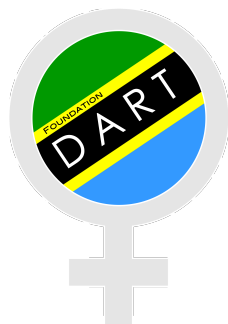


Financial management policy

Foundation DART

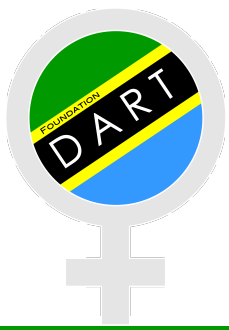


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General information

Name of the foundation	Foundation DART
Chamber of commerce number	54872545
Rabobank number	121577546
RSIN	851473210
Name of the founder	Dorocella Reuben
Address	Siguitsedijk 21 4434 NB Kwadendamme, The Netherlands
Phone number	+25 5783115868
E-mail address	info@foundationdart.com
Website	www.foundationdart.com
Local office	DART house
Registration number	ooNGO 00005591
Address	Postal address 2139 Bwiru-ilemela District Mwanza, Tanzania



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Introduction

Foundation DART is an organization that helps to change girls' lives in Tanzania. We strongly believe that education is the door to freedom and a chance of a bright future for all girls. Foundation DART is ready to support the young girls to its capacity and ability with the help of Tanzania.

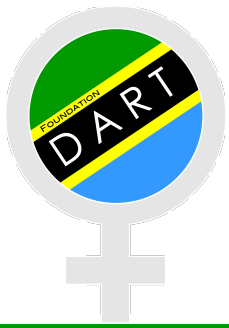
DART stands for Dorocella's Aid Reaction in Tanzania. The main goal is to provide young girls in Tanzania education and shelter and therefore a better future.

Dorocella's personal motive - My name is Dorocella Reuben Vermue. I was born in the land of rare beauty, Tanzania. I grew up in Bukoba and Mwanza in Tanzania. This is also where I was educated. I finished my secondary education in Mwanza.

After this I was trained by Air Tanzania Cooperation and studied for an Advanced Diploma in International Air Transport with the Association (IATA/UFTAA) in the year 1982-1984. There I was taught how to associate and deal with many different types of people, both young and old. In 1984 I became employed with the same company ATC for 3 years.

At this moment I live in the Netherlands with my husband and two children. I always visit Tanzania once a year. After leaving my country to live in the Netherlands and having my own daughters, I see the way their life and schooling is. This life, the possibilities for their future is very different than the life girls in Tanzania can have.

When I return to Tanzania, I see the way it still is for these young girls, that have no voice. And after returning to my Country every year, I know that nothing will change for these young girls that can't choose their own future. Until somebody does something. I choose to do something.



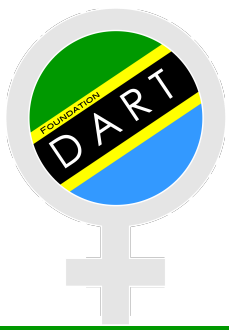
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Interpretation and Abbreviations

In this Foundation DART Policy:

- “CEO” Chief Executive Officer
- “Foundation DART” means a non-governmental organization
- “Foundation DART” means an organisation
- “The Act” means the Non Governmental organization’ Act 2002 (Act No. 24 of 2002).
- “NGO” means the Non Governmental organization’
- “Vulnerable girls and Communities” means, girls and community living in disadvantaged conditions, poor life are dangerous lives.
- “The Constitution” means the constitution of Foundation DART
- “Board of Directors” means the Board of Directors of the organization
- “Member” means a member of the organization or Member of the Board of Directors as the context requires.



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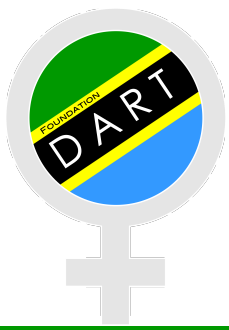
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1.1. Legal status

Foundation DART is a non- governmental organization, and not affiliated with any political and religious' institutions, it is governed by its constitution- Foundation Dart is registered in Tanzania under NGO's Act of 2002 with registration No. SO....and in Netherlands is registered by Chamber of Commerce with registration No.....

1.2. Vision is having girls and community living in good livelihoods.

1.3. Mission is to facilitate, empower and build capacity of girls and community on social-economic, traditional and culture.

1.4. Values

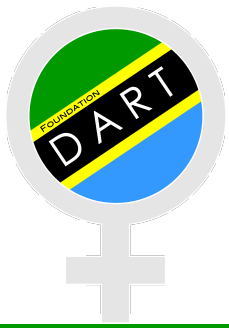
Good governance, Gender balance, Human Rights, Fairness, Team working, Transparent, Commitment, Collaboration and Networking and Volunteering.

