



Youth Peace Talks Initiative

FINANCIAL MANAGEMENT POLICIES

July 5, 2022

I. Introduction

The purpose of these Financial Management Policies is to ensure the effective and efficient management of YPTI's financial resources. These policies provide guidelines for financial decision-making, safeguard the organization's assets, ensure legal and regulatory compliance, and maintain accurate and transparent financial reporting.

II. Roles and Responsibilities

- **Board of Directors:** Oversees the organization's financial management, including approval of budget, financial policies, and significant financial decisions.
- **Finance Committee:** Assists the Board in financial oversight; recommends financial policies; reviews budgets, reports, and audits.
- **Treasurer:** Oversees the development of financial policies and procedures; ensures accurate reporting and compliance with financial management standards.
- **Executive Director:** Implements financial policies; oversees day-to-day financial management; ensures operational alignment with budget.
- **Finance Staff:** Manages accounting functions; prepares financial reports; maintains financial records; ensures compliance with policies.

III. Budgeting Process

- A comprehensive annual budget will be prepared and reviewed by the Finance Committee, then approved by the Board of Directors.
- Budget revisions must be approved by the Board when significant deviations occur.

IV. Accounting Practices

- YPTI shall adhere to Generally Accepted Accounting Principles (GAAP).
- All financial transactions must be recorded promptly and accurately.

V. Internal Controls

- Segregation of duties shall be maintained to prevent fraud and error.
- Authorization and approval processes for expenditures will be clearly defined and adhered to.

VI. Audit and Financial Review

- An independent audit shall be conducted annually.
- Audit findings will be reviewed by the Finance Committee and presented to the Board.

VII. Financial Reporting

- Regular financial reports, including income statements and balance sheets, will be prepared and reviewed by the Finance Committee and presented to the Board.
- The Treasurer will provide a financial update at each Board meeting.

VIII. Investment Policy

- Surplus funds may be invested in low-risk, income-generating instruments, as approved by the Board.

IX. Procurement Policy

- Competitive bidding shall be used for significant purchases.
- Conflict of interest must be avoided in all procurement decisions.

X. Expense Reimbursement

- Procedures for the submission and approval of expense reimbursements will be established.
- All reimbursements must be supported by receipts or other documentation.

XI. Reserve Policy

- A reserve fund will be maintained for financial stability and risk management.
- Usage of reserve funds requires Board approval.

XII. Donor Contributions and Grants Management

- Contributions shall be recorded and acknowledged promptly.
- Grant funds will be managed according to grantor requirements.

XIII. Record Retention

- Financial records will be retained according to legal requirements and best practices.

XIV. Conflict of Interest in Financial Matters

- Financial decisions must be made in the best interest of YPTI, avoiding any conflicts of interest.

XV. Policy Review and Amendments

- These policies will be reviewed annually and amended as necessary by the Board of Directors.