### List of Acronyms and Abbreviations

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<tr>
<th>Acronym</th>
<th>Abbreviation</th>
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<tr>
<td>ARU</td>
<td>Ardhi University</td>
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<tr>
<td>ARUSO</td>
<td>Ardhi University Student’s Organizations</td>
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<td>ARUSO Board</td>
<td>Ardhi University Students Organization Board</td>
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<td>AUSRC</td>
<td>Ardhi University Students Representative Council</td>
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<td>DoS</td>
<td>Dean of Students</td>
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<tr>
<td>DVC-PFA</td>
<td>Deputy Vice Chancellor - Planning, Finance and Administration</td>
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<tr>
<td>FIFO</td>
<td>First In First Out</td>
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<tr>
<td>IAS</td>
<td>International Accounting Standards</td>
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<td>IFMSO</td>
<td>Institute of Finance Management Students Organization</td>
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<td>LPO</td>
<td>Local Purchase Order</td>
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<td>MUSO</td>
<td>Mzumbe University Students Organization</td>
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<tr>
<td>NBAA</td>
<td>National Board for Accountants and Auditors</td>
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<td>SAC</td>
<td>Students Affairs Committee</td>
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<td>SUA</td>
<td>Sokoine University of Agriculture</td>
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<td>TAHLISO</td>
<td>Tanzania Higher Learning Institutions Students Organization</td>
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<td>UDSM</td>
<td>University of Dar es Salaam</td>
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<td>URT</td>
<td>United Republic of Tanzania</td>
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<td>VC</td>
<td>Vice Chancellor</td>
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PART ONE

PREAMBLE

1.1 Title and Date of Commencement

These Financial Regulations shall be referred to as ARUSO Financial Regulations and shall come into effect once the University Council has approved them. These regulations have taken into account the requirements of the Public Procurement Act No. 21, 2004, the Public Procurement Regulations 2005, Public Finance Act No. 6 of 2001 and its Principal Regulations, (Revised in 2004). Other documents referred to, include the ARU Charter of 2007, International Financial Reporting Standards, 2011 International Accounting Standards, and Government Standing Orders.
PART TWO

DEFINITION OF TERMS AND APPLICATIONS

2.0 Definitions

In these regulations unless the context requires otherwise:

2.1 "Appeals Authority" shall mean the Vice Chancellor, University Tender Board or the Public Procurement Appeals Authority or the court of competent jurisdiction when dealing with complaints and disputes and the resolution of procurement disputes.

2.2 "ARUSO Board" means the executive organ of the AUSRC as established by section 5.6 of ARUSO constitution.

2.3 "AUSRC" means the Ardhi University Students Representative Council

2.4 "Approving Authority" shall mean the Vice Chancellor, University Tender Board or the Central Tender Board when approving procurement that is being undertaken by a procuring entity.

2.5 "Cabinet" means a committee made up of the President, Prime Minister, Ministers, and Secretarial to Ministries if any; as established under section 5.9(d) of ARUSO constitution.

2.6 "Cash equivalent" shall mean short-term highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.7 "Cash" shall mean cash on hand, at bank and demand deposits.

2.8 "Competitive tendering" or "tendering" shall mean the method of procurement whereby suppliers or contractors are invited by the University to compete with each other in submitting priced tenders for the supply of goods, services or execution of works.

2.9 "Contract" shall mean the contract or agreement made between ARU and a supplier or a contractor as a result of procurement proceedings, for the sale or supply of goods, provision of services or for the execution of works.
2.10 "Corrupt practice" shall mean the offering, giving, receiving or soliciting of anything of value to influence the action of ARU officer in the procurement process or contract execution.

2.11 "Fraudulent practice" shall mean a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of ARU and includes collusive practices among renderers prior to or after tender submission and designed to establish tender prices at artificial non-competitive levels and to deprive ARU of the benefits of free and open competition.

2.12 "Goods" shall mean raw materials, products, equipment and other physical objects of every kind and description, whether in solid, liquid or gaseous form, electricity, intangible assets and intellectual property, as well as services incidental to the supply of the goods provided that the value of the services does not exceed the value of the goods themselves.

2.13 "Limit of authority" shall mean the maximum value of any single contract that may be approved by an approving authority, or entered into by ARU without the prior approval of a higher approving authority as set out in ARU Financial Regulations.

2.14 "Limit of authority" shall mean the maximum value of any single contract that may be approved by an approving authority, or entered into by ARU without the prior approval of a higher approving authority as set out in the ARU Financial Regulations.

2.15 "Minor value" shall mean an amount of money up to a maximum limit for the procurement of goods or works of a minor nature, as specified in ARU Financial Regulations.

2.16 "Procurement agent" shall mean a person or firm specialized in procurement who acts for another called the Vice Chancellor in dealing with third parties in matters relating to procurement.

2.17 "Procurement" shall mean buying, purchasing, renting, leasing or otherwise acquiring any goods or works by ARU and includes all functions that pertain to the obtaining of any goods, services or works including description of requirements, selection and invitation of tenderers and preparation and award of contracts.

2.18 "Services" shall mean any object of procurement other than goods or works, which involve the furnishing of labour, time or effort including the delivery of reports, drawings or designs, or the hire or use of vehicles, machinery or equipment for the purposes of
providing transport, or for carrying out work of any kind, with or without the provisions of drivers, operators or technicians.

2.19 "Tender" shall mean, depending on context, either

2.20 "University funds" shall mean all cash, cash equivalents and other resources generated by Ardhi University or availed by the Government, Donors and other sources to the Ardhi University or its units for the purpose of carrying out activities of the University.

