.6.6 Certificates which are necessary to complete the payment voucher shall be embodied in the voucher. The need for a certificate is usually evident from the type of payment being made.
- 6.6.7 Certification to authenticate the receipt of goods, or services either for immediate use or taken on charge. In the latter case, the certificate must include a reference to the appropriate Asset Ledger entry.
- 6.6.8 Certificate of indemnity, shall be attached to the payment voucher where original document is missing.
- 6.6.8 An accounting person who certifies vouchers must exercise the greatest care to ensure that the certificates they sign are in accordance with the facts and are liable to be surcharged in the event of an improper payment made in consequence of an incorrect certificate.
- 6.6.9 Voucher forms used and unused must be afford maximum security to prevent abuses.

## **6.7 Disbursement of Funds**

- 6.7.1 All claims accepted against the DITSO must be paid at the appointed time.
- 6.7.2 Identification of Payee

Paying officers shall satisfy themselves that the person claiming the payment is in fact the Student authorized to receive it or is the

authorized representative or assignee. Authority by the payee to a nominee shall be attached to the original payment voucher to which it relates.

#### **6.7.3 Payment by Cheque**

All payments as far as possible shall be by crossed cheque which should be prepared so as to preclude the possibility of subsequent alteration.

#### **6.7.4 Replacement of Lost Cheques**

Replacement cheques in respect of cheques lost before presentation to the bank shall not be issued until its non-presentation to the bank has been authenticated and the bank has been instructed to stop payment of the lost cheque.

#### **6.7.5 Payment in Cash**

The receipt of a payment in cash must be acknowledged by Signature or thumb-mark of the payee.

#### **6.7.6 Copy invoice or Bill**

Payments made on copy invoice or bill be supported with an indemnity certificate by the payee. The indemnity certificate shall require the payee to make good the full value of the payment in the event of double or fraudulent being evident.

#### **6.7.7 Nugatory payments**

The responsibility for nugatory payments (payments for which the DITSO has received no value) rests with the person who facilitated such payments, which include:

6.7.7.1 Double payment for goods or services or double settlement of a liability.

6.7.7.2 Payments made in excess of approved rates or scales

6.7.7.3 Irrecoverable overpayments.



The expenditure arising from nugatory payments is liable to disallowance or surcharge.

#### **6.7.8 Stamping of Vouchers**

Immediately the voucher is paid, the paying officer shall stamp it “PAID” including all supporting documents.

## CHAPTER 7

### CARE AND CONTROL OF ASSETS

#### 7.1 Care and Control of Assets

- 7.1.1 It shall be the duty of the President to ensure that all the assets of the DITSO are afforded appropriate safeguards and protection against waste, misuse, fraud, theft, pilferage misappropriation, and destruction and any other unwanted acts and circumstances.
- 7.1.2 In particular, and without prejudice to the generalities of the foregoing the President shall: -
  - 7.1.2.1 Ensure that all the DITSO's movable non-current assets are properly indexed and marked.
  - 7.1.2.2 Ensure that appropriate non-current assets registers are maintained for all the DITSO's non-current assets.
  - 7.1.2.3 DITSO should maintain necessary physical controls of non-current assets.
  - 7.1.2.4 Take precautions against fire by placing and maintaining serviced firefighting equipment in all DITSO's buildings and stores, provided that the cost of setting up and maintaining such safeguards and controls is economical.
- 7.1.3 The President shall ensure that every officer of the DITSO to whom assets are issued, is made fully responsible for the care, safely and proper use of such assets.
- 7.1.4 Assets shall be issued to individuals against their signatures to acknowledge receipt of such assets.

#### 7.2 Imprests

Imprests are of two kinds, namely standing Imprest under which credit can be renewed by the submission of paid vouchers and the withdrawal of equivalent cash (this type of Imprest is normally used for the period of a financial year and is returned by the holder at the conclusion of the financial year of issues, and Special Imprest which is used

for a particular purpose and which must be accounted for upon the culmination of the purpose at some specified date, by the submission of “paid” vouchers and the payment of any unexpended cash.

### **7.2.1 Standing Imprest**

The holder of a standing Imprest must maintain a cashbook in which to record all receipts and payments and balance in hand after each transaction.

