



JKUATCU FINANCE POLICY DOCUMENT

The Finance(Treasury) is a docket within JKUAT Christian Union that deals with the mobilization of resources, receipt of all monies, preparation of budgets and overseeing their due realization, disbursement of the various monies, and custody and valuation of the Union's assets.

This docket works on the following:

1. **Vision:** *To make JKUATCU financially self-sustaining as a vineyard of the Lord.*
2. **Key values:** *Transparency and integrity.*
3. **Motto:** *Maximize returns and minimize costs maximally.*

To ensure that there is a smooth running of this docket, the following controls shall be applied:

1. General provisions

- a) The signatories of the Union shall be any two of the following:- the Chairperson, the Treasurer and the Secretary. No money shall be withdrawn from the account without the knowledge of the three.
- b) Every financial resolution that is reached by the Executive Committee must be minuted and signed for by both the Secretary and Treasurer. This shall be kept by both the Treasurer and Secretary for future referencing.
- c) In circumstances where the annual budget is (to be) breached, the Executive Committee must be in the know and must approve any adjustments. This expenditure must be well documented for filing and reference purposes.

2. Cash controls

- a) A holistic banking system will be taken up for all the cash. This is to curb the inconsistencies that come with financial recklessness. All monies received should be banked before any kind of usage.
- b) The budget for any expenditure should be submitted two weeks by the various ministerial and subcommittee representative (treasurers) to the JKUATCU treasurer, prior to the targeted date of receipt

c) The treasurer of the Union shall then meet with the finance committee before the end of the month in which the budget has been submitted, where they will discuss and come up with an objective standard CU budget; This budget shall then be presented to the Executive committee on the first Monday of every month for ratification.

d) All monies to be spent will be gotten by the use of requisition forms and not just the petty cash vouchers. These forms are to be filled by the respective members of the Executive Committee a week prior to the expected spending time. They should then be checked by the Union Treasurer and approved by the Union Chairperson.

e) The stipulated docket representatives are the ones to receive any cash, on approval, from the Treasurer.

f) A receipt shall be given out by the Treasurer for any cash received.

g) No cash, beyond Ksh 4000, shall be given out by the Treasurer unless it has been approved by the Executive Committee. This shall be the case even if the expenditure is within the stipulated budget.

g) The Treasurer shall maintain a cash float of Ksh 15,000 weekly. This money shall be kept in the treasury's safe as petty cash for use during the week.

h) **Cash refunds:**

i. If, due to unavoidable circumstances, the authorized recipients incur a cost using their own personal money to acquire goods/services relevant to their dockets and the holistic CU objectives, then they shall be entitled to a refund from the Treasury.

ii. The refund shall only take place on presentation of an authentic receipt or any other valid document confirming the transaction.

ii. The claim shall be expected to be made within four (4) days from the transaction day beyond which no refund shall be given; unless a clear and reasonable explanation is given.

3. **Subsidies**

These are the monies given out to the various ministers and/or facilitators during the CU endeavours.

a) The appreciations during the Wednesday fellowships and Sunday services shall be Ksh 2000

b) The training subsidy shall be in the tune of Ksh1000.

c) The fellowship appreciations shall be picked and signed for by the Vice Chairperson prior to the fellowship while the training subsidies shall be picked and signed for by the BS and Prayer Secretary.

4. **Credit top ups.**

The credit top ups will be on NEED basis and MUST be ONLY used for the Christian Union purposes. The credit top ups disbursed per week will be as follows :

a) The Chairperson: Ksh 200

b) The Treasurer: Ksh 100

c) The Vice-Chairperson Ksh 100

d) The Secretary: Ksh 200 :>(This is because the Secretary shall be in custody of the CU phone that shall be utilized by every other member of the Executive Committee).

5. Support by the CU

a) The CU shall financially support its members for **stipulated leadership conferences and summits**, such as Ezra conference and Commission among others which are in line with its mission. The CU will support its members ONLY to the extent it best possibly can while not hurting its' financial position.

b) The CU shall stand with its members when **bereaved** in the form of a **love offering** upto the tune of not less than Ksh 4000 or as shall be apportioned by the Treasurer. To qualify for this, the member should have lost an immediate family member (i.e. a sibling, a guardian or a parent).

c) The cu shall stand in support with the respective evangelistic teams captured in the cu constitution in article 18 with a semester subsidy of upto kshs 1500 per evangelistic team provided it doesn't hurt the Christian union's financial position. This amount will be issued upon the submission of budgets from the evangelistic teams to be discussed by the financial committee and approved by the executive committee.

d) **The associates** who may need support from the CU:

i. Must have actively served either as a subcommittee member or leader within the CU.

ii. Must expressly state their need in writing; attaching their respective budgets.