(a) In the case of ARU officer or a student, that is person the ARU officer's husband or student’s, wife or relative, or a husband or wife of the relative of the ARU officer or student;

(b) That person is in a partnership with the ARU officer or

(c) In the case of a body corporate the ARU officer or student is a controller of the body corporate or the ARU officer and the persons who are his associates together are controllers of it.

2.21 "Financing Activities" shall mean activities that result in changes in the size and composition of the contributed equity and borrowing of the entity

2.22 "Investing Activities" shall mean the acquisition and disposal of long term assets and other investments not included in cash equivalent

2.23 "Office bearers" mean the Presidents, the Vice President, the Prime Minister, Ministers and Deputy Ministers.

2.24 "President" means the President of ARUSO government so elected.

2.25 "Prime Minister" means a person who shall be Executive Officers of ARUSO and the Secretary in the University Student’s Baraza

2.26 "Rules" means rules made by AUSRC under the provisions of ARUSO constitution;

2.27 Speaker’s Baraza and AUSRC as the case may be and shall be elected as provided for in ARUSO constitution

2.28 "Special Resolution" means a resolution of the Student’s Baraza, which is supported by two thirds of the members present and voting and any other resolution shall be supported by a simple majority acclamation or consensus

2.29 Students Baraza means the general meeting of all students constituted as provided under ARUSO constitution and approved by the Ardhi University Authority.
2.30 Students Organization' means the association of Ardhi University Students established under ARUSO constitution and approved by the Government Council of Ardhi University.

2.31 "Students" means a student as defined by the University Act, 2005.

2.32 "University" means the Ardhi University (ARU).

2.33 "Vice President" means a Principal Assistant to ARUSO President and elected in the same election together with the President.

2.34 "Wages" are defined as the remuneration payable to general staff employed either on daily, weekly or monthly basis and are not included in the permanent payroll of the University.

2.35 "Lowest evaluated cost tender" shall mean a tender which is determined to be the most economic after consideration of all relevant factors and the calculation of any weighting for these factors, provided that such factors have been specified in the tender documents.

2.36 "Supplier" shall mean a company, corporation, organization partnership of individual person supplying goods and services, hiring equipment or providing transport services and who is, according to the contract, a potential party or the party to a procurement contract with the ARU.

(i) a request drawn by ARU for offers or quotations to be made by suppliers or contractors, or

(ii) offers, quotations or technical proposal made by a supplier or a contractor in response to a request by ARU.

2.37 Reference to the masculine gender includes reference to the feminine gender and vice versa.

2.38 The "ARU Tender Board" shall mean a Board established under section 28.2 of the Public Procurement Act 2001 and Section 15 of these Regulations.

2.39 The "Associate" shall mean:

2.40 The "Bursar" shall mean the person appointed by the Council to that post and includes any person duly appointed by the Vice Chancellor to act for him during his absence.

2.41 The "Chief Internal Auditor" shall mean the person appointed by the Council to that post and includes any person duly appointed by the Vice Chancellor to act for him during his absence.
2.42 The "Deputy Vice Chancellor Planning, Finance and Administration" shall mean the person appointed by the Chancellor as stipulated by Article 10, Rule 6 Section 2 or any person appointed by Vice Chancellor to act for him during his absence.

2.43 The "Estates Committee" shall mean the Committee established by the Council to handle estates matters.

2.44 The "Estates Manager" shall mean the person appointed by Council to that post and includes any person duly appointed by the Vice Chancellor to act for him during his absence.

2.45 The "Imprest Holder" shall mean an officer of the University or a student who has at his disposal a specified sum of money for disbursement on the University service.

2.46 The "Planning and Finance Committee" (PFC) shall be the Committee established by the Council for the handling of financial affairs of the University.

2.47 The "Vice Chancellor" shall mean the person appointed by the Chancellor upon the advice of the Council as per article 9 and rule 5 of the Charter and includes any person duly appointed to act for him during his absence.

2.48 The "Charter" shall mean Ardhi University Charter of 2007 which refers to a constitution or a written statement of functions, organs of governance and principles of the University.

2.49 The "Commission" shall mean the Tanzania Commission for Universities as provided by the University Act of 2007.

2.50 The "Council" shall mean the Council of Ardhi University established by the ARU Charter 2007 and the Universities Act of 2005.
PART THREE

ORGANS RESPONSIBLE FOR IMPLEMENTING FINANCIAL REGULATIONS AND PROCEDURES

3.1 Overview
A number of ARUSO organs as well as leaders shall be responsible for implementing the financial regulations and procedures for the Students’ Organization. The institutions or leaders and their responsibilities and duties are provided in this part.

3.2 ARUSO Participatory Organs
The existing structure of ARUSO organs according to the hierarchy (Appendix 4), their responsibilities and duties for implementing financial regulations are presented hereunder:

3.2.1 Ardhi University Students Baraza
ARUSO constitution of 2008, Article 11 Section 11.1 states that, one of the principal organs of ARUSO is Ardhi University Students’ Baraza. Furthermore, Section 11.2 (i) explains who shall constitute Students’ Baraza and its relation with other organs of ARUSO. In addition section 11.2 (ii) stipulate the schedule of meetings for Baraza and Procedures for convening the meetings.

3.2.2 The main functions of ARUSO Students Baraza in regard to implementing the financial regulations are stipulated in Article 11 sections 11.2 (v). They include:

(i) To oversee all its subordinate organs
(ii) To discuss all matters of interest to students
(iii) To provide all other functions in line with the objectives of ARUSO.

