



Student Christian Organisation of Malawi



Finance Policy Manual

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Abbreviations and acronyms

AWP	Annual work plan
IPC	Internal procurement committee
MRA	Malawi Revenue Authority
NGC	National General Council
NEC	National Executive Committee
RFP	Request for payment
SCOM	Student Christian Organisation of Malawi
TPIN	Tax Payer Identification Number

INTRODUCTION

The Student Christian Organisation of Malawi [SCOM] Finance Policy Manual was developed to assist SCOM administrators i.e. the National Executive Council [NEC] and secretariat staff members in terms of guidance on the basic accounting, billing, and cash control policies and procedures designed to protect and secure SCOM; ensure the maintenance of accurate records of financial activities and ensure compliance with good governance requirements as enshrined in the Laws of Malawi.

It should be noted that all staff members shall abide by the statutes herein developed in this manual for ease of management of SCOM finances. Where there is a conflict in the interpretation of this manual, NEC determination shall be binding.

It is thus expected that use of this manual will be made judiciously and that it will assist to ease staff workers as they undertake their daily duties where SCOM finances will be concerned.

1.0 GENERAL PRINCIPLES

1.1 *Responsibilities*

1.1.1 Below is an outline of the key responsibilities involved in adjudicating this manual:

- a) The National Executive Committee [NEC] formulates financial policies; delegates administration of the financial policies to the General Secretary, and reviews operations and activities.
- b) The General Secretary has responsibility for all operations and activities, including financial oversight.
- c) Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the General Secretary, in consultation with the NEC Chairperson or his designate.
- d) The Finance Manager/Officer is responsible to the General Secretary for all financial operations.

1.1.2 In line with best practice, SCOM shall ensure that the following apply:

- a) Current job descriptions are maintained for all staff members indicating their duties and responsibilities.
- b) There are separation of financial duties and responsibilities so that no staff member has sole control over cash receipts, payroll, bank reconciliations, accounts payable or other accounting functions.
- c) Financial procedures are reviewed annually by NEC Committee responsible for finances.
- d) Separate General Ledger accounts are maintained, accounting forms and timesheets are typewritten or completed in ink. No correction fluid shall be used on any official forms.
- e) Passwords must comply with organizational standards. They are to be treated confidentially and not shared with other staff.

1.1.3 To ensure that only authorized staff can access the financial and personnel records of SCOM:

- a) Security and access is determined by the General Secretary.
- b) Access to computer or on-line systems for accounting, personnel, payroll, and online and phone banking is controlled by the Finance Manager/Officer.
- c) Upon separation of a staff member, the password is immediately locked to prohibit any unauthorized activities or entries and keys to SCOM's office(s) are returned.

2 OVERVIEW OF SCOM ACCOUNTING SYSTEM

2.1 *Financial system*

2.1.1 The SCOM financial records are maintained on QuickBooks accounting system using the [accrual, modified accrual or cash] basis of accounting.

2.1.2 On monthly basis, the finance officer shall collect financial data from the regional offices to feed into the system at the national secretariat.

2.1.3 Access to the accounting system is and should at all times be controlled to maintain the reliability, confidentiality and integrity of the financial information.

2.1.4 Security is set by the General Secretary in conjunction with the Finance Manager/Officer to allow different levels of access. The NEC Chairperson and/or Treasurer have full access to the entire system including setup and administration.

2.1.5 Data Backup - Backup is done daily to assure that the data is secure and will not be lost in the event of a computer failure. Year end back up stored in Google Cloud or external drives are kept safely in a locked fire-resistant cabinet.

2.1.6 Funds Received - The funds received policies and procedures ensure that all in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation.

The General Secretary shall designate which staff is authorized to collect in-coming SCOM funds.

- 2.1.7 Funds Disbursed - Specialized procedures govern Cheque writing and petty cash management. Only the General Secretary (or an authorized staff by NEC) and NEC signatories may authorize the issuance of Cheques. Access to the cheque printing system is limited to accounting staff and is initiated by Administration Officer/Assistant and controlled by Finance Manager/Officer (Assistant). Petty cash access is limited to staff assigned by the Finance Manager/Officer.
- 2.1.8 Payroll System - Access to the payroll system is controlled to assure accurate and confidential data. Access is limited to the Administration Officer/accounting staff responsible for payroll processes. Payroll is processed by Administration Officer /Finance Officer and reviewed and approved by General Secretary.

