

SECTION 4 FINANCE

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4.1 - [Placeholders]

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4.0 – [Placeholders]

4.1 - [Placeholders]

4.2. Income From Tuition and Fees

4.200 School Fees

Setting the School fees

Annually, at the time the operating budget for the ensuing school year is adopted, the Board, upon the recommendation of the Director and the Finance Committee, shall set a schedule of tuition and the other school fees deemed necessary for that year. The tuition and fee schedule shall be established based on estimated student enrolment, available financial resources and budget requirements.

The Director shall submit appropriate financial and other relevant information to the Board to support his/her recommendations for the school fees.

The amount of all fees are subject to Board approval annually. The Board shall give appropriate advance notice of changes, and shall publish its current tuition and fees schedule for parent information.

Payment

The School is a not-for-profit entity. The School generates earnings only in order to cover costs and have enough reserves for the future sustainability of the School's operations. Therefore, in order to ensure sufficient resources for the School's operation, tuition and other fees are fully payable in accordance with the School's policy.

The Director shall ensure that payment options are clearly outlined and distributed annually to the School Community and to all new families at the time of enrolment.

DATE OF ADOPTION:	February 06, 2014
DATE OF IMPLEMENTATION:	February 06, 2014
CROSS-REFERENCES:	4.201 Annual Tuition Fee
	4.202 Annual Tuition Deposit
	4.203 Annual Capital Fee
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4.201 Annual Tuition Fee

An Annual Tuition Fee shall be paid for each student for each year enrolled at the School. Tuition Fees vary with grade levels. The Tuition Fee covers operating costs, including overheads, salaries and educational materials, workbooks, the use of textbooks and some extra-curricular activities. It does not include certain items required for personal student usage, such as uniforms, transportation to and from school, lunch and personal school supplies.

The Annual Tuition Fee shall be set by the Board.

Late Admissions

New students entering after the School Year has commenced will be invoiced on a pro rata termly basis. Fees shall be invoiced fully for the whole term if students begin classes during the first four weeks of the term. From week five onwards, half of the term's fees shall apply

When a student is not attending at the beginning of the School Year or the beginning of a term despite being enrolled, his or her seat can only be reserved if the student's Annual Tuition Fee has been paid for the concerning term. A seat can only be held for the school year under review. The seat held is neither transferrable to another student nor automatically rolled over to the next School Year.

Early withdrawals

In case students leave or release a seat being held during the School Year, the Annual Tuition Fee shall be refunded pro rata from the moment the student leaves on the condition that the parents of the concerning student have given the School a minimum of 4 weeks written notice before they leave. No refunds shall be made for a term that has already started.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 DATE OF AMENDMENT : February 08, 2018
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.202 Annual Tuition Deposit

The Annual Tuition Deposit is to be paid by returning students in advance of a School Year by the due date specified in the Fee Circular to ensure a seat for the next School Year. The deposit represents the family's commitment to join the School. A student is re-enrolled in the next year only when the current outstanding sum is cleared, the Annual Tuition Deposit set by the Board is paid and the completed re-enrolment form is submitted by the due date.

For newly enrolled students, this deposit is payable immediately on admission.

This deposit is neither refundable nor transferable. The deposit is deductible from the first payment of the Annual Tuition Fee. If a family decides to withdraw the student(s) after the payment of the Annual Tuition Deposit, the deposit shall be forfeited.

The Annual Tuition Deposit shall be set by the Board.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.203 Annual Capital Fee

An Annual Capital Fee shall be paid for each student. The Annual Capital Fee shall be levied as a contribution by the parents to cover the School's capital expenditures.

All parents pay the full capital fee in the first installment irrespective of the payment plan selected.

The Annual Capital Fee is not refundable nor transferable.

The Annual Capital Fee shall be set by the Board.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.204 Building Fee

A Building Fee shall be paid by all new students enrolling at the School. The fee is assigned to the Building Reserve Fund, a School Reserve Fund that is specifically designed for major building projects, land and/or property purchase, new construction, expansion and major infrastructure improvements.

For Grades EC1 to G10, a staggered building fee payment plan is offered. For Grades 11 and 12, this fee is payable fully in the first school year of admission.

The Building Fee is neither refundable nor transferable.

The Building Fee shall be set by the Board.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 DATE OF AMENDMENT: April 21, 2016
 December 07, 2016
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.205 Application Fee

A one-time Application Fee shall be paid for all new students who apply to the School. The Application Fee ensures the processing of the application for admission of a new student or of a student returning after an absence of one year or longer.

Completed applications will only be processed after receipt of the Application Fee or upon submission of adequate proof of payment.

Payment of the fee does not guarantee that a child may be admitted.

The same procedure will apply to students leaving and re-joining the School in the future.

The Application Fee is neither refundable nor transferable. A partial refund shall apply in cases where the School is unable to admit a child or when a child leaves a waiting list. The Director shall set the rates for the partial refunds.

The Application Fee shall be set by the Board.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.206 Alumni Fee

Alumni Fee: A one-time non-refundable Alumni Fee is payable by every new student on admission. This fee will be administered by the School for Alumni outreach activities.

The Alumni Fee is not refundable nor transferable.

The Alumni Fee shall be set by the Board.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.207 Family Deposit

A one-time Family Deposit shall be paid upon enrolment at the School. The entire deposit amount shall be paid upfront at the time of joining the School.

This deposit is refundable, without interest, at the time last child of the family leaves the School. The School reserves the right to adjust this refundable security deposit against any amount due and outstanding from any fees, activity fee, library or any other area, prior to refunding the deposit.

Deposits unclaimed for over three years from the date of the last child leaving School shall be transferred to the School's Operating and Capital Reserve Fund.

The Family Deposit shall be set by the Board.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.212 Refunds

4.208 Payment Schedule

In order to provide payment flexibility to parents, the Board may approve instalment payment plans to enable parents to pay their fees. The Director shall develop a schedule for these payment options. This schedule shall be published with the Annual Tuition and Fees Schedule.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.210 Late Payments
 4.211 Special Payment Terms

4.209 Currency and Method of Payment

Currency

All fees are based in US Dollars. Payments made in Tanzanian Shillings, Sterling Pounds and Euros are converted into US Dollars at the internal School rates prevailing on the day the sums are received by the School and credited in the School's bank account. Though the School endeavours to align its internal conversion rates with those of the market, it shall not be responsible for foreign exchange differences. To avoid exchange differences, parents are requested to contact the Fees Department for the current day's exchange rate.