Following from the above mentioned Baraza functions, the Baraza shall have a responsibility to ensure ARUSO Financial Regulations and Procedures are adhered by all concerned parties, as one of the means to oversee the subordinates and realize the ARUSO objectives.

3.2.3 Ardhi University Students Representatives Council (AUSRC)
The ARUSO Constitution of 2008, also points out that one of the ARUSO participatory organs shall be Ardhi University Students Representative Council (AUSRC). In particular section 11.3(i) states the composition of the AUSRC. AUSRC have a number of responsibilities and duties in regard to the implementations of financial regulations and procedures as provided by ARUSO constitution Article11.3 (vii) Sections (a, b, c, d, e, f, g). The role of AUSRC in implementing the Financial Regulations and Procedures includes the follows:

(i) To review and approve or disapprove policies and actions plans of ARUSO whenever it is considered necessary.
(ii) To make provision and for all matters related to funds of ARUSO including but not limited to preparations of Annual estimates of income and expenditure and preparations of financial statements.

(iii) To make provision in appropriate manner for regularly auditing books of accounts of all organs of ARUSO.

(iv) To ensure sound, proper and efficient administration of ARUSO funds

(v) To evaluate and take appropriate actions on ARUSO activities so submitted or ordered to be submitted by the office bearers ARUSO.

3.2.4 ARUSO Board

The ARUSO Constitution, section 11.4(a) provides for the establishment of ARUSO Board, which act as executive committee of AUSRC. The section also provides details on composition of ARUSO Board as well as its leaders and the tenure of office bearers.

The functions and duties of ARUSO Board in implementing the financial regulations include its role in undertaking disciplinary actions for office and non-office bearers in case of violation of financial procedures. It is also expected to be an arbitrator whenever various organs disagree on financial matters that arise from misinterpretation or non-adherence to financial regulations.

3.2.5 Students’ Government – Cabinet (Executive Committee)

Article 13.1 of ARUSO Constitution stipulates that ARUSO government shall be executive arm of ARUSO. Article 13.2(i) also stipulates the composition of the cabinet.

The functions of the cabinet in regard to implementing the ARUSO Financial Regulations and Procedures include the following:

(i) To prepare budget and submit to relevant organs (AUSRC, ARUSO Board)

(ii) To ensure ARUSO funds are used judiciously and according to the budget.

(iii) To ensure financial statements are prepared as scheduled.

(iv) To ensure the ARUSO Financial Regulations and Procedures are adhered to by all concerned parties.

(v) To ensure the Minister of Finance issues monthly Financial Reports

Thus, a number of ARUSO participatory organs shall be responsible in different ways to ensure that ARUSO Financial Regulations are adhered to.

3.2.6 The President of ARUSO

The President of ARUSO shall also be responsible in making sure that the Financial Regulations and Procedures are followed and adhered to. The President shall oversee the endorsement of budget by the cabinet and forward it to the AUSRC.
3.2.7 **The ARUSO Prime Minister**

The Prime Minister shall be responsible for compiling the budget of all ARUSO units as stipulated in Section 3.2.2 (ii) and (iii) of ARUSO constitution.

3.2.8 **The ARUSO Minister of Finance**

The Minister of Finance shall have a number of duties in implementing financial regulations. They include communicating with various ministers and organs on budget ceiling, submitting the revised budget to AUSRC Cabinet or ARUSO Board.

3.2.9 **Budget and Finance Committee**

The function of the Committee shall include;
(i) To monitor ARUSO financial activities
(ii) To safeguard ARUSO funds
(iii) To receive monthly returns and reports and submitting them to AURSC
(iv) To provide budget estimates guidelines
(v) To endorse supplementary budget.
(vi) The members of budget and finance committee shall include
  a) ARUSO President
  b) Prime minister
  c) Minister for finance
  d) Treasurer
  e) DoS
  f) Two representatives from AUSRC

3.2.10 **Treasurer**

ARUSO Government shall engage Treasurer who is going to work closely with DoS and Bursar’s Office in handling financial matters. The treasurer shall:
(i) Prepare and submit to relevant organs monthly and quarterly report
(ii) Keep all records of financial transactions for ARUSO
(iii) Keep keys of the strong room
(iv) Write cheques for various payments
PART FOUR

BUDGETING AND BUDGET CONTROLS

4.1 Overview
This section highlights various issues in regard to budgeting and budget control. It also provides details on the allocation of funds to various expenditure categories, guidelines and procedures for requesting funds and expenditure approval process.

4.2 Budget Preparation

(i) In order to ensure that all units or organs are involved in budget preparation and have insight into the issue of revenue and expenditure, ARUSO shall prepare annual budget. In particular, one month before the beginning of the financial year, the Budget and Finance Committee shall determine and agree on the ceiling for total budget for the forthcoming financial year, for ARUSO Government.

(ii) In addition the Budget and Finance Committee which shall be assisted by Dean of Students shall determine the proportion of the budget to be allocated to each organ or Ministry.

(iii) The proportion of the allocation of funds shall be determined by value and importance of activities of the particular organ or Ministry undertakes and the envisaged revenue flows in a particular financial year.

The budget ceiling for ARUSO shall be communicated to all units which include:

a) ARU Students Baraza
b) AUSRC
c) ARUSO Board
d) The Cabinet
e) All the Ministries of ARUSO

4.3 Budget Guidelines

As pointed out in Section 3.2 (iii) above, the units shall be given information concerning guidelines for budget preparation.