3 DETAILED ACCOUNTING PROCEDURES

3.1 Funds Received

- 3.1.1 All cheques/ bank transfers, and cash are promptly logged into a “Cash Receipts Log” maintained in a computer spreadsheet ledger by the Finance Officer and a receipt should always be processed by the Administration Officer/ Assistant.
- 3.1.2 The Finance Manager/Officer (Assistant) will log in-coming cash into a pre-numbered duplicate Cash Receipts book. A pre-numbered receipt will be issued or mailed to issuer of cash by the Administrative Officer/ Assistant, at time of receipt.
- 3.1.3 Documentation for receipts is provided with the cheques/cash when forwarded to Administrative Officer/Assistant to prepare documentation for deposit.
- 3.1.4 Funds awaiting bank deposit shall always be kept in a locked safe with access limited to accounts staff.
- 3.1.5 The Finance Officer (Assistant) verifies the cheques and cash to documentation received.
- 3.1.6 The Administrative Officer/ Assistant delivers cheques/cash to bank for deposit within 3 working days from the date of receipt.
- 3.1.7 Bank confirmations are delivered to the Finance Office as back up documentation. Then, the deposit is entered into the accounting system by Finance Officer, and then filed in chronological order into a Cash Receipts file/folder for the month.
- 3.1.8 At the end of the month, the Finance Officer undertakes bank reconciliation verifying that all bank account totals add up to total funds received for the month. The deposit report should be submitted to the General Secretary for verification against the deposits listed on the bank statement(s).
- 3.1.9 For bank electronic money transfers received, the issuance of receipt shall be made upon receiving of Bank notification by designated staff and proof of payment.

3.2 *Receipt Books*

- 3.2.1 Receipt books are assigned to the Finance Office who is responsible for safeguarding the receipt book.
- 3.2.2 Receipt Books must be kept in a secure place at all times.
- 3.2.3 Receipt Books consist of two-parts, pre-numbered forms. They should be used in numerical order and filled out completely. The original is to be given to the person from whom funds have been received. The second copy is to remain in the receipt book.
- 3.2.4 The receipt book should be reviewed against either the monthly bank statement or Cash Receipts register to assure all cash received was recorded and deposited.

3.3 *Petty Cash*

- 3.3.1 The purpose of petty cash is to facilitate small business purchases or reimbursements needed in the day-to-day operations of the organization, without going through the Cheque writing process.
- 3.3.2 The limit for the petty cash fund is set by the General Secretary and an internal memorandum shall be circulated indicating the amount set from time to time.
- 3.3.3 Petty cash is kept in a locked box and secured in a locked filing cabinet, safe or locked desk. Only assigned custodians will have keys to the box.
- 3.3.4 The Administrative Officer/Assistant shall be the custodian of the petty cash fund.
- 3.3.5 Disbursements of up to MK100, 000 may be made from the petty cash fund for miscellaneous expenses. Disbursements in excess of this may be made with prior approval of the General Secretary.
- 3.3.6 If funds are requested to make a purchase, purchaser must complete a Petty Cash receipt for the amount of funds received prior to custodian providing the requested funds.
- 3.3.7 The purchaser must submit receipts for all purchases to the custodian of the fund, including change if funds were requested prior to purchase. In the case of a lost receipt, the Finance Officer may approve a disbursement based on a memo describing the item and cost.
- 3.3.8 The custodian will ensure that the petty cash slip is properly completed and a proper receipt is attached.
- 3.3.9 The custodian will ensure that the petty cash box contains receipts and cash totaling the Imprest amount of the fund at all times.
- 3.3.10 Any irregularities in the petty cash fund are reported immediately to the Finance Officer.
- 3.3.11 Loans will not be made from petty cash funds.
- 3.3.12 Requests to replenish the Imprest are completed by the custodian, verified by Finance Officer and approved by the General Secretary. Petty cash replenishment cheque is made out to the custodian who is responsible for cashing the cheque for the fund.
- 3.3.13 The Finance Officer will periodically make unannounced cash count of petty cash.

