

## **Financial Management Policy**

### **1. Purpose**

The purpose of this policy is to ensure that the Sultan Institute of Management Training maintains sound financial practices to meet its legal and financial responsibilities and sustain its operations.

### **2. Financial Goals**

- Ensure financial sustainability and growth
- Maintain transparency and accountability in financial reporting
- Optimize resource allocation for educational programs

### **3. Roles and Responsibilities**

- Board of Directors: Oversees financial policy, approves budgets, and reviews financial performance.
- Finance Committee: Develops financial strategies, monitors financial activities, and ensures compliance with policies.
- Finance Manager: Manages day-to-day financial operations, prepares financial reports, and liaises with auditors.
- Department Heads: Prepare departmental budgets and monitor expenditures.

### **4. Budgeting and Planning**

- Annual budgets are to be prepared by the Finance Manager in consultation with the Finance Committee and approved by the Board of Directors.
- Departments must submit budget requests aligned with the institute's strategic goals.
- Mid-year budget reviews to adjust for any variances.

### **5. Revenue and Cash Management**

- All revenue must be recorded accurately and promptly.
- Establish procedures for the collection, deposit, and reconciliation of all revenues.
- Maintain a reserve fund to cover unforeseen expenses and ensure cash flow stability.

### **6. Expense Procedures**

- All expenses must be approved according to the authorized approval limits.
- Implement strict controls on procurement to ensure value for money.
- Maintain records of all transactions and supporting documents for audits.

## **7. Financial Reporting**

- Monthly financial reports are to be prepared and reviewed by the Finance Committee.
- Annual financial statements must be audited by an independent auditor and presented to the Board of Directors.
- Financial reports should be transparent and available to stakeholders.

## **8. Compliance and Audit**

- Regular internal audits to ensure compliance with financial policies and procedures.
- Ensure adherence to all relevant legal and regulatory requirements.