



LUKOMONA CHRIST EXCHANGE PROGRAM(LuCEP) GERMANY FOUNDATION
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LuCEP is a partner of Central International University (CIU) Germany for Help-Study Programs in Zambia and Africa
"The fruit of the righteous is a tree of life, and whoever wins souls is wise." – Proverbs 11:30"

FINANCIAL POLICIES AND PROCEDURES

LUKOMONA CHRIST EXCHANGE PROGRAM (LuCEP) FOUNDATION

Kindly note: The Financial Policies will be implemented in the future once the LuCEP Germany HQ has assessed and confirmed that the foundation is operating according to plan. We appreciate your patience and support in this process.

1. INTRODUCTION

The purpose of this document is to outline the **financial policies and procedures** of the **Lukomona Christ Exchange Program (LuCEP) Foundation** to ensure **accountability, transparency, and good stewardship** of financial resources in line with biblical principles (Luke 16:10, 1 Corinthians 4:2).

2. FINANCIAL PRINCIPLES

LuCEP shall adhere to the following financial principles:

1. **Transparency** – All financial transactions must be clearly documented and accessible for review.
2. **Accountability** – Every member handling finances is accountable to the organization and its stakeholders.
3. **Integrity** – Funds must be used for the intended purposes without misappropriation.
4. **Stewardship** – All resources shall be managed wisely and efficiently to fulfill LuCEP's mission.
5. **Compliance** – The organization will adhere to all financial regulations in Germany and other countries of operation.

3. SOURCES OF FUNDS

LuCEP shall be financed through:

- Donations
- Grants from institutions and organizations
- Fundraising activities and events
- Revenue from books, training programs, and Christian resources
- Investments and partnerships aligned with LuCEP's mission

4. FINANCIAL MANAGEMENT STRUCTURE

4.1 Financial Oversight

The financial management of LuCEP shall be overseen by the following:

1. **Board of Trustees** – Provides overall financial oversight and approves major expenditures.
2. **Finance Committee** – Manages financial policies, budgeting, and financial reporting.
3. **Treasurer** – Responsible for maintaining financial records, bookkeeping, and reporting.
4. **Auditors** – External or internal auditors will review finances annually to ensure compliance and integrity.

4.2 Roles and Responsibilities

- **Board of Trustees:** Approves budgets, financial reports, and major expenditures.
- **Executive Committee:** Monitors financial activities and ensures adherence to policies.
- **Finance Committee:** Reviews financial records and provides recommendations.
- **Treasurer:** Maintains financial records, authorizes minor expenditures, and presents reports.
- **Authorized Signatories:** Approve payments and financial transactions.

5. BUDGETING AND FINANCIAL PLANNING

1. An **annual budget** shall be prepared by the Finance Committee and approved by the Board of Trustees.
2. The budget shall include projected **income and expenditures**, aligning with LuCEP's mission.
3. A **mid-year financial review** shall be conducted to assess performance and make necessary adjustments.
4. No major expenditures shall be made without prior approval from the Board.

6. FINANCIAL TRANSACTIONS AND CONTROLS

6.1 Banking and Cash Handling

1. LuCEP shall maintain **at least one official bank account**.
2. All transactions above a set threshold shall be made via **bank transfer** or **authorized digital payment platforms**.
3. **Cash transactions** should be minimized; if necessary, they must be recorded with proper receipts.
4. At least **two authorized signatories** must approve withdrawals and payments above a specified amount.

5. **Open Transparency:** All senior members attached to the LUCEP treasury, based both in Germany and in Africa shall have **direct access** to the LUCEP Bank account manager in Germany for verifications of the finances. This will promote open transparency.

6.2 Income Management

1. All donations, grants, and funds received must be recorded and receipted.
2. Offerings and collections from events should be counted by **at least two designated persons**.
3. A **monthly income report** shall be prepared and submitted to the Finance Committee.

6.3 Expense Management

1. All expenses must be supported by valid invoices or receipts.
2. Reimbursements shall be made only for **pre-approved** and **documented expenses**.
3. The Treasurer shall maintain **an expense register** for tracking financial disbursements.

6.4 Procurement Process

1. Any purchase exceeding the pre-approved limit must go through a **competitive procurement process**.
2. At least **three quotations** must be obtained for major procurements.
3. All contracts and agreements shall be reviewed and approved by the Finance Committee.

7. FINANCIAL REPORTING AND AUDITS

7.1 Financial Reporting

1. A **quarterly financial report** shall be prepared and submitted to the Executive Committee.
2. An **annual financial statement** shall be presented at the **Annual General Meeting (AGM)**.
3. Financial reports shall be made available to donors and partners upon request.

7.2 Auditing and Accountability

1. **Internal audits** shall be conducted bi-annually to ensure compliance with financial policies.
2. **External audits** shall be conducted annually by an independent auditor.
3. Any financial irregularities must be investigated, and corrective measures taken immediately.

8. FRAUD PREVENTION AND RISK MANAGEMENT

1. Any form of **fraud, mismanagement, or financial misconduct** shall result in disciplinary action, including legal measures if necessary.
2. All financial records shall be **stored securely** and maintained for at least **seven years**.
3. Risk assessments shall be conducted periodically to identify and mitigate financial risks.
4. A **whistleblower policy** shall be in place to report financial misconduct confidentially.

9. FUNDRAISING AND GRANT MANAGEMENT

1. All fundraising activities must align with LuCEP's mission and **ethical Christian values**.
2. Grant applications must be reviewed and approved by the Finance Committee before submission.
3. Funds from **designated donations or grants** shall be used strictly for their intended purpose.

10. DISSOLUTION AND ASSET DISTRIBUTION

1. In the event of **LuCEP's dissolution**, all outstanding debts shall be settled first.
2. Remaining funds and assets shall be transferred to a **similar Christian organization** with approval from the Board of Trustees.
3. No member or individual shall personally benefit from LuCEP's financial resources upon dissolution.

11. AMENDMENTS TO FINANCIAL POLICIES

1. Any proposed changes to these financial policies must be **submitted in writing** to the Finance Committee.
2. Amendments shall require approval by a **two-thirds majority vote** of the Board of Trustees.
3. All approved amendments shall take effect **immediately** unless otherwise stated.

12. FINAL PROVISION

This financial policy document serves as a **guiding framework** for the financial management of LuCEP. All members and stakeholders are expected to comply with its provisions to ensure **financial transparency, accountability, and sustainability**.

Signed on this Day: _____

By: Evans Lukomona, President & Founder

Witnessed by: _____, Treasurer