(i) Upon receiving the budget ceiling from the Budget and Finance Committee, the Minister for Finance shall communicate to ARUSO organs and Ministries on the agreed ceiling and the units shall prepare their budget in accordance with the budget lines agreed upon as shown in Appendix 3.
(ii) While preparing the budget estimates, consideration shall be made on the agreed expenditure items to be included in the budget.

(iii) All ARUSO participatory organs and Ministries shall submit their budget estimates to the Minister of Finance who shall compile all the estimates and submit them to the Budgeting and Finance Committee for discussion and endorsement and thereafter to cabinet and AUSRC.

(iv) The Minister of Finance of ARUSO shall also be responsible for submitting revised budget estimates for consideration by the Cabinet, ARUSO Board or AUSRC, in case a need arises.

(v) After the budget has been endorsed by the cabinet, it shall be submitted to AUSRC for approval.

(vi) As stipulated in the ARUSO constitution Article 13.2 (d) (xi), no provision shall be made in the budget for payment of salaries for office bearers and members of AURSC, however reimbursement for expenses incurred in the course of fulfilling duties of the responsible organs or ARUSO leadership or designated persons shall be made, in line with the guidelines provided by AUSRC.

(vii) After the budget have been approved by the AUSRC the units shall be informed on the agreed allocation of funds and be allowed to expend the allocated funds according to the agreed budget line provided in the approved budget.

4.4 Approval of the Budget

The procedures for approving the budget estimates of ARUSO during the AUSRC budget meetings shall be in the same as for other matters that are presented to AUSRC for discussion and approval. In particular, Sections 11.3 (iv) and vii (h) shall guide the procedures for approving the budget for ARUSO as well.

4.5 Control in the use of Funds

AURSC shall be responsible of custody and all ARUSO funds.

(i) In order to ensure judicious use of public funds, no expenditure shall be incurred for any purpose, except, if it is included in the approved budget estimates or in accordance with the provisions of any supplementary estimates as provided in Section 3.3.

(ii) As pointed out in section 3.3 (vii), after budget estimates have been approved every organs, that is ARUSO units or Principal Secretaries and Ministers shall be provided with the budget schedule for their respective units.
(iii) This shall be done in order to inform the responsible persons and organs, and to ensure they control expenditure of their units and amount allocated to the particular units is not exhausted pre-maturely.

(iv) No application for additional provision of funds by units or organs shall be entertained, unless it relates to urgent and unforeseeable expenditure, which could not be identified during the period when the budget estimates were being prepared.

(v) ARUSO participatory organs, the President, Vice President and Ministries shall not be authorized to commit the ARUSO funds to expenditure without ensuring that there are sufficient funds allocated and have been approved to meet the proposed expenses.

(vi) No commitment of funds or expenditure shall be made unless the authority for additional expenditure has been obtained from the ARUSO Board or AUSRC or the Cabinet.

(vii) All requests on proposal to borrow funds for whatever envisaged expenditure, shall be submitted to Cabinet, ARUSO Board or AUSRC for approval.

(viii) Members of ARUSO organs, the President, Vice President, Prime Ministers, Speaker and Ministers and Principal Secretaries shall be liable for the authorized expenditure resulting from carelessness or negligence on their part.

(ix) The Minister of Finance together with the Treasury/accountant of ARUSO shall be charged with responsibility of maintaining all the records or properties and funds of the student’s organization and shall make the report available, to ARUSO Board, the Cabinet, and AUSRC.

4.6. Approval of Expenditure

(i) The Prime Minister and Minister of Finance shall approve the expenditure for ARUSO.

(ii) The endorsement of the Dean of Students and DVC-PFA shall be sought before the ARUSO Leaders withdraw funds from the bank.

(iii) Each ministry shall present expenditure report for every month. In addition, the Minister of Finance shall provide a report on budget expenditure after every two months.

(iv) No disbursement of funds shall be given to any unit, until the responsible one has provided its report for the previous period to Budget and Finance Committee.
4.7 Submission of Financial Statement to AUSRC

(i) In order to ensure funds are judiciously used according to the laid down procedures, financial statements shall be prepared. Specifically, ARUSO constitution section 16.1 (v) requires that the organization to submit financial statements to AURSC.

(ii) The preparation of financial statements shall enable the AUSRC to have insights into the financial performance of ARUSO for a given fiscal year.

(iii) It shall also facilitate identifying abnormal expenditure, and taking necessary steps for the misuse of funds.
PART FIVE
PAYMENTS

5.0 Overview

This segment provides details on procedures for payments authorisation and certification. Other details provided include expenditure classification and the period for which expenditure is chargeable. It also provides details on payments of travelling and subsistence allowances. In addition, it highlights on issues in regard to procurement procedures as well as details on the responsibilities, maintenance and proper management of stock and stores.

5.1 Payment Procedures

5.1.1 All payments shall be initiated by raising payment requisitioning and or request for payment.

5.1.2 All requisitions for payments shall be supported by all necessary particulars of the payments to be made including the authority for payment.

5.1.3 Payment Vouchers shall be initiated after the appropriate authority has approved the payment.

5.1.4 Payment Vouchers shall be written in permanent ink and separate vouchers shall be prepared for payments in respects of different classifications. The vouchers shall be filed separately for each Bank Account. The amount to be paid on each voucher shall be expressed in words as well as in figures, and care shall be taken not to leave any space for other insertions.

5.1.5 Payment vouchers shall be authenticated and supported by receipts, invoices, certificates, or any other documentary evidence. Where no receipts are available, full details must be given and a certificate signed by the payee testifying that no receipts were issued or that the receipt was lost but that expenditure was legally incurred.

