



YOUTH GENERAL ASSEMBLY

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FINANCE POLICY

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Youth General Assembly (YGA) is an autonomous organization dedicated to providing a credible platform that fosters policy and strategy development, equitable administration, and non-traditional legislative activities. YGA empowers young individuals to engage in public discourse on social issues, preparing them to be future ambassadors and democratic leaders. Our mission is to inculcate the qualities of convening and engagement among the youth, expanding their perspective and knowledge of true democracy and parliamentary politics.

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Printed in Pakistan

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YGA Finance Policy

Table of Contents

1. Introduction
2. Objectives of the Financial Policy
3. Financial Governance Structure
 - 3.1 Roles and Responsibilities
 - 3.2 Finance Committee
4. Budgeting Process
 - 4.1 Annual Budget
 - 4.2 Budget Review and Approval
 - 4.3 Budget Amendments
5. Financial Transactions and Procedures
 - 5.1 Income and Revenue
 - 5.2 Expenditure Control
 - 5.3 Payment Approval Process
 - 5.4 Petty Cash Policy
 - 5.5 Procurement Policy
 - 5.6 Reimbursement Policy
6. Bank Accounts and Cash Management
 - 6.1 Bank Account Management
 - 6.2 Authorized Signatories
 - 6.3 Bank Reconciliations
 - 6.4 Cash Handling Procedures
7. Internal Financial Controls
 - 7.1 Segregation of Duties
 - 7.2 Record Keeping
 - 7.3 Financial Audits and Monitoring
8. Financial Reporting
 - 8.1 Monthly and Quarterly Reports
 - 8.2 Annual Financial Statements
 - 8.3 External Audit Requirements
9. Asset Management
 - 9.1 Asset Register
 - 9.2 Asset Disposal
10. Conflict of Interest
11. Partnership Activities Policy
 - 11.1 Financial Management
 - 11.2 Audits and Monitoring
 - 11.3 Conflict Resolution
 - 11.4 Amendments
12. Amendments to the Financial Policy

1. Introduction

The **Youth General Assembly (YGA) Financial Policy** establishes guidelines for managing, controlling, and reporting YGA's financial activities. This policy ensures the organization adheres to best financial practices, upholding transparency, accountability, and integrity in all financial transactions. The policy also establishes mechanisms to safeguard YGA's resources and ensure compliance with relevant legal and regulatory frameworks.

2. Objectives of the Financial Policy

The key objectives of this financial policy are:

- To ensure **financial sustainability** by regulating revenue generation, fundraising, and cost management.
- To maintain **accountability** through clear procedures for handling financial transactions.
- To establish proper **internal controls** to prevent fraud, misuse of funds, or unauthorized transactions.
- To ensure **transparency** in financial reporting and decision-making processes.
- To provide a clear **framework for budgeting, procurement, and asset management**.

3. Financial Governance Structure

3.1 Roles and Responsibilities

- **Founder:** Holds exclusive authority to approve and review the annual budget and is responsible for the final oversight of financial matters. The Founder does not engage in day-to-day financial management but is the ultimate decision-maker regarding financial strategy.
- **Managing Director (MD):** Supervises the financial operations of YGA, overseeing the Finance Committee. The MD has the authority to review day-to-day proceedings of the Finance Committee and ensures financial decisions align with YGA's operational goals.
- **Finance Secretary (FS):** Heads the Finance Committee and reports directly to the Managing Director. The FS is responsible for managing petty cash and daily financial transactions, ensuring adherence to financial policy, and preparing financial reports.

3.2 Finance Committee

The **Finance Committee** shall be chaired by the **Finance Secretary** and include designated members to assist in the financial operations. The committee's responsibilities include:

- Reviewing income and expenditure reports.
- Ensuring that all financial transactions comply with the financial policy.
- Reporting financial updates to the **Managing Director**, who will, in turn, report to the **Founder**

The **Managing Director** retains the power to review the day-to-day operations of the Finance Committee to ensure compliance and accuracy, but the **Founder** holds the exclusive authority to review and approve the budget.

4. Budgeting Process

4.1 Annual Budget

YGA shall prepare an annual budget that outlines projected income, operational expenses, project costs, and reserves. The budget must align with YGA's strategic goals and operational needs. The **Finance Secretary** shall draft the budget in consultation with the **Managing Director**, who will then present it to the **Founder** for final approval.

4.2 Budget Review and Approval

The **Founder** has **exclusive authority** to review and approve the annual budget. The Finance Committee and the **Managing Director** shall ensure the budget is realistic and supports YGA's objectives, but the final approval rests solely with the **Founder**.

4.3 Budget Amendments

If significant changes are required to the budget during the year, such as due to new project funding or unforeseen expenses, the updated budget must be presented to the **Founder** for approval. No amendments can take effect without the Founder's explicit consent.

5. Financial Transactions and Procedures

5.1 Income and Revenue

YGA's income sources include donations, grants, fundraising activities, membership fees, and revenue from YGA-organized events. The following rules shall govern the management of income:

- All funds received must be recorded promptly and directly deposited into YGA's designated bank account.
- It is not allowed to receive any amount in any other account whatsoever.

- Receipts must be issued for all donations and fees received, and all income must be accurately tracked.

5.2 Expenditure Control

YGA shall ensure that all expenditures are aligned with the approved budget and support the organization's objectives:

- Every expenditure must be documented and justified by supporting documentation (invoices, receipts).
- No personal expenses are allowed to be reimbursed unless they directly relate to YGA operations and are pre-approved by the **Managing Director**.