This shall be done at least one month (four weeks) prior to the date of receipt.

The letter shall then be objectively considered by the Executive Committee and recommendations shall be sought from the Finance Committee.

iii. Shall receive up to 10% of their entire budget so long as it does not hurt the CU's financial position.

iv. Shall only be supported if it's in the pursuit of ministry work.

e) **Giving to FOCUS** shall be done in the following stipulated ways:

i. A Focus Giving (10%) of the offerings. This is to be realized on a monthly basis.

ii. Paying of house rent for the campus STEM staff.

6. Valuation of assets

a) The valuation of the CU assets is a process that shall be undertaken periodically. As such,

i. They shall be re-valued after every year. This is to ensure that the assets are well valued for better assessment and analysis. However, if need be, the asset will be re-valued within a shorter period.

ii. The process shall be based on the actual and existing assets; with their respective costs values compared to their current market values. In cases where no documents are available, then the market value shall be applied for the revaluations.

b) Losses and damages shall also be duly considered for a better overview of the assets in the Fixed Assets Schedule. Damaged and lost assets shall be deducted at their net book values to ensure that the ultimate value is true and fair. If the damaged assets are sold off at a price, they should be written off and the income generated or loss incurred recorded in the income and expenditure account.

c) Materiality of the losses and revaluations shall be significantly considered.

d) Depreciation will be applied as follows:-

Item	Depreciation Rate (%)
Music equipment and instrument	25
Library books	5
Furniture and fittings	12.5
Computer and accessories	25
CU phone	20
Hospitality equipment	20
Ushers equipment	10

7. The Finance Committee

There shall be a Finance Committee within the CU. The finance committee will compose of 5 members, with the CU Treasurer as the Chair. Members of the Finance Committee must be people whose integrity is above board. Where members do not possess any accounting knowledge, financial training will be mandatory to basic accounting.

This Committee shall inter alia:-

- a) Be tasked with reviewing the departmental budgets submitted and coming up with an objective standard CU budget; and disbursing of money allocated to these departments.
- b) Appraise any projects that are to be undertaken by the CU.
- c) The committee will also be prepare the financial statements for the interim and final financial period
- d) Update the Executive Committee on all the financial decisions reached through the CU treasurer.
- e) The Finance Committee shall sit at least once a fortnight.

8. The audit

- a) There shall be an audit of the financial statements of the CU at least once every year, with an interim audit on need basis.
- b) The books of accounts shall be closed 2 months prior to the AGM to give the external auditor ample time with the books of accounts as well as the Finance Committee enough time to effect any changes recommended.
- c. The Finance Committee shall give the auditors all the necessary support that shall be desired.

9. The Auditors

The CU shall have an external auditor as well as internal auditors.

a) **External Auditor**

- i) The external auditor(s) shall be engaged (appointed) with a letter of engagement so that the services that they offer can be official and binding.
- ii) There will be a clear way of appreciating the external auditor(s) for their services to the Union.

The fee will be clearly stipulated. The fee (which could act as remuneration) will be set as the sitting Executive Committee shall see fit.

- iii) The auditors' term will be renewed and clearly stated in every AGM of the Union. It shall be passed as a resolution well noted in the minutes and documented.

b) **Internal Auditor**

- i) The internal auditors will be appointed in a clear process. They should possess good accounting knowledge and be students within the university in the Christian Union.
- ii) Appreciation could be by way of certificate and/or any way the Executive committee so wishes.
- iii) They will be tasked with testing for strong internal controls within the financial system

as general audit throughout the financial period.

The auditors:-

- i. Must subscribe to the Christian faith.
- ii. Must be registered members of the Institute of Certified Public Accountants of Kenya (ICPAK) or affiliates/members in the ACCA global register. This is particular to the external auditors.
- iii. Shall uphold the International Standards of Auditing (ISAs) and due independence at all levels.
- v. Shall carry out their work with due professionalism and be honest enough in their opinion.
- vi. Shall hold office for a term of not more than three years.

The Finance Committee shall suggest and scrutinize names of potential CU auditors. These shall be tabled before the Executive Committee, who shall settle on one, on the advice of the Treasurer.

10. **Financial Year**

The financial year will end 2 months before the stipulated date for the AGM. The finance committee will ensure that the financial statements are prepared by this time. This shall ensure that the auditors get good and sufficient time with the books of accounts of the Union, as well give time to the Finance committee to effect recommendations given by the auditors.

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