3.4 *Fund Disbursements*

- 3.4.1 The fund disbursement policies and procedures are designed to ensure that disbursements are properly made based on adequate documentation and proper authorization.
- 3.4.2 The authorization procedure shall be as follows:
 - a) All petty cash disbursement is under the control of the Finance Officer
 - b) All funds disbursement outside petty cash system will be internally authorized by the General Secretary and this can be delegated in writing.
 - c) All SCOM cheques shall be signed by the General Secretary and countersigned by the designated NEC members or appointed staff.

4 DETAILED FUND PAYMENT PROCEDURE

4.1 Invoicing

- 4.2.1 Payment for supplies or services will be made based on invoices, not statements.
- 4.2.2 Requests for Payment [RFP] are submitted with the original invoice attached.
- 4.2.3 The RFP is coded by the staff requesting the payment as to the fund and expense code to be charged.
- 4.2.4 The RFP is signed by an authorized staff member indicating approval of the expenditure.
- 4.2.5 RFP/Invoices are processed by the Administrative Officer/Assistant.
- 4.2.6 Each invoice is stamped “POSTED” when entered as a payable in the accounting system and the cheque and all corresponding documentation stamped “PAID” when the payable is processed for payment.
- 4.2.7 Missing Invoices - In the event that an invoice for services or supplies is lost, the responsible officer will liaise with the vendor or contractor for a copy invoice to be issued. The responsible officer will then generate a memo explaining the expense and detailing the cost and submitted with the Request for Payment for approval to the General Secretary.

4.3 Supplier documentation

- 4.3.1 All suppliers must submit a Withholding Tax Exemption Certificate [WHTEC], prior to payment.
- 4.3.2 For those suppliers without WHTEC, SCOM shall deduct a Tax Withholding amount as prescribed by the Taxation Act from time to time.
- 4.3.3 SCOM should always deposit to Malawi Revenue Authority [MRA] all the withheld funds from Suppliers or Service providers within the same month to avoid penalties.

4.4 Cheque writing procedures

- 4.4.1 Cheques are written manually by the Finance officer/ Assistant or Administration Officer.
- 4.4.2 Cheques are not to be postdated, signed blank.
- 4.4.3 A copy of each cheque is attached to the RFP/Invoice plus any other documentation, and filed in cheque number order in the respective Paid supplier files.
- 4.4.4 Voided or spoiled cheques will be filed in numerical order with the image of cancelled cheques received from the bank.
- 4.4.5 All cheques are recorded in “the Disbursement Log” and are kept in Finance Office for verification/review by General Secretary for approval.

4.5 Cheque Approval Process

- 4.5.1 This procedure is designed to ensure that all cheques have adequate documentation and authorization and that there are no missing cheques or cheques written to unknown suppliers.
- 4.5.2 The RFP is reviewed for proper account coding, appropriateness of expenditure, and authorized signatures.
- 4.5.3 The RFP is compared with the invoice and the cheque amount.
- 4.5.4 The batch of cheques is reviewed in cheque number sequence to ensure no cheques are unaccounted.
- 4.5.5 The Disbursement register will be reviewed by the Finance Officer to ensure that the first cheque in each batch of cheques begins with the next sequential cheque after last batch

- processed. The Disbursement register is initialed by the reviewer to indicate that all cheques in the current batch have been verified to ensure there is no gap in the cheque sequence.
- 4.5.6 If there are no questions to be resolved, the Disbursement register and cheques are signed by the General Secretary and are returned to the Finance Officer as authorization to release the cheque to the supplier.
 - 4.5.7 Cheques are released to suppliers by the Administrative Officer/Assistant. If a cheque is picked up at SCOM office, the person picking up the cheque must provide identification which agrees with the payee on the cheque or must have verifiable written authorization from the payee to pick up the cheque.
 - 4.5.8 At all times, the disbursement register must be signed by the supplier against the amount disbursed.
 - 4.5.9 Where possible, the Administration Officer should deposit the cheque into suppliers account indicated at the invoice to avoid signature forgery.