5.3 Payment Approval Process

- All payments require approval from both the **Finance Secretary** and the **Managing Director** before disbursement.
- Payments exceeding a certain threshold (determined by the Finance Committee) must be reviewed by the Finance Committee before final approval.

5.4 Petty Cash Policy

- **Petty cash** shall be managed by the **Finance Secretary** with the MD's consent.
- Petty cash is to be used for small, day-to-day operational expenses.
- The petty cash fund shall be reconciled monthly, and all expenses must be recorded with supporting receipts.

5.5 Procurement Policy

YGA shall follow a transparent procurement policy for purchasing goods and services:

- Competitive bids must be obtained for significant purchases to ensure value for money.
- Suppliers must be vetted, and any conflict of interest must be disclosed before procurement decisions are made.
- All procurement transactions must be recorded and kept on file.

5.6 Reimbursement Policy

In instances where any of the members incur expenses for YGA-related activities with prior approval from the **Managing Director**, they are eligible for reimbursement:

- **Reimbursement Procedure:** Members must submit original receipts and a reimbursement request form to the Finance Secretary within 30 days of the expense.
- **Approval:** Reimbursement requests must be approved by the **Managing Director** before any payment is processed.
- **Documentation:** All reimbursement transactions must be supported by adequate documentation, including approval from the MD, and recorded in the financial system.

6. Bank Accounts and Cash Management

6.1 Bank Account Management

The **Finance Secretary** shall manage YGA's bank accounts, ensuring that all banking operations are conducted in compliance with this policy. Prior approval from the **Managing Director** is required for all major bank transactions, including transfers and withdrawals.

6.2 Authorized Signatories

- **Authorized Signatories** for all YGA bank accounts are limited to the **Founder**.

6.3 Bank Reconciliations

Bank statements shall be reconciled monthly by the Finance Secretary. The Managing Director and the Finance Committee shall review reconciliations to ensure accuracy and detect any discrepancies.

6.4 Cash Handling Procedures

YGA discourages cash transactions where possible. However, when cash handling is required:

- All cash receipts must be recorded immediately and deposited in the bank at the earliest opportunity.
- Cash withdrawals for YGA purposes must be pre-approved by the Managing Director and recorded accordingly.

7. Internal Financial Controls

7.1 Segregation of Duties

To reduce the risk of errors or fraud, YGA shall ensure a clear separation of duties within the financial process. No individual should have complete control over all aspects of a financial transaction.

7.2 Record Keeping

Accurate and complete records of all financial transactions must be maintained, including invoices, receipts, bank statements, and procurement documentation. Records shall be stored securely and made available for internal or external audit upon request.

7.3 Financial Audits and Monitoring

YGA shall conduct annual external audits to verify the accuracy and completeness of financial records. The Finance Committee shall also conduct internal reviews at least quarterly to ensure compliance with this policy.

8. Financial Reporting

8.1 Monthly and Quarterly Reports

The Finance Secretary shall prepare financial reports on a monthly and quarterly basis for the Finance Committee. These reports shall include:

- Income and expenditure summaries.
- Cash flow statements.
- Variances between actual and budgeted figures.

8.2 Annual Financial Statements

At the end of each fiscal year, YGA shall prepare and publish annual financial statements, including:

- Income statement.
- Balance sheet.
- Cash flow statement.

8.3 External Audit Requirements

YGA shall appoint an independent auditor to conduct annual audits of its financial statements and present the audit report to the Finance Committee for review.

9. Asset Management

9.1 Asset Register

YGA shall maintain an asset register detailing all physical and intangible assets owned by the organization. This register shall be updated regularly to reflect acquisitions and disposals.

9.2 Asset Disposal

Any disposal of YGA assets must be authorized by the Finance Committee. Proper records of asset disposals shall be maintained to ensure accountability.

10. Conflict of Interest

All individuals involved in YGA's financial management must disclose any potential or actual conflicts of interest. Any financial decision that could result in personal gain or benefit must be reviewed by the Finance Committee and addressed appropriately.

11. Partnership Activities Policy

11.1 Financial Management in Partnership Activities

When YGA conducts activities in partnership with other organizations, the following guidelines apply:

- **Partnership Agreement**
 - A formal agreement outlining the financial responsibilities, cost-sharing, and revenue distribution must be established.
 - The agreement must specify financial management and approval processes for both YGA and the partner organization.
- **Financial Oversight**
 - A joint committee of representatives from YGA and the partner organization shall oversee financial management.
 - All financial transactions must comply with both organizations' financial policies.
- **Payments and Reporting**
 - Payments for partnership expenses must be pre-approved by YGA's Managing Director and the partner's designated authority.
 - Financial reports, detailing income and expenses, must be prepared jointly and submitted according to the partnership agreement.

11.2 Audits and Monitoring

- **Audits**
 - Significant partnership activities may require external audits, conducted jointly by both organizations.
 - The results shall be shared with both organizations' financial oversight bodies.
- **Internal Monitoring**
 - YGA's Finance Committee shall periodically review the financial performance of partnership activities to ensure compliance with the agreement.

11.3 Conflict Resolution

- **Dispute Mechanism**
 - Financial disputes shall first be referred to the joint financial committee.
 - Unresolved issues shall be escalated to senior leadership of both organizations for resolution.

11.4 Amendments

- **Approval for Amendments**
 - Any amendments to the financial terms of a partnership must be mutually agreed upon and approved in writing by both parties' leadership.

12. Amendments to the Financial Policy

This financial policy may be amended from time to time to reflect changes in YGA's operations or the legal/regulatory environment. Amendments must be approved by the Central Committee upon the recommendation of the Finance Committee.



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