1.5. Target groups and audiences

Are being but not limited to; most vulnerable girls ,women, widows, orphans, street and most vulnerable children, people with disabilities, girls from poor families, children and youths who are in most vulnerable conditions.

1.5. Core functions in general

To prepare, empower and build capacity of our target groups and audiences through provisions of services on social-economic, cultural, advocate for their rights and dealing with cross cutting issues affecting them so as to improve their livelihoods.



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2.0. Financial management

2.1. Introduction

Foundation DART's financial management policy is basically a manual that covers the accounting policies, systems and procedures of the organization. It is developed not only for governing the financial transactions of the organization so that its staff can follow the set systematic procedures but also to fulfil local statutory requirements and demonstrate the strong management practices adopted by Foundation's board of directors, relevant stakeholders and development partners.

2.2. Scope of the foundation DART's financial

2.1. Management policy

This Financial Management describes the accounting policies, systems and procedures to be used by the organization. The Policy will cover the input, processing, output, control and distribution of financial data. It has been developed to set out the accounting policies and procedures that will:

- ❖ Ensure that the organization's books of accounts are prepared to conform to sound accounting principles and practices.
- ❖ Enable the management to obtain accurate and timely financial reports on monthly basis, thereby promoting sound financial management.
- ❖ Ensure correct and accountable use of funds and other resources. The approach used is in line with generally accepted accounting principles and organization's best practice reporting requirements.

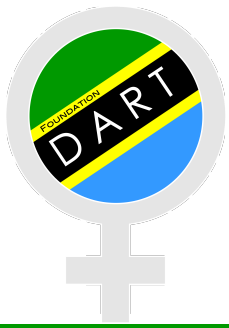
2.3. The main purpose of the Policy is:

- ❖ To assist in the maintenance of controls.
- ❖ To provide a training and monitoring resource.
- ❖ To be used as a reference document by the staff, management, auditors and other stakeholders.

2.4. The objectives

2.4.1. This Policy has been written for use as follows:

- ❖ As a means of reference to management, supervisors, new and existing accountants staff, auditors, and as the basis of training staff, and ensuring that appropriate controls are in place.
- ❖ As a clearly defined list of the tasks to be carried out by each individual
- ❖ As a timetable for processing transactions and producing reports



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- ❖ As a guide to evaluators and any monitoring consultant who may wish to review the institution's progress."

2.5. The system and procedures

2.5.1. The procedures will have the following objectives:-

- ❖ To enhance completeness and accuracy of the data posted from source documents (say invoices, payments receipts, journal and cashbook) to the computerized system.
- ❖ To provide accurate and reliable reports to enable management to perform effective control over the operations of the organization.
- ❖ To detail the operation and administration procedures for input, processing, output and distribution of data to ensure security of data and documents.

3.0. Key principles

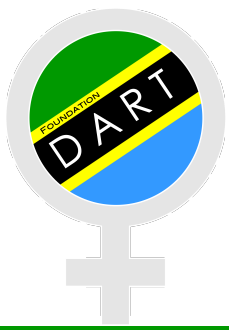
The key principles Financial Policy are:

3.1. Organization funds

- ❖ Organizational funds belong to the **Foundation DART** should not be used for private purposes, including private grant or loan.
- ❖ Funds should be carefully used in an effective way in the best interests of the organisation.
- ❖ All Board, Staff and members are responsible for the careful and honest use of funds.
- ❖ Funds granted to FoundationDart for a specific purpose will be used for that purpose.

4.0. Collective accountability

- ❖ All Board members and staff of FoundationDart have a collective (shared) responsibility for the financial health of an organisation.
- ❖ Each person has specific financial responsibilities.
- ❖ Everyone on the Board is also responsible for examining and questioning the monthly financial report and for formally approving it.



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5.o. Transparency

- ❖ All financial documents and reports should be available to all members, Board and staffs.
- ❖ Annual accounts should be available to all members.

6.o. Separation of duties

- ❖ This principle states that no one person covers all financial tasks. Where ever possible, financial tasks are split between two or more people.
- ❖ Usually one person will do the task and another person will check the task is done correctly.