Invoices

Invoices shall be issued annually before School begins (for returning students) or at the time of enrolment (for new students) indicating the school fees due for each child. Parents are billed for school fees and shall be responsible for prompt payment of such fees by the due dates. The School does not take responsibility of informing employers who pay the fees for their employee's dependents.

Methods of payment

The Director shall establish regulations in support of this policy as well as provide parents with the specific payment details they need in order to make the necessary payments to the School.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees

4.210 Late Payments

All school fees are due by the dates indicated in the notices to the parents, unless other arrangements are approved by the Director.

The Board authorises the Director to levy late payment fees, disenroll students, or both, in cases where payment of tuition and/or other fees is in arrears. The Director shall develop appropriate regulations and present them to the Board periodically.

DATE OF ADOPTION: February 06, 2014
 DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees
 4.208 Payment Schedule
 4.211 Special Payment Terms

4.211 Special Payment Terms and Scholarships

Special Payment Terms

The Board recognises that, from time to time, some parents might have difficulty in making scheduled tuition payments.

To that end, the Board authorises the Director to consider deferred payments or special payment terms in extreme and/or unusual cases and when it is in the best interests of the School and student to do so. This shall be done on a case-by-case basis and upon written presentation of the circumstances said to justify an exception to the published fee payment schedule.

Partial Scholarships

Partial Scholarships may be awarded to students with special merit who might otherwise not be able to attend IST. This program would also be open for current students enrolled in the school who are facing temporary financial difficulty.

The Board recognises the potential benefits to the school community of occasional awards of scholarships that provide full or partial fee reductions for particular students. These might include, for example, students with special aptitude in one or more academic areas, the arts or sports, as well as assistance provided to families undergoing financial hardship. It is also recognised that partial scholarship awards might at times assist the school in filling otherwise vacant spaces in particular Grades for limited periods of time.

IST will, at the discretion of the Scholarship Committee, award partial scholarships up to 33% reduced fees. These partial scholarships will be provided for minimum of 1 year and maximum 2 years, for deserving cases. Students can re-apply for this program, however awarding of the partial scholarship is not guaranteed.

Partial scholarships will be awarded to students at the discretion of the oversight committee only. The oversight committee shall consist of the Director and members of the Senior Leadership team. The oversight committee will report to the Executive Committee of the Board of Directors.

Full Scholarships

Full scholarships will be given to a limited number of Tanzanian low income students.

- To assist able Tanzanian students who otherwise would not be able to afford an IST education.
- To provide additional perspectives and life experiences to other IST students.
- To build public relations and the school's good standing in Tanzania and beyond.
- To increase the diversity of backgrounds in the student body.

Full Scholarships are available to citizens of Tanzania only

- The number of full scholarships available in a given year is a maximum of five (5) and a minimum of two (2) for Grade 11 and 12.
- Full Scholarship places are available in Grade 11 for admission to the IB Diploma programme.
- A scholarship is offered for the two - year Diploma Programme subject to the re-enrollment conditions that face students all IST students. It will be renewed a year at a time, until the completion of Grade 12, based on the continued good behaviour and academic progress of the scholar. Full scholarships are not available to existing IST students.

For both the Partial and Full scholarships the Director will report the rationale for individual decisions, along with any known potential or perceived biases or conflicts of interest to the Executive Committee of the Board of Directors for oversight. . The Director will report to the full Board only the number of scholarships awarded and the financial impact, but not details of each individual case.

The Board authorises the Director to develop guidelines and protocols for such programmes of scholarships, ensuring that such programmes support IST's values and aims, including the sustainability of the school.

DATE OF ADOPTION:	February 06, 2014
DATE OF IMPLEMENTATION:	February 06, 2014
DATE OF AMENDMENT	March 16, 2017
CROSS-REFERENCES:	4.200 School Fees 4.208 Payment Schedule 4.210 Late Payments

4.212 Refunds

Annual Tuition Fee

In case students leave or release a seat being held during the School Year, the Annual Tuition Fee shall be refunded pro rata from the moment the student leaves on the condition that the parents of the concerning

student have given the School a minimum of 4 weeks written notice before they leave. No refunds shall be made for a term that has already started.

Refunds unclaimed for over 6 years from the date of the last child leaving School shall be transferred to the School's Operating and Capital reserve Fund.

Annual Tuition Deposit

The Annual Tuition Deposit is neither refundable nor transferable, but is deductible from the first payment of the Annual Tuition Fee. If a family decides to withdraw the student(s) after the payment of the Annual Tuition Deposit, the deposit shall be forfeited.

Annual Capital Fee

The Annual Capital Fee is neither refundable nor transferable.

Building Fee

The one-time Building Fee is neither refundable nor transferable.

Application Fee

The Application Fee is neither refundable nor transferable. A partial refund shall apply in cases where the School is unable to admit a child or when a child leaves a waiting list. The Director shall set the rates for the partial refunds.

Alumni Fee

The one-time Alumni Fee is neither refundable nor transferable.

Family Deposit

This deposit is refundable, without interest, at the time last child of the family leaves the School. The School reserves the right to adjust this refundable security deposit against any amount due and outstanding from any fees, activity fee, library or any other area, prior to refunding the deposit.

Deposits unclaimed for over six years from the date of the last child leaving School shall be transferred to the School's Operating and Capital Reserve Fund.

DATE OF ADOPTION:	February 06, 2014
DATE OF IMPLEMENTATION:	February 06, 2014
DATE OF AMENDMENT:	May 07, 2015
	February 02, 2017
CROSS-REFERENCES:	4.200 School Fees
	4.201 Annual Tuition Fee
	4.201 Annual Tuition Deposit
	4.203 Annual Capital Fee
	4.204 Building Fee
	4.205 Application Fee
	4.206 Alumni Fee
	4.207 Family Deposit

4.213 Other miscellaneous fees and charges

The Board, at the recommendation of the Director, may approve such other fees as are deemed necessary to cover the costs of additional services or facilities. The Director shall establish regulations for the assessment of such miscellaneous charges including the fee amounts, payment terms and whether such fees are refundable.