### **7.2.2 Special Imprest**

The holder of a special Imprest is fully responsible for that Imprest and whilst he need not be required to maintain a special cash book, he must at all times be able to give an account of the Imprest. Special Imprest e.g. safari Imprest is issued for particular purpose.

## **7.3 Retirement of Imprests**

7.3.1 The standing Imprest shall be replenished to the extent for the amount spent from the Imprest fund since the previous replenishment.

7.3.2 The holder of the standing Imprest shall render the accounts of the funds to the Minister of Finance at every end of the month. All Imprests except petty cash fund shall be recorded in the name of the Student/ Officer responsible for the fund.

7.3.3 Holders of Imprest are responsible for appropriate expenditure as specified in the applications to spend funds on items which were not specified in the application for the Imprest without prior permission from the President.

7.3.4 Where it is deemed that misappropriation of the Imprest funds was committed by the Student responsible for the fund, the Imprest shall immediately be classified as a Student advance, and

appropriate disciplinary action shall be taken according to the provisions of the Student regulations.

- 7.3.5 To account for special Imprest documentary evidence shall be tendered to show that the expenditure was made in the interest of the DITSO.
- 7.3.6 Imprests shall be accounted for within seven days after the task for which Imprests were advanced has been accomplished. Failure to do so shall be interpreted as a breach of the financial regulations.

## **CHAPTER 8**

### **ANNUAL ACCOUNTS AND AUDIT**

#### **8.1 Requirements**

DITSO shall be audited by the institute's internal auditors upon a request by the Principal, DPAF, and Dean of Students or DITSO President.

#### **8.2 Documents and Submission for Audit**

It shall be duty of the President to ensure that the following set of the relevant documents are prepared and submitted to the Internal Auditor.

- 8.2.1 Income and Expenditure Statement,
- 8.2.2 Expenditure related documents and budget,
- 8.2.3 Income related documents,
- 8.2.4 DITSO's Policies, Regulations, Rules and other documents used for governing and internal controls.

#### **8.3 Audit Requirements and Procedures**

- 8.3.1 The Auditor is entitled to have access to all books of accounts, records and any other audit related document as may be required during the audit.
- 8.3.2 The President shall give the Auditor every facility to carry out the audit.
- 8.3.3 It shall be the duty of the President to reply promptly to any observations and queries raised by the Auditor.
- 8.3.4 The use of green pencil and green ink shall be exclusively reserved for Auditors and the President shall ensure that, they are not in any circumstances, used in the preparation of receipts, payment vouchers or other accounting entries or returns in any of the other offices of the DITSO.

- 8.3.5 All accounting documents and records shall be retained in an orderly manner and satisfactory condition within a period of at least five (5) years from the last day of the relevant accounting period.
- 8.3.6 Copies or counterfoils of issued receipts may be disposed off after the elapsed of five (5) years period and when they are no longer required by the Auditors.
- 8.3.7 The President shall submit to the Cabinet the Auditor's Reports on the accounts of the DITSO immediately after the completion of the audit exercise.

## CHAPTER 9

### ACCOUNTING POLICIES AND PRACTICES

#### 9.1 Accounting Policies

- 9.1.1 The DITSO shall determine from time to time the appropriate accounting policies.
- 9.1.2 The Council shall approve the policies before they are applied in the preparation of financial statements of the DITSO.
- 9.1.3 The detailed accounting procedures and practices shall be embodied in DITSO Accounting Manual.

#### 9.2 Basis of Accounting

The accounts of the DITSO shall be prepared on the historical cost basis of accounting and shall follow the International Accounting Standards.

#### 9.3 Depreciation

Depreciation shall be calculated to write off the cost/valuation of the non- current assets on a straight-line basis over the expected useful lives of the assets concerned. The principal annual rates which shall be applied consistently are as follows.

Item	Rate
Furniture and Equipment	12.5%
Books	12.5%
Other Non-current assets	20.0%
Computers and Peripherals	12.5%

## **9.4 Valuation of Stocks**

Stocks shall be valued at the lower of historical cost or net realizable value. Cost is determined using First-In First-Out (FIFO) basis.

## **9.5 Foreign Currency Translation**

Transactions by foreign currency shall be translated at rates of exchange ruling on the dates of transactions.

Statement of Financial Position items shall be translated at the rates ruling at Statement of Financial Position date. Gains or losses on exchange shall be dealt with in the Statement of Comprehensive Income.