6.1. Roles and responsibilities

6.2. Chief executive officer

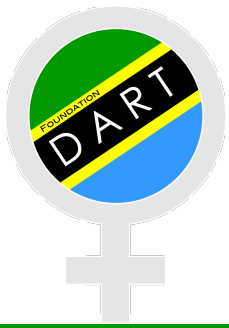
In relation to Foundation DART's Financial Management policies, system and procedures, the CEO will undertake to:

- ❖ Ensure the Foundation DART has written financial policies and procedures that have been adopted by the Board Foundation DART
- ❖ Ensure that the Board and staff have a copy of these, have read them and understand them
- ❖ Ensure financial management policy is implemented effectively
- ❖ Ensure a yearly Budget is prepared and approved by the Board and that a six monthly review is carried out
- ❖ Ensure the Board meets regularly (monthly if possible) to review and approve financial reports
- ❖ Liaise with Treasurer and Financial Committee to ensure financial reports are prepared
- ❖ Read and question monthly financial reports
- ❖ Act as a cheque signatory
- ❖ Check the Payment Voucher and the individual cheque before signing and authorising the payment

6.3. Treasurer

In relation to Foundation DART's Financial Management policies, system and procedures, the Treasurer will undertake to:

- ❖ Ensure financial management policy is implemented effectively



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- ❖ Liaise with CEO on financial matters and bring any irregularities to her attention urgently
- ❖ Ensure a yearly Budget is prepared and approved by the Board
- ❖ Ensure financial reports are prepared for the Board and check their accuracy
- ❖ Present these reports to the Board and be able to answer questions on these reports
- ❖ Act as a cheque signatory
- ❖ Check the Payment Voucher and the individual cheque before signing and authorising the payment
- ❖ Check the monthly Bank Reconciliation against the Bank Statement
- ❖ Ensure cheque butts are completely correct and are readable; regularly carry out spot checks on procedures and financial documents

6.4. Financial committee

The financial's committee is comprises with;

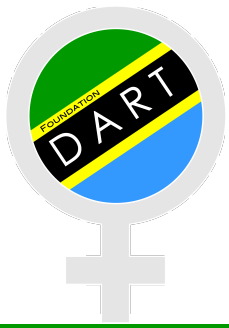
CEO, Tresurer, Coordinator, Secretary General, and Board representative and there for in relation to Foundation DART's Financial Management policies, system and procedures, the financial committee will undertake to:

- ❖ Meet monthly to review and approve financial reports prior to the Board meeting
- ❖ Check the monthly bank reconciliation against the bank statements
- ❖ As appropriate carry out spot checks on procedures and financial documents
- ❖ On a monthly basis, check the payment voucher file to ensure all payment vouchers for that month have been completed

6.5. Board members

In relation to Foundation DART's Financial Management policies system and procedures, all Board Members will undertake to:

- ❖ Read and understand Foundation DART's Financial Policy and Procedures
- ❖ Learn to understand the financial budgets and financial reports
- ❖ Approve the Foundation DART's Annual Budget
- ❖ Read and question monthly financial reports that are tabled at the Board meetings



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- ❖ Approve these monthly financial reports and specifically the monthly payments

6.6. Secretary General

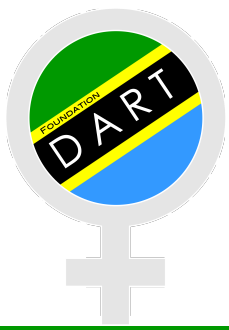
In relation to Foundation DART's Financial Management policies, system and procedures, the Secretary General will undertake to:

- ❖ Manage the organization's financial systems efficiently
- ❖ Prepare the annual budget in consultation with the CEO and Treasurer
- ❖ Act as a cheque signatory
- ❖ Check the Payment Voucher and the individual cheque before signing and authorising the payment
- ❖ On a monthly basis check the Payment voucher file to ensure all payment vouchers for that month have been completed fully
- ❖ Check the monthly Bank Reconciliation against the Bank Statement
- ❖ Assist as necessary with the preparation of the month financial report and review it
- ❖ Inform the Treasurer if any budget line is close to budget
- ❖ Ensure all financial records are kept up to date

6.7. Coordinator

In relation to Foundation DART's Financial Management policies, system and procedures, the coordinator will undertake to:

- ❖ Receipt all income and bank daily
- ❖ Ensure all income is banked by the last day of the month
- ❖ Make all payments on the due date using a payment voucher
- ❖ Ensure all appropriate documents are attached to payment vouchers and file them in cheque order
- ❖ Ensure the voucher is signed by any client after receiving payment
- ❖ Take responsibility for the cash box and petty cash recording
- ❖ Backup all financial electronic files weekly



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- ❖ Carry out the monthly bank reconciliation, prepare the monthly Income and Expenditure report and submit this to the Foundation Dart the CEO for presentation at the monthly Board meeting, ensure records are kept up to date.