DATE OF ADOPTION: February 06, 2014

DATE OF IMPLEMENTATION: February 06, 2014
 CROSS-REFERENCES: 4.200 School Fees

4.214 Bad Debts

Purpose

The School is committed to providing the best learning environment for its students that meets the highest community expectations and is crucial for student learning and wellbeing. Financial resources are required to provide these programs and effective debt management is central to the availability of funds. The purpose of this section is to describe the principles that govern the management of irrecoverable debts.

This section applies to all debts owed to the School including tuition fees.

Provision for Uncollectible Accounts

The Director is responsible for ensuring that correct procedures exist in relation to the documentation, invoicing, follow-up and collection of debts. Whilst all reasonable steps will be taken to collect debts owed (including employing the services of a private debt collector), the Director shall ensure that provision for uncollectible debts (bad debts) is made in the annual audited accounts. Provision for bad debts in the annual audited accounts shall not negate the Director's responsibility to pursue outstanding debts. This provision will be based on the following aging criteria:

Age of the Debt	% to be provided
1. Amount outstanding for 6 months as at the year end	50%
2. Amount outstanding for 9 months as at the year end	75%
3. Amount outstanding for 12 months as at the year end	100%

Write-off of Bad Debts

If, after every effort has been made to collect the debt and legal action is considered impractical or has been unsuccessful, individual bad debts, including those already provided, may be written-off. The Director and the Finance Committee shall recommend write-offs to the Board on an annual basis. The writing off of bad debts will not reduce the Director's responsibility to pursue outstanding debts.

DATE OF ADOPTION: March 04, 2015
 DATE OF IMPLEMENTATION: March 04, 2015
 CROSS-REFERENCES: 4.200 School Fees
 4.201 Annual Tuition Fee
 4.202 Annual Tuition Deposit
 4.203 Annual Capital Fee
 4.204 Building Fee
 4.205 Application Fee
 4.206 Alumni Fee
 4.207 Family Deposit
 4.208 Payment Schedule
 4.210 Late Payments
 4.213 Other Miscellaneous Fees & Charges

4.3 Income from Other Sources

4.300 Purpose and Restrictions on Income from Other Sources

The Board encourages and authorises the Director to seek funds from other sources to assist in the funding of strategic priorities and progress toward the school's Mission and Vision.

Any fundraising programs must be consistent with the school's Mission, Vision and Values, and shall maintain the balance in IST's student body and standing as a community school focused on internationally-mobile students.

The School reserves the right to refuse or decline any offer of grant, donation, or gift at its absolute discretion or to negotiate with the donor concerning any proposed aspect. Decisions on such cases shall be taken by the Director in consultation with the Board. The Director shall refuse any donation deemed at variance with the School's Mission, Vision, Values, policies or best interests.

Fundraising programs must comply with the School's policy on conflict of interest. Individual staff should not receive any substantial benefit from being associated with grantors/sponsors. Proceeds from programs in this section shall be reported to the Board, and they shall be included in the scope of the annual financial audit.

DATE OF ADOPTION: 7 May 2015

DATE OF IMPLEMENTATION: 7 May 2015

REFERENCES:

CROSS-REFERENCES:

4.301 Grant-giving Organisations

It is the school's policy to allow organizations to give grants in exchange for admissions priority. The Board encourages and authorises the Director to seek grants from international agencies, foreign governments, private corporations and others.

This admission priority is the only consideration that grant-giving organizations receive.

Grant-giving organisations shall pay an annual supplement for each child admitted to the School in return for admission priority. The Director shall determine the amount of the annual supplement, in consultation with the Board. The Director shall establish a Cooperation Agreement for each grant-giving organisation.

To preserve the diversity of the student body of the School, the Board shall set limits to the seats that will be available to grant-giving organisations.

Admission to the School is dependent on the applicant meeting the School's philosophy and other admission criteria.

DATE OF ADOPTION: 7 May 2015

DATE OF IMPLEMENTATION: 7 May 2015

REFERENCES: 6.100 Admission Philosophy

CROSS-REFERENCES: 6.102 Admission Priority

4.302 Fundraising by the School

The Board encourages the Director to undertake programs that will raise funds for the School

The Director shall establish guidelines for fundraising with a view to ensuring that all fund-raising activities are compatible with the Mission, Vision, Values, the best interests of the School, and Tanzanian law. All fund-raising activities require approval by the Director.

The Director shall ensure that the School does not make excessive requests to parents for donations. Also, the School shall not make requests for donations outside of the School Community without previously notifying the Board.

To avoid potential conflicts of interest, members of the School Community may not engage in personal fundraising initiatives that use the School as a platform to solicit donations from members of the school community, or use the School's name or logo in personal communications that solicit funds, without prior approval from the Director or the Board. For the purpose of this policy, the School defines a 'personal initiative' as any action taken by an individual without the official support and approval of the School and regardless of whom the initiative benefits.

DATE OF ADOPTION: 7 May 2015

DATE OF IMPLEMENTATION: 7 May 2015

REFERENCES:

CROSS-REFERENCES:

4.303 Donations and Gifts

The Director may accept, on behalf of the School, a donation for a purpose deemed suitable by the Board and the Director. All donations of a value greater than USD 10,000 require Board approval.

All donations to the School shall be given freely and unconditionally without any commercial or material agreement that could be construed as a conflict of interest, or as giving rise to a commitment from the School, or as conferring rights to the donor. A donation to the School from an individual, organisation or commercial entity shall not give the donor any form of ownership of the School, or any other claim against the School or members of the Company. Acceptance of a donation shall not imply endorsement of any kind by the School of a product, service, individual or group.

The School will endeavour not to expose students to commercial interests or advertising without a compelling reason and without prior approval from the Director.

The receipt of all donations shall be acknowledged by the Director in writing. Once accepted, these gifts shall become the property of the School and shall be recorded as the School's assets and be included in the scope of the annual financial audit.

The Board reserves the power to accept or reject any gifts or donations to the School.

DATE OF ADOPTION: 7 May 2015

DATE OF IMPLEMENTATION: 7 May 2015

REFERENCES:

CROSS-REFERENCES:

4.304 Interest and Investment Income

The School realises interest income from short-term bank deposits and from instalment tuition payments. Investments represent School's funds available for placement in short-term financial instruments.