5 *Electronic Payment and Transfers:*

- 5.5.1 In making e-transfers and payments, the required documentation is the same as for Requests for Payment.
- 5.5.2 Electronic banking allows wire transfers, electronic transfers, stop payments on checks, and account balance inquiries be initiated and completed via computer or telephone.
- 5.5.3 Wire transfers, electronic transfers, and stop payments cannot be set up and approved by the same person.
- 5.5.4 Password security is set to allow wire transfers, electronic transfers, and stop payments to be set up by the General Secretary.
- 5.5.5 Transfers can only be approved and sent by the General Secretary and can only be transferred between SCOM accounts.
- 5.5.6 When a wire transfer, electronic transfer, or stop payment has been set up by Administrative Officer/ Assistant, the documentation supporting the transaction is given to the Finance Officer for verification and then to the General Secretary for approval before the transaction is initiated.

6.0 PAYROLL

6.1 *Payroll and salary-based payments*

- 6.2 These procedures are designed to ensure that payroll is based on proper authorization and required documentation; is paid at the approved rate; is only paid to actual employees; and to ensure that proper and timely reporting is made to tax authorities.
- 6.3 SCOM payroll is processed three (3) working days prior to the end of the month. Pay day is on the 27th day of the month. Pay cheques may be issued earlier if requested and approved by NEC Treasurer.
- 6.4 For part time or project staff, payroll is based on number of days worked in a month and as per time sheets if the paying project so requires.
- 6.5 Time sheets will reflect the use of sick, vacation, or other leave time, if applicable. Overtime payments only involve employees in Grades A and B, but it also needs that employees should show documentation on prior approval by the General Secretary and amount of approved time accumulated.

- 6.6 Payroll records are maintained by the Finance Officer in a confidential manner. Information regarding payroll will not be discussed with other staff. Files must be in locked cabinets with access limited to designated personnel.

6.1 *Payroll Preparation and Payment*

- 6.1.1 Payroll is prepared for each employee by the Administration officer for the number of days completed in a month.
- 6.1.2 For employees with over time, the over time sheets shall be completed and signed by the employee and reviewed, approved, and signed by the supervisor.
- 6.1.3 Payment for overtime hours worked will be 1.5 times the normal hour payment.
- 6.1.4 Once all the timesheets have been received, the Finance Officer will check each time sheet for computations and send it to administrator to be computed into payroll.
- 6.1.5 For salaried staff, computation of partial pay periods will be based on the percentage of the pay period worked. (This is for those that have left work in the middle of month or before pay day)
- 6.1.6 The payroll will be signed by Administration officer who has prepared it and the Finance Officer verifies mathematical data in payroll if it's accurate. Then the payroll is sent to General Secretary for approval.
- 6.1.7 Salaries are directly deposited/ transferred to the employees' bank accounts. For the Employees without bank accounts, they shall be paid Cash. Upon receiving their salaries, they shall be required to sign Cash payment Voucher as proof of payment. Pay slip shall be given to all staff.
- 6.1.8 Payroll tax deposits shall be made to MRA before the 14th of the following month.
- 6.1.9 Monthly payroll expenditures are entered into the General Ledger by Finance Officer.
- 6.1.10 SCOM shall deposit pension deductions and contributions for staff members on a monthly basis and shall maintain records for each staff.
- 6.1.11 At the expiry or termination of employment contract, a staff member shall have the gratuity account transferred to them after deducting all debts owing to SCOM.

6.2 *Loans (salary advances)*

- 6.2.1 Salary advances may be made to employees to meet emergency situations.
- 6.2.2 All requests must be submitted to the General Secretary in writing, for approval.
- 6.2.3 Generally, all emergency salary advances are redeemable interest free within three (3) months of issuing the advance.
- 6.2.4 Employees must execute a repayment agreement which states that repayment to SCOM will be automatically deducted from the employee's pay cheque(s), and agree if termination of employment occurs prior to full loan repayment; the remaining balance will be deducted in full from the final pay cheque.

7.0 PROCUREMENT AND ASSET MANAGEMENT

Procurement of goods and services shall be guided by the procurement and asset disposal policy. The Internal Procurement Committee, comprised of the Administration Officer, BIF Coordinator, Social Development Coordinator and any relevant project officer, shall facilitate the decision-making process regarding product specification, procurement method, and selection of supplier, subject to the General Secretary's/ NEC approval.