5.1.6 Payment to persons other than the one named on the Payment voucher will only be made on the written authority of the Payee.

5.1.7 The receipt of a payment must be acknowledged by signature or thumb mark of the payee. Where the payee is not available to sign, then a receipt shall be expected from him. Such receipt will be attached to the Payment voucher.
5.1.8 All Payment vouchers shall show the appropriate bank account and the expenditure code for ARUSO.

5.1.9 All payment vouchers authorised for payments shall be passed to the paying member for cheque writing and he shall only write the cheque after he has satisfied himself as to the correctness of signature and attached supporting documents.

5.1.10 Immediately after a cheque has been issued, the paying member shall stamp the payment voucher together with all supporting documents, with the words 'PAID' and indicate the date and number of cheque.

5.2 Authorisation and Certification of Payment Voucher

5.2.1 A person authorising a voucher is responsible for the accuracy of every detail covered by his certificate to include that:

(i) The service specified has been performed satisfactorily or goods have been received in good condition.

(ii) The purchase price is fair and reasonable.

(iii) The computations and casting on the voucher have been verified and are arithmetically correct.

(iv) Persons named on the voucher are those entitled to receive payment.

(v) Stores purchased have been taken on charge or have been correctly issued if they are of immediate use.

(vi) All vouchers for payment must be submitted to the Minister for Finance for authorisation.

(vii) All payments shall be made by crossed cheques.

5.2.2 No person is permitted to sign a voucher which is made payable to himself, or his associate.

5.3 Expenditure Classification

5.3.1 The approved ARUSO budget estimates shall form the basis of the accounts for the year to which they relate and the analysis and classification of the accounts of income and expenditure shall accord with those estimates.
5.3.2 Expenditure shall fall under detailed classification in the approved budget codes. The authority to create new expenditure items shall be vested to Minister for Finance.

5.3.3. Every entry in the accounts shall be supported by a voucher. Every payment voucher shall have details of expenditure code.

5.4 **Period Chargeable**

5.4.1 Expenditure incurred shall be chargeable to the year in which it has been met.

5.4.2 The ARUSO President as the Accounting Officer shall be responsible for all expenditure authorization within the approved expenditure limit.

5.5 **Funds virement**

5.5.1 There shall be midyear budgetary review to access level of activities carried out and budgeted funds. The review exercise shall identify expenditure codes with substantial funds allocated but not yet utilized and shall consider existing commitments and recommend for re-allocation of funds to expenditure items in need.

5.5.2 All or unbudgeted expenditure shall be subject to the approval of the AUSRC prior to their effects and the approval shall be sought once in half a year.

5.5.3 Unbudgeted expenditure shall be subjected to the approval of the AUSRC prior to any commitment by any organ or member of ARUSO.

5.6 **Nugatory Payments**

Nugatory payments are those for which the ARUSO has received no value for money. The Minister for Finance is responsible for advising the ARUSO President, Cabinet and AUSRC on all financial matters inclusive of the nugatory claims for payments. Such payments, upon which the responsibilities are vested, shall include the following:-

(i) Multiple payments for goods and/or services or for settlement of a liability.

(ii) Irrecoverable overpayment arising from payment made in excess of rates or scales.

(iii) Payment for goods and/or services not received and/or rendered.

(iv) Unproductive or wasteful expenditure payments and

(v) Settlement of a liability which could have been avoided, but arising from the negligence, incompetence, misconduct or otherwise whatsoever.

5.7 **Travelling and Subsistence Allowance**

(i) It is the policy of the ARUSO that its members are paid an estimated actual cost of expenses to incur wholly, exclusively and necessarily in the performance of the duties of their employment.

(ii) Ardhi University Student Representative Council will determine eligibility criterion for its members to receive subsistence allowance for every night to which a student is away from duty station at rates to be determined from time to time by the AUSRC.
(iii) All claims for payment of subsistence allowances, travelling and incidental expenses shall be submitted to the ARUSO. Travel Expense Claim form submitted shall be delivered together with the supporting original receipts, vouchers, tickets etc.

(iv) All foreign visits made by ARUSO members must be formally requested, justified and approved prior to undertaking the travel, in accordance with ARU procedure to travel outside the country.

(v) Travelling imprests shall be accounted for within two weeks after the journey for which it was intended is completed. If the imprest is not accounted for within this period, the Minister for Finance is empowered to recover the full sum issued from the ARUSO member concerned without notice.

(vi) The imprest shall be accounted for by submission of vouchers for which disbursements were made and the balances of unspent funds returned to the Minister for Finance who, in return will issue official acknowledgement receipt.

5.8 Procurement Regulations

ARUSO procurements shall be guided by the Public Procurement Act No 21 of 2004, and The Public Procurement Regulations, 2005.

5.8.1 Responsibility

The responsibility for executing procurement of goods for ARUSO shall generally rest with the ARUSO President who shall ensure the observance of the laid down procurement procedures.

5.8.2 Disputes and Settlement of Disputes

Disputes shall be handled by the Appeals Authority and Administrative Review of the PPRA under Section 77 to 85 of the Public Procurement Act 2004.

5.9 STOCKS AND STORES PROCEDURES

5.9.1 Responsibility

5.9.1.2 The Minister for Finance shall be responsible for the custody and handling of all stocks of the ARUSO and shall ensure that stores accounting procedures laid down by the ARUSO are observed.

