*Draft: 11/7/2013*

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**Ethiopiawinnet*: Council for the Defense of Citizen Rights***

**Guidelines, Policies and Procedures for Financial Management**

As a rights-based non-profit, *Ethiopiawinnet* has a special responsibility to its members and donors to observe fundamental principles of financial management. These principles ensure trust, and include: custodianship, transparency, accountability, consistency, integrity, and sustainability. Since we currently have neither fixed assets nor paid staff, our guidelines must necessarily be brief and simple.

Good practice requires that *Ethiopiawinnet* routinize its legal and moral obligations to:

● Record all financial transactions,

● Monitor and control expenditures and reimbursements,

● Satisfy organizational audits and IRS reporting requirements, and

● Ensure timely and accurate financial reporting.

Accordingly,

1. Requests for funds, other than petty cash, shall be presented to the BOD (via the Chairperson) with sufficient detail and justification.
2. An annual budget shall be prepared by each Division/unit and for each account category (Legal Defense Fund, Advocacy Fund, Membership Fees, etc.). These are to be consolidated by the Finance Division and approved by the Board prior to the beginning of each fiscal year.
3. To facilitate this, the Treasurer shall keep detailed records of income (membership dues, grants from donors, gifts, fundraising revenues, interest received from deposits, etc.). These balances (in cash, check and bank transfers) must be reconciled with bank statements. The records must specify budgeted recurrent and special expenditures by account, including the procurement of goods and services (such as annual meetings).
4. The Treasurer shall provide periodic reports on the consolidated budget (planned and actual incomes, planned and actual expenditures, and planned and actual net incomes) preferably quarterly and, an audited one, annually. Any expenditure should be supported by invoice/bill authorized by a responsible officer of the concerned Division and approved by the chairman of the Board or another authorized person prior to payment.
5. The Treasurer shall transfer or expend funds only for items that are authorized by the Board of Directors and upon receiving sufficiently detailed invoices or receipts so as to verify that the money was spent for the intended purposes. Copies of all paid invoices/bills will be filed in the finance division.
6. Where the Board of Directors had made exceptions, the Treasurer may pre-transfer funds upon receipt of an itemized planned expenditures with the understanding that the recipient of the funds will submit the appropriate receipts to justify the disbursed funds before the end of the relevant quarter. If such receipts are not provided, the recipient shall be asked to return the funds, and shall no longer receive transfer pre-authorized block funds.
7. The Treasurer shall provide fully-specified receipts, in the form of paper or email or text message, for any amount received.

These guidelines are subject to amendments from time to time.

Effective: November xx, 2013.