The following rules shall apply:

1. Acceptable investments are:
 - a. Short-term bank deposits not exceeding twelve months
 - b. Treasury bills
 - c. Treasury bonds

2. Investment Principles:
 - a. All investments shall be placed with institutions that have a prior established banking relationship of at least five years with IST or already hold IST's current bank accounts.
 - b. New institutions, other than the School's established bankers, shall be vetted based on the guidelines prepared by the Director and shall require the approval of the Board before any investments can be placed with these banks.
 - c. Short-term bank deposits shall be diversified across different financial institutions to mitigate risk factors.
 - d. A single locally operating bank shall not manage more than 40% of the short-term bank deposits at any time.
 - e. A single overseas operating bank shall not manage more than 50% of the short-term bank deposits at any time.

3. Board Oversight and Management:
 - a. The School Director shall implement the Investment Policy as approved by the Board.
 - b. A report of the investments placed with banks shall be submitted at each Finance Committee meeting for information and guidance.

The Board recognizes that all investments carry a level of financial risk. The School Officers making investment decisions hold no liability provided the approved policy has been followed

DATE OF ADOPTION: 7 May 2015
 DATE OF AMENDMENT: 16 March 2017
 DATE OF IMPLEMENTATION: 16 March 2017
 REFERENCES:
 CROSS-REFERENCES:

4.305 Fees from Use of School Facilities

The Board supports the charging of a fee to outside groups for the use of the facilities and authorises the Director to determine the fees to be assessed. At the discretion of the Director, fees may be waived for activities that directly further the School's mission.

The Director shall develop regulations for the collection and proper recording of all fees in association with the use of the School's facilities.

DATE OF ADOPTION: 7 May 2015
 DATE OF IMPLEMENTATION: 7 May 2015
 REFERENCES:
 CROSS-REFERENCES: 9.12 Use of Facilities Out of School Hours
 9.12.2 IST Community Use
 9.12.3 Use by Outside Organisations or Individuals

4.4 Reserve Funds and Surplus

4.400 Types of Reserve Funds

Designated reserve funds have been created depending upon the needs of the school. Any utilization, including absorption of deficits from the designated funds, requires approval of the Board. The designated funds comprise of the following:

Operating and Capital Reserve Fund

The purpose of this fund is to ensure that in any given school year, the School is fully funded to meet its contractual obligations in anticipation of a deficit in either operating and/or capital budget. The fund is used to pay such expenses as teachers' salaries and benefits and capital asset replacements and additions of a routine nature. The source of the fund is the surplus generated during the School Year along with any remaining uncommitted balance at the year end. The total amount in the Operating and Capital Reserve Fund shall not fall below the minimum limit. The minimum limit shall be based on 25 tuitions.

Building Reserve Fund

This fund is used for major building projects, major renovations, land and/or property purchase, new construction, expansion and major infrastructure improvements. The sources of this fund are income from the building fees plus any remaining uncommitted balance at the year end from the Building Reserve Fund. The total amount in the Building Reserve Fund shall not fall below the minimum limit set out at USD 500,000.

Emergency Reserve Fund

The purpose of this fund is to cover liabilities that may arise from force majeure evacuation or emergency closure of the School. The total amount in the Emergency Reserve Fund shall not fall below the minimum limit. The minimum limit shall be based on contractual commitments for a minimum of three months of non-insurable recurrent costs. The source of the fund is any remaining uncommitted balance at the year end from the Emergency Reserve Fund and Board approved transfers from the Operating and Capital Reserve and Building Funds.

DATE OF ADOPTION: November 7, 2013
 DATE OF IMPLEMENTATION: November 7, 2013
 CROSS-REFERENCES: 4.401 Minimum Balances of Reserve Funds
 4.402 Transfer of Surplus of Reserve Funds

4.401 Minimum Balances of Reserve Funds

Description	Limits
Operating and Capital Reserve Fund	\$600k
Building Reserve Fund	\$500k
Emergency Reserve Fund	\$2.4m

The above limits are based on the 2016-17 level of operations. These limits will be subject to review every two-three years' in order to align them to expenditure levels prevailing at that time.

DATE OF ADOPTION: November 7, 2013
 DATE OF IMPLEMENTATION: November 7, 2013
 DATE OF AMENDMENT : December 07, 2016

CROSS-REFERENCES: 4.400 Types of Reserve Funds
 4.402 Transfer of Surplus of Reserve Funds

4.402 Transfer of Surplus of Reserve Funds

There may be occasions when the reserve funds are needed to cover critical and necessary unbudgeted capital, building, and/or operating expenditures during the school year. However, the Board discourages the practice of planning for deficits by developing sound and prudent estimates during the annual budget preparation process.

In all cases, the Board must authorise use of any reserve funds, including transfers from one reserve fund to another.

If any of the above three reserves fall below the set limits, subsequent years' budgets shall be developed with the intention to bring the reserves amount to the minimum desired level.

DATE OF ADOPTION: November 7, 2013
DATE OF IMPLEMENTATION: November 7, 2013
REFERENCES:
CROSS-REFERENCES: 4.400 Types of Reserve Funds
 4.401 Minimum Balances of Reserve Funds

4.5. Purchasing, Contracts, Bids

4.500 Purchasing Authority

The Board delegates authority for the purchase of materials, equipment, supplies and services to the Director based on limits set out in the Authorised Purchasing Limits and as long as it is within the limits of the annual operating budget. The purchase of such items shall require no further Board approval except where it relates to single items of expenditure exceeding limits as spelt out in the Authorised Purchasing Limits.

The Director may delegate purchasing authority to the Principals and the General Manager, Finance and Administration (GMFA). The Director shall be responsible for the development and enforcement of the necessary regulations for the purchase of all materials and services. Except as stated above, no employee of the School may obligate the administration for a purchase without receiving prior approval.

The Director shall have the authority to move funds within and between line-item categories as long as the overall expenditure remains within the budget.

Exceptions to policy, including tendering procedures, shall require Board approval.

DATE OF ADOPTION:	November 07, 2013
DATE OF IMPLEMENTATION:	November 07, 2013
CROSS-REFERENCES:	2.508 Administrative regulations
	3.001 Powers and Duties of the Director
	4.501 Authorised Purchasing Limits
	4.502 Delegation of Approval Authorisation
	4.503 Procurement
	4.504 Contracts and Bidding
	4.505 Paying for Goods and Services
	4.506 Foreign Currency Conversion
	4.507 Petty Cash Purchases and Cash Advances
	4.508 School Credit Card

4.501 Authorised Purchasing Limits

The spending limits established by the Board for authorised signatories are set out in the table below. The Director shall set authorised purchasing limits as necessary for the efficient management of the School in amounts below his own limit. These shall include planned purchases, unplanned purchases and credit cards limits. The limits established by the Director shall be presented to the Finance Committee annually for review and shall be a part of the Finance Manual maintained by the General Manager Finance and Administration.