7.1 Procurement

- 7.1.1 In general terms, all SCOM procurement of goods and services shall follow competitive process.
- 7.1.2 The procurement thresholds are outlined as follows:
 - a) For goods/services below MK1, 000, 000, procurement will be single sourcing requiring only one (1) quotation.
 - b) Goods/services valued from MK1, 000, 000 to MK50, 000, 000 will require three (3) quotations and suppliers to be selected by an internal procurement committee.
 - c) Goods/services valued above MK50,000,000 to K100, 000, 000 will require three (3) quotations and decision to be approved by NEC.
 - d) For good and services above MK100, 000, 000, procurement will be through bidding and NEC will be involved in the selection process of the supplier.
- 7.1.3 In terms of leases, the procedure is as follows:
 - a) Only the General Secretary can sign lease agreements.
 - b) Copies of all leases will be maintained by the Administration Officer.
 - c) An RFP authorizing payment of the lease for the fiscal year is maintained by the Administrative Officer/Assistant.
 - d) The RFP will be reviewed by the Administration, Finance officer and General Secretary annually.
- 7.1.4 In terms of consultancy/contract services, the procedure is as follows:
 - a) The General Secretary will review and approve proposed contracts.
 - b) Consideration is made regarding in-house capabilities to accomplish services before contracting for them.
 - c) Written contracts clearly defining work to be performed is maintained for each consultant and contract services by Administration Officer.
 - d) The qualifications and reasonable charges for fees are considered in hiring consultants and proof of taxation will be required.

7.2 Property, Inventory and Control

- 7.2.1 SCOM property inventory procedures provide for management control of SCOM owned property and documentation of property for potential insurance losses and tax reporting.
- 7.2.2 All SCOM assets shall be included in a SCOM inventory.
- 7.2.3 SCOM will maintain property records to reflect furniture and equipment purchased, including tagging of these items, and include location, changes, deletions, etc.
- 7.2.4 A paper indicating all assets within a given office will be recorded and signed for by the officer(s) occupying the office.
- 7.2.5 Every year a physical inventory of all furniture and equipment plus estimates of supplies on hand is completed prior to year end. Any discrepancies shall be brought to the attention of the General Secretary for appropriate action.
- 7.2.6 Transfer of furniture or equipment within or between locations shall be approved by the General Secretary.
- 7.2.7 Equipment to be retired is documented with an explanation for release. The listing of equipment to be retired shall be authorized by NEC Finance Committee. Any salvage value received is so noted on the records.
- 7.2.8 Assets financed by different donors shall be kept separately and be clearly identifiable.

7.3 Equipment Depreciation

- 7.3.1 The purpose of depreciation is to recognize the decreased value of the property over time (useful life) and to quantify this 'usage' as an expense to each cost center deriving benefit from its use.
- 7.3.2 The SCOM depreciation system sets the useful life of property types (buildings, capital assets, furniture & equipment, vehicles, etc.) which may differ from depreciation methods used for income tax purposes.
- 7.3.3 Depreciation schedules are prepared for the full fiscal year utilizing the guidelines of the SCOM depreciation policy.
- 7.3.4 A separate schedule is made for each property/asset type. The schedule is maintained by the Finance Officer. As depreciable property is purchased, it is added to the depreciation schedule according to the policy.

8.0 BANK ACCOUNTS, BUDGETS AND REPORTING

8.1 *SCOM Bank Accounts*

- 8.1.1 NEC has the express authority to establish bank accounts and set signatory authority.
- 8.1.2 Bank accounts are established to meet the needs of the organization for separation of funds and the specific requirements of funding sources.
- 8.1.3 SCOM shall/recognise the following accounts:
 - a) Staff Gratuity Accounts held in a commercial bank
 - b) Staff Bank Accounts for Salaries
 - c) SCOM Salaries Current Account
 - d) SCOM Operations Account
 - e) SCOM Projects Account
 - f) SCOM Irish Account
 - g) SCOM NAC Account
 - h) SCOM FCDA Account
- 8.1.4 Apart from the above listed accounts, SCOM office shall recognize other bank accounts for various SCOM sections and regions although not directly under the direct control of the Secretariat. In the event that the assigned signatories to those accounts are not available for whatever reason at any given point, the General Secretary and National Treasurer have the overall mandate to transact business using those bank accounts.
- 8.1.5 A complete listing of all accounts and the account numbers shall be maintained by the Finance Officer from time to time taking into account any changes happening with the bank accounts.
- 8.1.6 Bank Reconciliations for each account shall be completed monthly by the Finance Officer.
- 8.1.7 Reconciled bank statements are reviewed and approved by the General Secretary on monthly basis.