## **9.6 Income**

Income shall be accounted for on accrual basis. Income received in advance, if any, shall be deferred to the relevant period.

## **9.7 Contingency Liabilities**

In very financial year contingency liabilities shall be provided pending to contingency expenditures.



## **CHAPTER 10**

### **MISCELLANEOUS PROVISIONS**

#### **10.1 Losses**

#### **10.2 Reporting Losses**

- (i) Any Student/ DITSO Officer shall report immediately the discovered loss of DITSO's Money or any other assets from whatever cause to the Minister of Finance or the President who shall take measures to investigate the cause of the loss.
- (i) Where the loss involves an act of dishonesty by a Student/ DITSO Officer detailed investigations shall be made and a report of the matter submitted to the Dean of Student, who shall take measures as appropriate.
- (i) During the Investigation, it shall be the duty of every member of the DITSO to give the necessary information and assistance required of him/ her which may be deemed necessary for the purpose of the investigation.

#### **10.3 Demands for Payments.**

All demands for payments due to the DITSO shall contain instructions to and that all payments should be made out by crossed cheque in favour of "The President of the DITSO".

#### **10.4 Accounting Documents**

- (i) All accounting documents shall be given maximum security at all time so as to prevent their unauthorized or improper use and every officer in charge of any kind of accounting document shall be fully responsible for it until such time as he is properly relieved.

- (i) In the event of loss of any accounting document, the officer who had charge of the same shall immediately write and submit to the President through Minister of Finance a loss report.
- (i) Upon receipt of the report, the President may ask the Internal Auditor to carry out full investigation into the circumstances of the loss and report the findings thereof.
- (iv) As far as possible, all disbursements of funds shall be made on the basis of information and approval given on the relevant Accounting Forms.
- (v) Unused Cheques orders shall be under the custody of the Bursar. Other documents such as blank cash receipts, invoices and local purchase orders shall be under the custody of the stores' officer.
- (vi) Cash receipts, cheques, invoices and local purchase orders shall be serially numbered and they be used strictly in the sequence of their serial numbers.
- (vi) Destruction of accounting documents shall not be made unless a certificate of destruction is obtained from the Principal and the document shall not be required in future for references. This certificate shall detail the serial numbers, where applicable the dates when the documents were placed in the archives, a brief description of the nature of the documents destroyed, and the remarks if such documents were blank or not.
- (vi) Destruction shall be by incineration and this shall be witnessed by the officers appointed by the Principal. The witnessing officer shall not leave the site of incineration until the documents are completely destroyed.
- (ix) Before fire is set to the documents, the witnessing officer shall inspect the documents and ensure that documents to be destroyed are those detailed in the certificate, and that all documents in the certificate of destruction and destroyed.

- (x) All accounting forms such as cheques and other documents spoiled or soiled thus having been rendered useless shall remain attached in the pad perforated, with two parallel lines between which shall be written the word “cancelled”.
- (xi) All accounting records as well as cancelled accounting forms shall be preserved for a period specified by law.

## 10.5 Write-off of Assets

No Assets of the DITSO shall be written off without prior approval of the Council.

## 10.6 Disputes

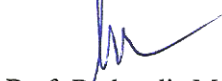
Where any dispute of civil nature, which does not amount to disciplinary action, arises out of the application of these Financial Regulations and the accounting instructions, the matter shall be placed before the Principal whose decision shall be final. Provided that disputes which amount to disciplinary action and/or of criminal nature shall be dealt in accordance with this regulations and other relevant laws and regulations.

## 10.7 Levels of Expenditure Approval

The authorities to approve Procurement of specific items of expenditure shall be limited as indicated here below:

Authority	Amount (TShs)
Principal	Unlimited of approved budget
DPAF	5,000,000 to 100,000,000
Dean of Students	3,000,000 to 5,000,000
President	Below 3,000,000

These Students' Financial Regulations has been approved by the DIT Council on 10<sup>th</sup> September, 2020 through Circular Resolution paper No. DIT/CUNCIL/CR4/2020.



Prof. Preksedis M. Ndomba

**PRINCIPAL**



Mr. Yosiah Misago

**DEAN OF STUDENTS**



Mr. Habibu Athumani Masudi

**DITSO PRESIDENT**