**Financial Control Procedures - Nicaragua**

**PURPOSE:**

To provide direction on financial policies and procedures for the Nicaragua site location.

**EFFECTIVE**: 03/01/2012

**RESPONSIBLE FOR ANNUAL UPDATES**: Nicaragua Site Director (with approval from CGE Director and Senior Accountant)

**POLICIES AND PROCEDURES:**

**Bank Accounts:**

Only Directors are authorized to sign bank withdrawals. Bank withdrawals are done by a driver or Director and signatures of both the driver and one of the Directors are required. Cash is counted at the bank and then again upon arrival at CGE office and put into safe.

**Petty Cash:**

* 1. Withdrawal of petty cash is requisitioned by the driver and program staff. The driver and program staff sign a withdrawal slip and each withdrawal slip is signed by one of the Directors. The cash is used for payments of bills, food, or for program expenses related to a travel seminar.
	2. The driver collects receipts for all expenditures and lists them on the withdrawal document. He submits all receipts to the accountant and returns the unspent cash. The cash is counted by one of the Directors and returned to either the cordoba or US dollar safe. The driver also changes dollars to cordobas by requisitioning dollars through a withdrawal slip signed by one of the Directors. The cash is counted and put into safe.
	3. Individuals keeping petty cash, program staff driver or food service staff, will make sure that all receipts are signed by recipients. This includes a full name and signature (unless the receipt is issued by a formal retailer which prints receipts with their name).
	4. During the reconciliation, the accountant will make sure that all receipts are signed by relevant persons.

**Honorarium**

1. For the semester program, each instructor submits a withdrawal for a total of honoraria of the week and the withdrawal slip is signed by the instructor and the Director.
2. Recipients of honoraria must sign a form with his/her name date and amount. The honoraria are submitted to files and submitted to the accountant with all of the expenditures of the week.
3. Honoraria for travel seminars are detailed in each travel seminar expense report.

**Cash Advances for Travel**

1. Cash advances are requested by the Program Coordinator for each travel seminar. A withdrawal form is signed by both the Director and the Program Coordinator.
2. Program coordinators complete an itemized expense report and submit receipts to the accountant after each travel component of a short-term travel seminar or academic program. Once the accountant reviews the report and records all expenditures in the site report, the report is reviewed by the Director and the site report is sent to the CGE Director in Minneapolis.

**Homestays**

1. The Director develops the homestay budget. A withdrawal form is drawn up and signed by the Director and the Study abroad Facilitator.
2. Each family counts the cash received in the presence of the Study Abroad Facilitator. They sign and complete a form that states the amount of money the family received and the dates of the stay.
3. The Study Abroad Facilitator pays the families, collects the signed forms, and attaches the forms to the withdrawal form.
4. The withdrawal form, along with signed receipts from families, are submitted to the accountant and reviewed by the Director during the monthly financial reporting process.

**Monthly Report:**

1. Weekly review of all expenditures is conducted by the accountant. The accountant organizes all expenditures by numbers of the withdrawal slips. All withdrawal slips have a carbon copy, so every withdrawal can be accounted for during the month. At the end of the month, the accountant completes the report and gives to the Director to review. The Director reviews the report with the accountant to make sure that expenses are recorded in the appropriate budget line. Once the report has been reviewed, the original copies of the bank statement and the petty cash documentation are scanned and sent to the CGE Director.