8.2 *Grants and Contracts*

- 8.2.1 Financial contract and grant documents are reviewed and approved by the General Secretary, prior to being signed by the NEC Treasurer.
- 8.2.2 The Finance Officer and General Secretary will carefully review each award to ensure that SCOM will be in compliance with all financial provisions and anti-money laundering Policy.
- 8.2.3 Original copies of signed grants and contracts shall be filed in the contract file with copies to project manager (s), the Finance Officer, the Administration Officer and the General Secretary.
- 8.2.4 The Finance Officer will assign appropriate general ledger account numbers and customer numbers for each new grant or contract.

- 8.2.5 The Administrative Officer/Assistant will be responsible for preparation of payment requests and/or invoices.
- 8.2.6 The Finance Officer is responsible for preparation of financial reports.
- 8.2.7 The Finance Officer will maintain individual contract files containing copies of the grant/contract, any amendments, relevant correspondence regarding the grant/contract, and reports of expenditures or billings.
- 8.2.8 A log of all grants/contracts is maintained by Finance Officer detailing grant/contract numbers, effective dates, and reporting requirements.

8.3 *Budgets*

- 8.3.1 Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses.
- 8.3.2 The organization's budget is prepared through a staff coordinated process involving annual work plan [AWP] preparation and costing the work plan into a budget.
- 8.3.3 The Administration Officer coordinates the annual [program] work plan development while as the Finance Officer coordinates the costing of the AWP.
- 8.3.4 Budgets are submitted to the General Secretary for review prior to submission to NEC.
- 8.3.5 The General Secretary will submit an annual organization budget first to the NEC and then to AGM for their approval.

8.4 *Internal Reporting*

- 8.4.1 Monthly financial reports, including a revenue and expense report, shall be prepared and submitted to the General Secretary.
- 8.4.2 The Finance Officer shall prepare periodic financial reports [monthly, quarterly or annual] as required by funding sources.
- 8.4.3 Monthly narrative [program] reports shall be provided by the Project officers to the General Secretary.
- 8.4.4 The Heads of Sections/Managers will prepare periodic [monthly/quarterly or annual] narrative reports as required by funding sources.
- 8.4.5 Quarterly and annual narrative reports including program narrative revenue and expenditure reports will be developed and submitted to NEC by the General Secretary for determination.
- 8.4.6 The General Secretary will review and sign all reports to funding sources.
- 8.4.7 The Finance and Administration Officer and project officers will prepare and maintain, on a current basis, a listing of reports and due dates for funding sources.
- 8.4.8 It is the responsibility of the General Secretary to ensure that all narrative and financial reports are submitted on a timely basis.

9.0 RECORDS AND AUDITS

9.1 *Record Retention*

- 9.1.1 SCOM NEC sets guidelines on the retention of records which will meet the requirements of statutory requirements, as well as those of other funding sources.
- 9.1.2 Financial records, supporting documents, statistical records, and all other records pertinent to an agreement shall be retained for a minimum period of eight (8) to ten (10) years, mostly for cases of litigation, claims and audits.

9.2 Audits

- 9.2.1 SCOM is required to have a financial audit once every year.
- 9.2.2 A Request for Proposal shall be sent to audit firms qualified to provide the type of audit that meets SCOM and/or funder need.
- 9.2.3 The NEC is responsible for soliciting bids, interviewing firms and making the recommendation to National General Council [NGC].
- 9.2.4 The NGC appoints SCOM auditors based on NEC recommendation.
- 9.2.5 Acceptance of the audit contract will be evidenced by a signed audit engagement letter that contains:
 - a) The type of service to be provided
 - b) The timeframe for providing the service
 - c) The cost for the service including incidental expenses,
 - d) The term of the engagement and a clause stating “if unanticipated issues arise during the course of the audit that will result in additional fees, the audit firm will notify the Finance Committee for approval prior to incurring additional costs”.
- 9.2.6 The audit shall be completed within three (3) months after closure of the SCOM annual calendar.
- 9.2.7 The auditor shall present the initial findings to the management for comments
- 9.2.8 After incorporating the management comments, the auditor shall submit the audit report [financial statements and management letter] to NEC for determination.
- 9.2.9 NEC and SCOM management will discuss the report and determine the way forward.
- 9.2.10 The auditor will then present the audit report to the National General Council.

