

One Society Organization for Peace and Development
(Binding document for regulating funds, procurement,
and assets)



Approved

30, march, 2025

Preamble

The purpose of this policy is to regulate the Organization's financial system, define financial authorities, ensure transparency in the management of the Organization's resources, and protect its assets from waste or embezzlement. It serves as the primary reference for the Finance Director and the External Auditor.

Chapter 1: General Provisions and Accounting Principles

Article 1: Fiscal Year The fiscal year of the Organization begins on **March 15** and ends on **March 1** of each year.

Article 2: Currency and Bookkeeping

1. The functional currency for accounts is the **Sudanese Pound** (or the currency of the country where the office is located). It is permissible to maintain ledgers in foreign currencies (USD/Euro) for international grants.
2. The Organization adopts the "**Accrual Basis**" or "**Cash Basis**" of accounting as determined by the Legal Auditor, in compliance with International Accounting Standards for Non-Profit Organizations.

Article 3: Segregation of Duties No single employee may perform two conflicting tasks simultaneously (e.g., the person who writes the cheque cannot be the one to sign it; the person who purchases goods cannot be the one to receive them into the store).

Chapter 2: Financial Authorities and Spending Limits

Article 4: Financial Authorization Matrix The authority to approve payments is defined as follows:

1. **Field Coordinator:** Approves daily operational expenses up to a maximum limit (to be defined, e.g., \$500) within their office.
2. **Finance Director:** Reviews and certifies the validity of documents and budget availability.
3. **Executive Director:** Approves all expenses exceeding the Coordinators' authority, as well as salaries and contracts.
4. **General Assembly:** Approves exceptional expenses that fall outside the approved budget.

Article 5: Cheque Signing Bank accounts are operated by two (or three) joint signatories. Signature "A" (Executive Director) is mandatory combined with Signature "B" (Finance Director).

Chapter 3: Revenue and Receipts Management

Article 6: Documentation

1. A pre-numbered and serialized "Receipt Voucher" must be issued immediately upon receipt of any funds (donation, subscription, grant).



2. It is strictly prohibited to use cash revenue for direct spending before depositing it into the bank or safe (Revenue must not be used for expenses directly).

Chapter 4: Payments and Advances (Imprest)

Article 7: Payment Conditions No amount shall be disbursed unless the "Full Documentation Cycle" is complete:

1. Purchase/Payment Request signed by the requester.
2. Administrative Approval (from the Direct Supervisor).
3. Financial Certification (from the Finance Director to ensure budget availability).
4. Original Tax Invoice or approved payment voucher.

Article 8: Temporary Advances (Petty Cash/Imprest)

1. Advances are issued to accomplish specific tasks.
2. The advance must be liquidated by submitting invoices and the remaining cash balance within **72 hours** of task completion.
3. No new advance shall be issued to an employee who has not settled a previous advance (Rule: No advance on advance).
4. Any shortage in the advance settlement will be deducted immediately from the employee's salary.

Chapter 5: Procurement and Contracts

Article 9: Procurement Methods Procurement follows these thresholds (amounts to be defined in an annex):

1. **Direct Purchase:** For petty amounts and small items.
2. **Quotations:** For medium purchases. **Three (3) different quotations** must be attached, and the best technical and financial offer selected.
3. **Tender:** For large projects. A "Procurement Committee" is formed to open the bids.

Article 10: Conflict of Interest It is prohibited to purchase from or contract with companies owned by Organization employees or their first-degree relatives without prior disclosure and exceptional approval from the Board of Trustees to ensure integrity.

Chapter 6: Assets and Stores

Article 11: Fixed Assets Register

1. All Organization assets (laptops, tables, vehicles) must be tagged with a unique "Code/Tag" and recorded in the Fixed Assets Register.
2. **Personal Custody:** The employee signs a "Custody Receipt Form" upon receiving any asset and is responsible for its maintenance and protection from theft.



Chapter 7: Reporting and Control

Article 12: Periodic Reports The Finance Director is committed to submitting a **Monthly Financial Report** showing:

1. Financial Position (Expenses vs. Budget).
2. Bank Reconciliation.
3. Cash Flow Position.

Article 13: External Audit The Organization's accounts are subject to an annual audit by a certified **External Auditor** to present the Audit Report to official authorities and donors.

Conclusion

The provisions of this policy are effective from the date of signature. Any violation of its clauses is considered a "Major Financial Misconduct" subject to legal accountability and dismissal in accordance with Labor Law.

Executive Director Approval *Yassin Mohamed*

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