Planned and unplanned purchases

Planned purchases are in-budget. Unplanned purchases are out-of-budget purchases or purchases in excess of budget. Unplanned authorised purchasing limits are with regard to emergency/necessary expenditures. Such expenditures cannot be deferred and are to be incurred to ensure uninterrupted running of the School's activities, compliance with statutory requirements and safety of the School's assets and facilities.

Planned purchases	Limits
Limit above which a single purchase transaction requires Board approval – excluding consolidation procurement	\$300k
Unplanned purchases	Limits
Limit above which an unplanned single purchase transaction requires Board approval	\$50k per item
Maximum limit for unplanned purchases per annum	\$200k or any amount that will call on reserves

For unplanned purchases that are expected to exceed the annual maximum cumulative limit, the Director shall provide the Board with an annual estimate of these expenditures and seek the Board's approval for the full amount.

DATE OF ADOPTION: November 07, 2013
DATE OF IMPLEMENTATION: November 07, 2013
CROSS-REFERENCES: 4.500 Purchasing Authority
4.502 Delegation of Approval Authorisation
4.504 Contracts and Bidding

4.502 Delegation of Approval Authorisation

If absences or circumstances occur that prevent approval of expenses in a timely manner, the authorised individual can assign a designee. The delegation should be in e-mail or written form with signature noting the duration of the authority and approval limits. In instances when the Director is away, s/he shall inform the Board Chair of this arrangement in writing.

DATE OF ADOPTION: November 07, 2013
DATE OF IMPLEMENTATION: November 07, 2013
CROSS-REFERENCES: 4.500 Purchasing Authority
4.501 Authorised Purchasing Limits

4.503 Procurement

The Director shall ensure that proper procurement and accounting regulations are in place, implemented and followed for the procurement of all materials, equipment, supplies and services. Any procurement shall be in accordance with policy on Contracts and Bidding, as well as with the Authorised Purchasing Limits.

To the extent possible, the School shall endeavor to purchase locally whenever goods and services of equal quality at competitive prices are available.

When purchases, including overseas orders, are required prior to approval of the budget of the new School Year, the Director will make appropriate recommendations for Board approval. Supplies and materials purchased for the next School Year shall be stored in a secure area and held until the next School Year. They shall be charged to the next School Year's accounts.

DATE OF ADOPTION: November 07, 2013
DATE OF IMPLEMENTATION: November 07, 2013
CROSS-REFERENCES: 2.508 Administrative regulations
4.500 Purchasing Authority

4.501 Authorised Purchasing Limits
4.504 Contracts and Bidding

4.504 Contracts and Bidding

The Director shall be responsible for negotiating and executing contracts within the Board approved budget and in accordance with the terms of this policy. In addition, the Director shall develop administrative regulations necessary to carry out the intent of this policy.

Tendering and bidding

Purchasing will be done, whenever possible, on a competitive bid or quotation basis. The following Authority Matrix shall apply:

Authority Matrix relating to Contracts and Bidding

No.	Contracts	Limits for Operating / Capital Expenditure	Limits for Building Expenditure
1.	Contract value that requires 1 quotation from vendors/contractors	Up to \$10k	Up to \$25k
2.	Contract value that requires at least 3 quotations from vendors/contractors	> \$10k up to \$200k	> \$25k up to \$300k
3.	Contract value that requires selective tendering of at least 5 vendors/contractors	> \$200k up to \$300k	> \$300k up to \$2m
4.	Contract value above which open competitive tendering of at least 5 vendors/contractors is required	\$300k	\$2m (Class One Contractors Required)
5.	Contract value above which Director to present complete bid details to Board for approval	\$300k	\$300k
6.	Value above which advance payment guarantee is required	\$40k	\$40k

Advance payment guarantee

Where the supplier/contractor requires a large initial payment in excess of the Authorised Purchasing Limits, the supplier/contractor shall give the School an advance payment guarantee from a reputable bank or financial institution. In the event of some suppliers/contractors being unable or unwilling to provide an advance payment guarantee, the Director shall seek approval of the Board for dispensation from this requirement depending on the suppliers'/contractors' reputation and circumstances.

Vendor Relations

There shall be no conflict of interest in the vendor selection process. In no case shall an employee of the School and/or a Board member accept gifts with any value, including free or subsidised products or services, or accept a commission from any vendor or supplier. The acceptance of such a gift will result in disciplinary action including termination of employee if deemed appropriate. Any offer and/or acceptance of such a gift must be reported immediately to the Director. This restriction does not include the acceptance of token gifts during end of school year celebrations and other special occasions.

The Director shall set appropriate guidelines on when token gifts should be reported.

DATE OF ADOPTION: November 07, 2013
DATE OF IMPLEMENTATION: November 07, 2013
DATE OF AMENDMENT: April 24, 2014

CROSS-REFERENCES: 2.508 Administrative regulations
 4.500 Purchasing Authority
 4.501 Authorised Purchasing Limits
 4.503 Procurement

4.505 Paying for Goods and Services

Payment of bills will be withheld pending receipt of a proper tax invoice, except where an advance payment is involved. Payment will be made according to pre-agreed terms or the terms of the invoice submitted. The Director shall be responsible for ensuring that appropriate regulations are followed, including completeness of documentation, before payments to suppliers are released.

DATE OF ADOPTION: November 07, 2013
 DATE OF IMPLEMENTATION: November 07, 2013
 CROSS-REFERENCES: 2.508 Administrative regulations
 4.501 Authorised Purchasing Limits
 4.504 Contracts and Bidding

4.506 Foreign Currency Conversion

The costs of converting between currencies shall be minimised, recognising that these can become significant whenever small amounts are concerned. The School shall not speculate on currency and shall act with prudence.

DATE OF ADOPTION: November 07, 2013
 DATE OF IMPLEMENTATION: November 07, 2013

4.507 Petty Cash Purchases and Cash Advances

Petty cash accounts for the use by the School shall be maintained on imprest basis. The Director shall set reasonable limits for petty cash accounts based on established needs.

Staff may request a cash advance in order to make approved purchases.