5.9.1.3 The Minister for Finance shall also be responsible for effecting stores safeguards and ensuring that stocks are properly sheltered, protected and maintained.
5.9.2 Stock Maintenance

5.9.2.1 Adequate space shall be availed for stores. Arrangement of the stocks in the stores shall be such that access to each item of stock is facilitated.

5.9.2.2 All stocks which are subject to deterioration by damp, insects or vermin shall be properly protected and frequently examined by stores in charge of that store. Dates of such examinations and the findings shall be recorded.

5.9.2.3 Stock issues should not be made out of a fresh consignment of stores where any balance of a previous consignment remains, and new stock shall be stored such that FIRST IN FIRST OUT is facilitated.

5.9.2.4 All stores subject to risks should be adequately insured.

5.9.2.5 The Minister for Finance shall ensure that all stocks and stores items are reconciled at least once in every quarter.

5.9.2.6 The Minister for Finance shall appoint in writing the member responsible for handling the keys of the store room. Normally such member shall be the head of such store house.

5.9.2.7 Custody of keys, safeguarding and lodging of duplicate keys shall be placed in an envelope which must be marked “Duplicate Key” and deposited to the Minister for Finance who shall enter the deposit in a register.

5.10 The Store Management

5.10.1 The Minister for Finance shall delegate the store keeping function to a person who shall have no access to the purchasing and stock accounting records, and shall be personally held responsible for:-

(i) Checking, handling and storage of goods in his care

(ii) Checking and packing of stocks issued

(iii) Losses of stocks

(iv) Stock damages arising out of his carelessness

5.10.2 Writing off Stock Shortages

5.10.2.1 AUSRC shall have unlimited powers in writing off stocks.

it looks like some texts are missing
PART SIX

INCOME

6.0 Overview
This part highlights on the source of income, control and its recording. Furthermore, the part explains on handling donations and gifts. It also provides details on printing and control of receipt books.

6.1 Notification of Income

6.1.1 ARUSO President shall ensure that adequate safeguards are in place and are applied for prompt collection of and proper accounting for ARUSO money.

6.2 Sources of revenues
(i) Student Union fees
(ii) Rental Fees from project and Investments
(iii) Interest from bank deposits
(iv) Grants from Non-government Institutions/Private Enterprises
(v) Donations and Bequests
(vi) Special Commission from various programmes

6.2.1 No payments of money due to the ARUSO shall be made by credit card or promissory notes.

6.2.2 The Minister for Finance shall make and maintain adequate arrangements:

(i) For the financial organization, accounting and book-keeping necessary to ensure the proper recording of all sums due to the ARUSO, and
(ii) For the collection, custody, control, disposal and prompt and proper accounting.

6.2.3 Particulars of all charges to be made for work done, services rendered or goods supplied shall be promptly notified in writing to the Minister for Finance for the purpose of raising charges to parties concerned.

6.2.4 With regard to income the Minister for Finance shall ensure that:

(i) Debtors invoices are raised promptly in respect of income due to the ARUSO
(ii) Swift and effective action is taken to collect overdue debts in accordance with the ARUSO formal procedures
(iii) Outstanding debts are monitored and monthly reports are prepared.
6.2.5 The Minister for Finance shall be responsible for implementing credit arrangements and indicating a period in which different types of invoices must be paid. All amounts due to the ARUSO must be paid within thirty days of the date of invoice. These credit arrangements must be approved by the Ardhi University Student Representative Council.

6.3 Recording and Control of the ARUSO Funds

6.3.1 The Minister for Finance shall be responsible for collection and receiving of ARUSO funds, properties and their administration.

i) Every sum received on behalf of the ARUSO by authorized representative shall be immediately acknowledged by the issue of an official receipt. The official receipt must be completed, in indelible writing, by the receiving member, signed and dated. The receipt shall show clearly the purpose for which the money was paid.

ii) No form of receipt, ticket or voucher is to be used without authority of the Minister for Finance who will arrange for the printing of all forms of receipts, tickets or vouchers, and ensure that they are serially pre-numbered, recorded and controlled.

iii) When a cheque is received the number of the cheque shall be quoted on the receipt issued.

iv) The Students and or the Public at large should be informed by way of a notice at the Cash Office that an official receipt must be obtained for any sum paid and involving ARUSO.

6.3.2 Every transfer of money from one member of ARUSO to another shall immediately be acknowledged by the issue of receipt, or in appropriate cases, by signature in the cash accounting records.

6.3.3 All money received on behalf of the ARUSO by any body shall be deposited with the Minister for Finance or with a person appointed by the Minister for Finance, and such money shall be deposited direct with the ARUSO bankers. All funds received on behalf of the ARUSO must be banked on a daily basis

6.3.4 All money received in foreign currency shall be receipted, recorded and banked. The exchange rate ruling on that date shall be noted and properly recorded.

6.3.5 Sums due to the ARUSO shall not be written off in the accounts except by approval of the AUSRC. Requests to write-off debts must be referred in writing to the
Minister for Finance for submission to AUSRC for consideration. Such requests must be supported by evidence to indicate that all reasonable efforts have been made to recover the debt in accordance with prudent and established debt recovery procedures. The Minister for Finance shall keep a register of such amounts written off for possible future recovery.

6.3.6 Receipts of Donations, Grants and Gifts:
The procedures are detailed to ensure that the practice of recording and receiving of donations, grants and gifts are consistent with proper receipting practice internally and in line with donors/grantors requirements as follows.

   (a) The office of the Minister for Finance shall be responsible for receiving money from the donors/grantors to the University.
   (b) The Minister for Finance shall establish whether donations, grants and gifts received for Capital or Revenue activity.
   (c) The Minister for Finance shall establish subsidiary records for recording the incoming funds and for the purposes of reports preparations as the system and donors/grantors demands.