10.0 TRAVEL

10.1 Preamble

- 10.1.1 Travel policies and procedures ensure that all travel costs are pre-authorized, documented and are consistent with applicable regulations.

10.2 Mileage Reimbursement

- 10.2.1 The reimbursement rate for privately owned vehicles is the rate paid by SCOM for the use of private vehicles, unless otherwise established by NEC, from time to time. In the absence of guiding document in this respect, donor rates prevailing at that particular time shall apply with consent and adjustments made by NEC.
- 10.2.2 Mileage reimbursement forms must be completed in ink and signed by the claimant, approved by the General Secretary and then submitted to the Finance Officer for action.
- 10.2.3 Reimbursement for mileage expense is made along with supplier payments.
- 10.2.4 Mileage Reimbursement records are maintained by the Administrative Officer/Assistant.

10.3 Travel out of Duty station

- 10.3.1 Travel out of the one's duty station, within or outside Malawi, shall be pre-approved by the General Secretary or a designate.
- 10.3.2 Staff shall use SCOM per diem guidelines which shall from time to time be approved by NEC on recommendation from the General Secretary.
- 10.3.3 The General Secretary may approve travel advances for employees.

- 10.3.4 When authorized, the Administrative Officer/Assistant will process a Travel Advance Request for employees based on estimated per diem and other anticipated travel costs.
- 10.3.5 Liquidation of Float: Returning from a trip, employees will submit to the Finance Officer a properly authorized Travel Expense Report. The report must detail all expenses, and required receipts must be attached. The report will reconcile the advance funds received and show funds to be returned to SCOM or additional expenses to be paid to the employee.

10.4 NEC & Other Committees Travel and Reimbursements

- 10.4.1 SCOM NEC and other structural committee members will not be paid allowances and reimbursements for business expenses incurred in the performance of their duties.
- 10.4.2 SCOM may however pay for transport and meal expenses incurred to perform official duties related to the committee.
- 10.4.3 Claims for reimbursement must be approved by the NEC chairperson or the General Secretary.

11.0 RISK MANAGEMENT

11.1 Insurance

- 11.1.1 In the implementation of the risk management policy, SCOM will insure those risks which it deems appropriate using an insurance professional who is knowledgeable about the market.
- 11.1.2 SCOM shall insure these assets though not limited to them:
 - a) Motor vehicles.
 - b) Office equipment and furniture.
 - c) Capital items such as buildings.
- 11.1.3 The level and type of insurance will depend on the SCOM financial capacity and its risk appetite.

11.2 Investments

- 11.2.1 The purpose of the investment policy is to minimize financial risk and maximize returns, while at the same time ensuring that SCOM can meet the cash need for ongoing operations.
- 11.2.2 SCOM NEC shall from time to time approve SCOM investment framework based on sound investment returns appraisal.
- 11.2.3 SCOM Secretariat and appropriate SCOM structural instruments shall coordinate these investments so that they provide the maximum returns.

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(+265) 886 018 578
scomnorth@gmail.com

Voucher No.....

Cheque No.....

.....

Payment made by: **Date:**

Recipient's' Name: **Date:**

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Appendix 3



STUDENT CHRISTIAN ORGANISATION OF MALAWI

P.O Box 657, Lilongwe, Phone: (+265) 0887 208 016

Email: scommalawi@gmail.com

REQUISITION FORM

(Fill two copies)

A. Name of Officer:

Position:

Date of Request:

Purpose of Request:

.....

Amount Requesting in Words:

.....

Break down:

1.

2.

3.

4.

5.

Total:

Signature:

Period to use: From To

B. Approval:

Yes

No

Position: Signature: Date:

Comment(s):

.....

C. Authorization

Position: Signature: Date:

Comment(s):

.....