DATE OF ADOPTION: November 07, 2013
 DATE OF IMPLEMENTATION: November 07, 2013

4.508 School Credit Card

The Board authorizes the Director and the Principals to hold credit cards in the School's name. Additionally, an institutional credit card under GMFA's charge, shall be obtained primarily to enable online payments to be made. The credit cards can be used for expenses which are in line with the approved budgetary allocations.

The Director shall set reasonable credit card limits.

Appropriate disciplinary action, including termination of the employment contract, shall be imposed for deliberate misuse of the School's credit card.

DATE OF ADOPTION: November 07, 2013
DATE OF AMENDMENT: March 16, 2017
DATE OF IMPLEMENTATION: March 16, 2017

4.6 - [Placeholders]

4.7 - [Placeholders]

4.8 - [Placeholders]

4.9 - [Placeholders]

4.10 - [Placeholders]

1. General

In order to ensure that the financial resources of the School are utilized efficiently, there is a need to put in place guidelines and policies that are designed to ensure good financial management and promote financial accountability. Accordingly, a set of "Financial Policies" has been developed for the International School of Tanganyika Limited, to:-

- a) Prescribe procedures to be followed before financial commitments are made.
- b) Safeguard the School's assets by ensuring that resource management systems exist and are complied with.
- c) Fix financial powers and authorities for the School Director, Senior Management, Finance Committee and the Board.

4.11 General Provisions

ARTICLE 1 - Applicability:

- 1.1 These policies shall govern the management and control of the finances and resources of the International School of Tanganyika Limited, hereafter referred to as "the School".
- 1.2 The policies shall apply to :-
 - a) financial planning and control;
 - b) accounting for financial resources & expenditure;
 - c) stewardship and management of School assets; an
 - d) compliance and miscellaneous requirements.

ARTICLE 2 - Responsibilities and Delegation:

- 2.1 The Director is the Chief Executive and Accounting Officer of the School. He/she is responsible to the School Board for the management and administration of the financial resources of the School.
- 2.2 The General Manager Finance and Administration (GMFA) is responsible to the Director for ensuring that these policies are properly implemented and that the financial services of the School are organized in a manner to ensure:
 - a) the keeping of clear and full accounting records of all financial operations of the School;
 - b) the exercise of all budgetary control activities and in particular, commitment to expenditures;
 - c) the existence of sound internal control systems to safeguard the assets and resources of the School;
 - d) the efficient, effective and economic use of the resources of the School and management of working capital;
 - e) compliance with statutory requirements;
 - f) that the operating results are in line with the targets set by the Board.

ARTICLE 3 - The Financial Year:

- 3.1 The Financial year shall cover the period from 1st August to 31st July of the following year.

ARTICLE 4 - Protection against Penalties:

- 4.1 All employees of the School shall abide with the laws of the United Republic of Tanzania. The School shall not be liable for any penalties that may be imposed on any employee for infringement of any law.
- 4.2 The School shall indemnify any officer of any loss suffered in the course of discharging bona fide School business provided the employee has exercised the expected degree of care and skill under the circumstances.

ARTICLE 5 - Amendment of Financial Policies:

- 5.1 On recommendations of the Finance Committee, these Financial Policies may be amended by the Board as deemed necessary.

ARTICLE 6 - Effective Date:

- 6.1 These Policies/subsequent amendments shall become effective from the date they are approved by the Board.

4.12 Financial Planning and Control

ARTICLE 7 - The Annual Budget:

- 7.1 The budget of the School shall comprise of the :-
- a) the operating budget;
 - b) the capital budget;
 - c) the building budget; and
 - d) the net consolidated funding position and movement in reserves.

ARTICLE 8 - Expenditure carried forward

- 8.1 Any unexpended budget provisions either for capital expenditure or operating expenditure will lapse on the last day of that financial year and these budget provisions cannot be carried forward to justify expenditure in the following year. Major building projects, capital works and purchases in progress are exempt from this requirement.

ARTICLE 9 - Inclusive Nature of Budget:

- 9.1 All known income and all expenditure must appear in either :-
- a) the operating budget;
 - b) the capital budget; or
 - c) the building budget
- 9.2 Major building projects shall have a separate budgetary approval process.

ARTICLE 10 - Preparation of the Budget:

- 10.1 The budget shall reflect the strategic goals of the School and shall be based on the action plans and activities intended to be undertaken.
- 10.2 The School's budget shall be presented in US Dollars.

ARTICLE 11 - Approval of the Budget:

- 11.1 The Board shall consider and approve the annual School budget. Depending on need, the Board shall approve a revised budget from time to time.

ARTICLE 12 - Implementation and monitoring of the Budget:

- 12.1 The Director shall have overall responsibility for the implementation of the School budget and for ensuring that the most effective and economic use is made of the resources of the School. By approving the budget, the Board authorizes the Director to incur the necessary expenditure provided therein. To this end, the Director shall take action as he may judge appropriate. In particular, he may delegate some of his financial authority and appoint:-
- a) officers empowered to incur expenditure on behalf of the School within the limits of the budget and the Financial Authority Matrix (FAM) – refer Appendix 1; and
 - b) Officers authorized to sanction payments on behalf of the School.

- 12.2 The General Manager Finance and Administration will submit monthly budget performance reports to the Director and the Finance Committee/Board. The report will include:-
- a) budgeted versus actual income and expenditure;
 - b) variances from the budget, and where appropriate explanatory notes for major variances and actions being taken to address these variances.

ARTICLE 13 – The Long Term Financial Plan (LTFP)

- 13.1 The school shall prepare and keep updated a Long Term Financial Plan (LTFP). The Plan shall be annually reviewed by the Finance Committee and periodically approved by the Board and shall form the basis for developing annual budgets and major building plans.
- 13.2 In order to meet the financing needs of the building plan, the LTFP shall include a building funding plan.
- 13.3 The LTFP shall be aligned to the school's strategic plan.

4.13 Financial Resources and Expenditure

4.131 Operating Bank Accounts:

New Accounts, if needed, shall be opened with the approval of the Finance Committee and ratified by the Board. The Finance Committee shall have powers to authorize opening of sub accounts or more than one account with the same banks. The following office bearers shall be the signatories to the School Bank Accounts:

Group A (Board)		Group B (Management)	
i)	Chair	i)	Director
ii)	Vice Chair	ii)	GMFA
iii)	Treasurer	iii)	Elementary School Principal
iv)	Secretary	iv)	Secondary School Principal

In addition to office bearers, depending on need, the Board shall authorize other Group A and B signatories as it deems appropriate.