6.3.7 All cheques and other Bills of Exchange for the ARUSO shall indicate the payee as ARUSO and be sent to the ARUSO’s Minister for Finance. Cheques received shall immediately be crossed "Not Negotiable Account Payee Only" and endorsed "For the credit to the account of the ARUSO".

6.3.8 The Minister for Finance shall deposit promptly into the ARUSO’s bank account daily all monies received by him and in any event not later than the next working day.

6.3.9 In all cases however, where value is to be given in return for a cheque and there is doubt if the cheque will be honoured, the value is not to be given until the cheque has been honoured, or cash should be demanded. Such member shall be liable for any loss if he has not taken reasonable precautions. Personal cheques shall not be received in exchange for cash or cash equivalents. Similarly, cashing of ARUSO cheques endorsed by payees shall not be permitted.

6.4 Printing and Control of Receipt Books

6.4.1 The ARUSO President shall be responsible for ensuring that a proper system exists for the safe custody, recording and proper use of all receipts, license and other documents issued for the receipt of public money.
6.4.2 All official receipts, forms, books, vouchers and tickets shall be in approved form and all such forms, books, tickets, vouchers, licences and coupons for which fees are chargeable shall be ordered, controlled and issued by the Minister for Finance and all receipts and issues thereof shall be properly recorded and acknowledged.

6.4.3 Each member of ARUSO who receives money on behalf of the ARUSO for which he is accountable to the ARUSO shall keep such records including an accurate chronological account of all receipts and deposits as may from time to time be approved by the Minister for Finance.
PART SEVEN  

BANK ACCOUNT

7.0 Overview
The details on the operation of the bank accounts, signatories of bank cheques are provided in this part. In addition, details on the control of bank account as well as suspension or closure of bank accounts are also provided.

7.1 Opening and Maintaining Bank Account

7.1.1 The ARUSO President shall arrange for such accounts to be kept as may be necessary from time to time. No bank account shall be opened unless that account is for the furtherance of ARUSO lawful business and approved by DoS and the ARUSO President on behalf of the AUSRC. The accounts so opened shall be restricted to the specific purposes initially intended for.

7.1.2 The Minister for Finance is responsible for liaising with the ARUSO’s bankers in relation to its bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the Minister for Finance who shall make proper arrangements for their safe custody.

7.1.3 Only the Minister for Finance may, with the approval of the ARUSO President, open a bank account for handling ARUSO’s financial transactions. All bank accounts shall be in the name of the ARUSO. No other body shall be empowered to operate a bank account relating to any other ARUSO activity. Similarly, no cheque or financial instrument made payable to the ARUSO shall be endorsed and credited to any other account.

7.1.4 All cheques drawn on behalf of the ARUSO must be signed in compliance to the ARUSO’s Bank Mandate as approved by the AUSRC. All cheques must be signed by two authorized persons. Details of authorized persons and limits covered by the ARUSO’s Bank Mandate are provided in the section 6.2.

7.2 Cheque Signatories

7.2.1 In all circumstances, there shall be two signatories on each cheque, one from Block A and the other from Block B and each Block shall consist the following:
Table 1: Signatories of Bank Cheques

<table>
<thead>
<tr>
<th>Block A</th>
<th>Block B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ARUSO President</td>
<td>1. Minister for Finance</td>
</tr>
<tr>
<td>2. Vice President</td>
<td>2. Deputy Minister for Finance</td>
</tr>
<tr>
<td>3. Speaker</td>
<td>3. Treasurer</td>
</tr>
</tbody>
</table>

The main signatories shall be the ARUSO President and the Minister for Finance.

Each ARUSO cheque shall be signed by two Bank Signatories one from each group A and B. A cheque with two signatories from one and the same group shall not be honored.

7.2.2 A cheque signatory shall initially check through all documents supporting it to satisfy himself that the payment is in order before he finally signs the cheque, and may be held liable for errors that may arise.

7.2.3 In all circumstances, the signatory from Block A shall only sign cheques already signed by a signatory from Block B.

7.2.4 The Bank must be notified for the names of members authorized to sign cheques and their specimen signatures submitted to the Bank accompanied by the minutes of the authority for such signatories. The ARUSO President may from time to time direct changes of members authorized to sign cheque as he may consider appropriate.

7.3 Controls over Cheque Books

7.3.1 The Minister for Finance shall cause to be maintained a register of ARUSO cheques. Numbers of cheque books obtained from the bank shall be accounted for therein in numerical sequence.

7.3.2 All cheques must be kept under lock and key when not in use. Counterfoils and proof sheets of all cheques as well as cancelled cheques must be retained in the office.

7.3.3 Lost cheques shall only be replaced under authorization of the ARUSO President after receipt of an indemnity from the payee.

7.3.4 Replacement shall be done after notifying the bank of the lost cheque and stop order issued to that effect.

7.3.5 The Minister for Finance shall be responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.
7.4 **Suspension/Closure of Bank Accounts**

The Bank Account shall be closed where:-

(i) The purpose for which the account was intended for has been fully fulfilled.

(ii) In the opinion of the AUSRC, the Cabinet or Minister for Finance, the account does not operate in conformity with the purposes initially intended for. In such circumstances, the Minister for Finance shall request the ARUSO President to approve the suspension/closure of such an account.