7.0. Financial policy summary

7.1. Financial planning

- ❖ A full organization budget will be prepared annually or for the need of any project, program and activity
- ❖ A budget review will be undertaken after six months or requirement where necessary

7.2. Bank account

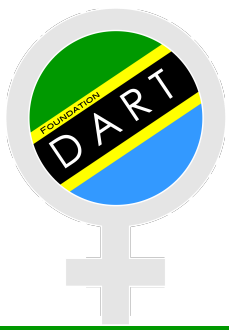
- ❖ Foundation DART name will hold a bank account
- ❖ Each project will have independent account for smoothness of monitoring and auditing
- ❖ The signatories to the bank according Foundation Dart are the CEO, Secretary General, Treasurer and the Board member chairperson.
- ❖ Two signatories are required on each cheque

7.3. Income

- ❖ All income is receipted
- ❖ All income is banked into the Foundation Dart 's bank account
- ❖ No unbanked income is used for petty cash
- ❖ Ideally income is to be daily but must be banked weekly. All Income, no matter how small, is always banked by the end of the month.

7.4. Expenditure

- ❖ All expenditure must have an approved budget allocation
- ❖ No blank cheques are to be signed by any cheque signatory
- ❖ The Secretary General will sign cheques only when two Board members are unavailable
- ❖ All payments over 500,000 Tshs are to be paid by cheque payment
- ❖ Every cheque payment must have a Payment Voucher completed



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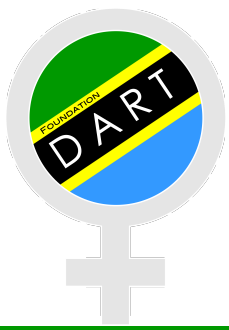
- ❖ Each Payment Voucher is to be authorised by the people who sign the cheque it relates to
- ❖ Payment vouchers are to be signed by the person who receives the cheque wherever possible
- ❖ Separate Payroll records are to be kept for all salaries and wages
- ❖ Small payments under 500,000 Tshs may be paid using the Office petty cash, at the discretion of the CEO
- ❖ The office petty cash total be 500,000 Tshs
- ❖ Any matter related to development partners' grants will be subjected to discussions regarding relevant policies between and Foundation Dart development partners

7.5. Accounting for income and expenditure

- ❖ Income and Expenditure is to be accounted for
- ❖ Electronic records are kept using the linked Excel cashbook
- ❖ Income and expenditure data is entered into the cashbook on a regular basis, at least weekly
- ❖ Bank reconciliation is carried out monthly.
- ❖ The bank reconciliation is to be checked by the Board Chairperson and the Finance Committee

7.6. Reporting

- ❖ A monthly bank reconciliation report is prepared and printed. This reconciliation is reviewed and checked by both the Board Chairperson and Finance Committee. It is to be attached to the bank statement it relates to and filed in the Bank Statement file.
- ❖ Monthly Income and Expenditure reports for the organisation are to be prepared and printed by the Secretary General.
- ❖ Monthly financial reports are presented by the Treasurer at the monthly Board meeting
- ❖ After approval by the Board and signed by the Treasurer, the monthly report should be filed in a separate file.



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7.7. Record keeping

The following records are to be kept and maintained by staff. The files are to be kept in a safe and secure place known to and approved by the Treasurer and CEO.

- ❖ Physical records: Receipts books, cheque books, income file, payment voucher file, bank statement
- ❖ file, Monthly Income and Expenditure file
- ❖ At the end of the financial year, the financial records for that year are to be archived and stored in a safe place.

7.8. Annual accounts and audit

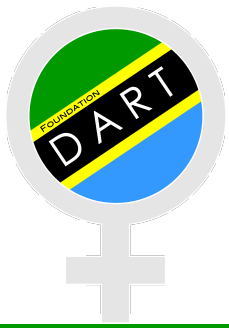
- ❖ Annual Accounts are to be prepared
- ❖ Annual Accounts are to be audited
- ❖ Annual Accounts are to be presented to members at the Annual General Meeting

8.o. Misuse of funds

- ❖ Any suspected misuse or misappropriation of funds will be investigated by the Board of directors
- ❖ Once the investigation is to follow fair procedures. Once completed and the facts clearly established, the Board Chairperson / Treasurer will take appropriate action. For minor issues this may be kept to internal disciplinary action. For serious offences, the matter will be referred to the Police
- ❖ The CEO will inform the Board of any serious offences and the action taken

9.o. Board volunteerism

- ❖ The Foundation Dart , s Board members agree to work for the organisation in the spirit of volunteerism
- ❖ No Board meeting allowances will be paid
- ❖ All work done for Foundation Dart by Board members will be unpaid



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10.0. Computerized system

Foundation DART will apply computerised system according to accessibility and literacy to its availability resources and technologies

11.0. Documentations

Foundation DART will apply the following document on all matter related to finances and funds, but not limited to these documents, might be more;

Cash book, Bank payment voucher, Bank reconciliation report, Petty cash, Journal, Balance sheet, Bid analysis, Payment requisition form. Time sheet, Purchase order, local purchase, retirement form order, Budget plan and other applicable documents.