Cheques and letters of instructions drawn on the School's account shall be signed by two signatories. Payments not exceeding US\$300,000 may be signed by signatories from the same group. Apart from payroll related payments, investment of funds and transfers between School bank accounts, all other cheques and letters of instructions in excess of US\$300,000 shall be signed by two signatories, one from each of the groups. In an emergency situation, two signatories from the same group may sign and report the exception to the Finance Committee.

Online banking transactions with the School's bankers are permissible. In the event of online transactions requiring at least one Group A signatory due to approval limit stated above, such transactions may be processed by two Group B signatories provided prior payment approvals for such transactions have been granted by a Group A signatory.

All changes in bank signatories shall be subject to Board approval.

All bank accounts shall be in the name of the International School of Tanganyika Limited.

Closure of any bank account shall be subject to approval of the Board.

The Director shall be responsible for ensuring that there are signature authorization controls and procedures in place to limit the risk of financial loss to the school.

DATE OF ADOPTION: February 06, 2014
 DATE OF AMENDMENT: March 16, 2017
 DATE OF IMPLEMENTATION: March 16, 2017
 CROSS REFERENCE :

4.132 Receipt and Payment of Funds

Receipt of Funds

Fees are payable directly into the School's bank accounts.

An official receipt shall be issued for all funds received within the shortest time possible. Only members of staff duly designated by the Director shall be authorized to issue such receipts. In cases where staff other than those authorized to issue official receipts receive moneys intended for the School, they shall immediately transmit such monies in full to the Finance Office and obtain a receipt.

Incoming remittances shall be recorded in the accounting records on the date they are received. All funds received shall be deposited in one of the School's bank accounts no later than the business day following the date they are received. In exceptional cases, changes in this banking procedure shall require prior approval of the GMFA.

Payment of Funds

All payments must be made on serially numbered payment vouchers approved by the Manager Accounts and authorized by the GMFA. Payment vouchers must be fully supported by relevant documents.

All disbursements shall be made by written bank instructions, except in situations where cash imprest becomes a necessity.

Payments to payee other than staff shall be made by a crossed cheque, unless payee does not have a bank account. In such situations, payee concerned shall be responsible for risks associated with an open cheque.

The first signatory to the cheque or letter to the bank shall be the GMFA, or in the absence of the GMFA, one of the Senior Leadership Team members listed under Group B, and it shall be the responsibility of this signatory to satisfy himself/herself that the payment is proper and fully supported, in accordance with the "Financial Policies " and is within the budgetary limit.

Written bank instructions shall be signed by two authorized officials included in the bank signatory panels. Such instructions shall be dispatched only by an authorized staff member of the Finance Office, who shall ensure that the outgoing instruction is signed by two authorized signatories.

A disbursement shall be recorded in the School's accounting records as of the date when the disbursement is made, that is, when the instruction is issued or a cheque is issued.

Adequate acknowledgement of payment or evidence of receipt shall be obtained for all disbursements made.

The Director shall ensure that a bank reconciliation statement is prepared following the end of every month in respect of each bank account.

DATE OF ADOPTION: February 06, 2014
 DATE OF AMENDMENT: March 16, 2017
 DATE OF IMPLEMENTATION: March 16, 2017
 CROSS REFERENCE :

ARTICLE 21 - Capital and Building Expenditure:

21.1 The financial limits and procedures for incurring capital and building expenditures shall be in conformity with the FAM – Appendix 1.

ARTICLE 22 - Disposal and Write Off of Fixed Assets:

22.1 Disposal and write off of any capital items shall be in line with the requirements set out in the FAM – see Appendix 1.

ARTICLE 23 - Depreciation:

23.1 The capital budget shall include depreciation as an itemised expense. The amount of depreciation expense taken will be based on the estimated useful life of the fixed assets, adjusted as and when necessary. The expected useful lives and the annual rates for this purpose are: -

	<u>Years</u>	<u>%</u>
Buildings and roads	40	2.5
Furniture, fittings & office equipment	5	20
Motor vehicles	4	25
Classroom equipment	3	33.33
Sports facilities	4 - 20	5 -25

Capital work in progress shall not be depreciated.

School equipment which is expected to be used fully in the year of purchase will be expensed on acquisition.

ARTICLE 24 – Fixed Assets Management

- 24.1 The School shall maintain a Fixed Assets Register that shall contain basic information on cost, valuation, depreciation rate and amount, code no., NBV, and location for every asset item.
- 24.2 The Fixed Assets Register shall form the basis of developing an asset replacement plan.
- 24.3 All fixed assets shall be bar coded for ease of tracking and reconciliation.
- 24.4 Individual fixed assets items of a value less than \$250 shall be expensed in the year of purchase.
- 24.5 In line with the International Financial Reporting Standards, the school shall commission a revaluation of all its assets every three to 5 years. Surplus/deficit arising on revaluation shall be adjusted accordingly.

ARTICLE 25 - Salaries and Wages:

- 25.1 Salaries and wages shall be paid on the basis of duly authorized letters of engagement.
- 25.2 The statutory and other deductions made from salaries and wages e.g. PAYE & NSSF, shall be promptly remitted to the appropriate authorities to meet the payment deadlines as may be prescribed by these authorities.
- 25.3 Payment of salaries shall be made via direct bank transfers or cheque payments.

ARTICLE 26 - Staff Salary Advances and Loans:

Salary Advances:

- 26.1 Non contract staffs are eligible for salary advances. Such advances shall be recovered in full from the salary of that month.
- 26.2 Contract support staff in financial difficulties may request and obtain a salary advance. Salary advances are recovered in full from the same month's salary.

Staff Loans (Approved on April 21, 2011)

- 26.3 The Director or the GMFA shall have authority to approve loans of not more than three times the net monthly salaries for professional staffs and not more than four times the gross monthly salaries for support staffs. Such loans shall be recovered before the end of the School financial year or prior to

termination of contract. In any case, repayments shall not exceed 11 monthly instalments. These loans are not a right and will be approved based on the School having sufficient resources to fund these loans.

- 26.4 In very special circumstances, staff loans in excess of the above limits but not exceeding 12 months' salaries shall be approved by the Finance Committee.

ARTICLE 27 - Mission/Safari Imprest:

- 27.1 Staff going on official missions can ask for an advance in the form of safari imprest or safari daily allowance. The amount of advance will depend on the category of the employee and duration of stay.
- 27.2 Safari imprest shall be approved by either the Director, GMFA or Principal based on the recommendations of the respective heads of department.
- 27.3 An imprest holder shall retire the imprest by submitting a statement of account showing how the money was spent within one month after returning from safari. No further imprest shall be paid until the earlier imprest is settled. After the due date, un-retired imprest shall be recovered in full from the salary payable immediately after the due date.
- 27.4 If the staffs on safari claim reimbursement of actual expenditure he/she shall submit a statement of account together with hotel bills and receipted vouchers for all expenses.

ARTICLE 30 - House Rent:

- 30.1 Employees entitled to housing will be accommodated in campus housing or off campus houses owned or rented by the School. Staff who are entitled to housing but cannot be provided with a house or suitable accommodation will be paid an allowance in lieu thereof. The allowance shall be based on the rates set by the Board from time to time.

4.14 Stewardship, Compliance and Miscellaneous Provisions

ARTICLE 31 - Accounting Records:

- 31.1 The School shall maintain proper accounting records with respect to :-
- a) Monies received and expended by the School along with supporting documentation for such transactions.
 - b) Sales and purchases of goods and services rendered by/to the School and supporting documentation.
 - c) Assets and liabilities of the School.
- 31.2 The accounting records shall be maintained in a form that conforms to the best financial accounting standards and shall reflect a true and fair view of the state of the School's affairs. Where applicable, the financial accounting standards shall be in conformity with the standards issued by the National Board of Accountants and Auditors, Tanzania and the International Accounting Standards Board.
- 31.3 It shall be necessary for the purposes of annual accounts, to carry out a full physical verification of stocks and random sampling of fixed assets at the end of every year. The auditors shall be requested to attend the stock taking. The verification shall cover:
- a) Stationery and office consumables in stock;
 - b) Student uniforms ;
 - c) Work in progress, including building projects;
 - d) Fixed assets (based on random selection)

ARTICLE 32 - Provision for Expenses and Income:

- 32.1 All known liabilities and all income accrued shall be taken into account while preparing the monthly and annual financial statements.

ARTICLE 33 - Statutory Compliance

- 33.1 The Finance Committee shall ensure that appropriate mechanisms are in place to enable the school comply with applicable regulatory requirements.

ARTICLE 34 - Internal Audit:

- 34.1 The Board shall establish an internal audit service (currently outsourced to a professional services firm), which shall be responsible for carrying out post audits, management and special investigations.
- 34.2 The Internal Auditor shall submit an annual work plan for approval by the Finance Committee.
- 34.3 The Internal Auditor shall submit quarterly reports of the major findings and remedial course of action to the Finance Committee for review and action.
- 34.4 The Internal Audit firm shall be rotated every three years.

ARTICLE 35 - External Audit of the School's Accounts:

- 35.1 The audit of the School accounts shall be conducted in conformity with the International Standards on Auditing and subjected to any special directives of the Board.
- 35.2 The annual accounts shall be submitted to the external auditors for audit within three months following the end of the financial year.
- 35.3 The External Auditors shall have the right of unlimited access to all financial documents and shall be completely independent of the Board and the management and be solely responsible for the conduct of the audit.
- 35.4 The External Auditors may make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of the School.
- 35.5 The External Auditors shall issue a report on the audit of the financial statements and the relevant schedules which shall include such information as may be considered necessary. The external Auditors shall also issue an audit opinion (Certificate) on the fairness of the accounts and underlying records.
- 35.6 The accounts together with the auditor's report shall be submitted to the Board for approval and to the Annual General Meeting for adoption.
- 35.7 External auditors shall be rotated every five years.

ARTICLE 36 - Custody of Valuable Documents:

- 36.1 The GMFA is responsible for ensuring that valuable documents are kept in safe custody and properly document.
- 36.2 Valuable documents include the following:-
 - a) Title deeds of the property;
 - b) Motor vehicle registration papers;
 - c) Loan documents/investment receipts
 - d) Company seal
- 36.3 The GMFA shall devise control systems to ensure that the School does not lose revenue or pay for false or unauthorized documents.

ARTICLE 37 - Conservation of Accounting Documents:

- 37.1 The accounting records and all other documents concerning the finances of the School shall be kept for at least ten years from the last day of the relevant period.

ARTICLE 38 - Handing Over/Taking Over:

- 38.1 Whenever any officer who is entrusted with cash or property goes on leave or is relieved from duty, necessary arrangements shall be made for handing/taking over the work.
- 38.2 Handing/taking over shall be witnessed by the Manager Accounts or any other officer delegated to do so.

ARTICLE 39 - Loss of Cash and Property:

- 39.1 Losses, whether cash or property, shall be promptly reported by the concerned persons to the GMFA.
- 39.2 Losses that cannot be recovered from the parties on whom claims have been lodged shall be written off based on the limits set out in the FAM – refer Appendix 1.

ARTICLE 40 - Insurance:

The School shall maintain adequate levels of insurance for losses arising from fire, theft, accidents, liability and other risks as the Board deems appropriate. This shall include insurance intended to protect the Board members, School officers and Employees against financial losses that may arise out of any claim, demand, suit or judgment by reason of alleged negligence or other acts resulting in accidental injury to any person or damage to any property.

The Director shall, in consultation with the Finance Committee and School's local and international brokers', determine the appropriate policies and levels of coverage required. The Finance Committee shall annually review all existing policies and coverage. If any change is required or deemed desirable, the Director shall be responsible to act on this accordingly.

DATE OF ADOPTION: April 27, 2017

DATE OF IMPLEMENTATION: April 27, 2017

ARTICLE 41 - Treasury Management

- 41.1 Investments in banks shall be made taking into account available public knowledge as to their performance. All investments placed with institutions other than the School's bankers shall be disclosed to the Finance Committee via a quarterly investments schedule.
- 41.2 No more than 40% of the School's reserve funds shall be deposited with any one bank or any one institution.
- 41.3 The basket of currencies for considering investment options shall be determined by the Finance Committee from time to time. Currency speculation is not permissible.
- 41.4 Offshore investments are allowable and the limits for such investments shall be determined by the Finance Committee from time to time.
- 41.5 The School's investments shall be restricted to bank term deposits, treasury bills and treasury bonds.
- 41.6 A record of all investments and potential returns shall be maintained and a summary will be presented to the Finance Committee on a quarterly basis for review.