7.5 **Dishonoured Cheques**

(i) On the receipt of advice from the bank that the cheque has been dishonored, the Minister for Finance shall communicate immediately with the drawer of the cheque with a view to correction of any irregularity or to obtaining fresh remittance.

(ii) The fresh remittance shall be in the form of either cash or cheque.

(iii) Money so received/collected shall be lodged to the credit account to which dishonored cheque was debited by the means of a deposit separate from the normal bank lodgment.

(iv) No other receipt shall be issued for the amount recovered.

(v) If the amount is not recovered then the amount of the dishonored cheque shall be written back and any accounting records shall be amended/adjusted.

(vi) Where after the dishonored cheque which has been written back, the amount is recovered, then official receipt shall be prepared and endorsed for internal accounting use only.

(vii) The official receipt will comprise:

a) The dishonored cheque number

b) Original official receipt number

c) Date of the original receipt number

7.6 **Stale and Lost Cheques**

7.6.1 Where a payee has lost a cheque issued by ARUSO before presenting it for payment, no new cheque shall be issued until the Minister for Finance proves beyond reasonable doubt that no payment has been effected. The Minister for Finance shall put a stop payment order with the bank in order to ensure that no payment will be effected on the lost cheque. Also the Minister for Finance must obtain an indemnity of the loss from the payee.

7.6.2 All cheques issued by the ARUSO which are not presented to the bank six months after issue shall be treated as stale cheques and shall be appropriately accounted for. Fresh cheques shall be issued based on the requests made by the claimants, and on return of the stale cheques, or on issuing an appropriate indemnity cover, if the cheque is lost.
PART EIGHT

FINANCIAL IRREGULARITIES

8.0. Overview

This part highlights details on the responsibilities of handling losses and the delivery of information regarding the losses incurred. It also provides details on the handling of irregularities and actions to be taken by the responsible person.

8.1 General

8.1.1 On the occurrence of a loss of the ARUSO’s money or property from whatsoever cause, the matter shall immediately be recorded and notified to the ARUSO President. Upon such notification, he shall decide on the most appropriate cause of action which include reporting to the office of Dean of Students and who shall decided to report the matter to ARU Management or Police.

8.1.2 A member, who discovers a loss or irregularity regarding the handling of the ARUSO’s money and/or any other property, shall report immediately the circumstances to the Minister for Finance who in turn shall report the matter to the ARUSO President.

8.1.3 Any member of the ARUSO who for unacceptable reasons withholds information on irregularities in respect of the ARUSO’s money or other property may be taken responsible for losses suffered following the concealing of information.

8.1.4 If the ARUSO President in his opinion considers that the Minister is consistently negligent in discharging of his duties, he shall report the matter to the AUSRC which shall decide on the most appropriate course of action.

8.1.5 After investigating the loss, the ARUSO President shall submit a full report signed by him to the Cabinet and later to the AUSRC and that report shall state the following:-

(i) the nature of the loss or shortage
(ii) the amount involved
(iii) the place and, if known, the date on which the loss or shortage occurred
(iv) the date and, if applicable, the time of discovery of the loss or shortage
(v) the exact circumstances in which the loss or shortage arose
(vi) whether the loss or shortage was the result of a failure to observe current accounting instructions
(vii) whether the loss or shortage was due to a fault in the accounting system
(viii) whether the loss or shortage was discovered as a result of the internal check and if not, why the internal check failed to reveal it;
(ix) whether misappropriation, fraud, negligence or other irregularity was involved
(x) the name and designation of the member considered to be responsible for the loss or shortage
(xi) whether that member has made good the loss or shortage
(xii) whether suspension or interdiction from duty is recommended on that member
(xiii) whether disciplinary or recovery action is recommended to the Ardhi University Student Representative Council and, if not, why
(xiv) whether the loss or shortage was reported to the police (if yes, the Police report should be attached); and
(xv) the measures taken or recommended to prevent the recurrence of a similar loss or shortage

8.2 Corrective Measures and Recovery Actions

Due to negligence or dishonesty on the part of the official disciplinary action shall take the following pattern:

(i) The Prime Minister shall convene the financial committee meeting to handle the matter and the culprit shall be liable to refund the money or pay to replace the property.
(ii) If the defaulters happen to be either ARUSO President or the Prime Minister, or both the report shall be sent to AUSRC.
(iii) The bursar shall be requested to deduct and recover the money from the defaulter’s allowances on failure to refund, the sum.
(iv) If the defaulter’s allowances do not cover the loss, then his/her academic department shall be informed to withhold the defaulter’s examination results or academic awards shall not be issued until the debt is full paid.

8.2.1 Where recovery action is to be taken against the member deemed to be responsible, the AUSRC will determine the amount of the recovery bearing in mind the amount of the loss sustained by the ARUSO.

8.2.2 The decision of the AUSRC to take recovery action against a member shall be notified to the member concerned in writing, with a copy to the ARUSO President, the relevant member reporting the loss, the Minister for Finance, the Chief Internal Auditor and, where appropriate, the ARUSO Board or DoS. Such notification shall call upon the responsible member within a period of thirty days to show a cause why he should not be subjected to recovery action.
8.3 **Annual Statement of Losses**

In order to keep track of losses, the Minister for Finance shall, in addition to conforming to the reporting requirements of these Regulations, shall keep a register of losses incurred showing the nature of the loss and the action taken.

ARUSO President shall, as soon as all losses are brought to his attention, cause to be registered and maintained a register of all losses incurred and as soon practicable after the closure of the Financial Year, submit a list of all losses incurred during that year to the AUSRC.
PART NINE
ACCOUNTING POLICIES AND PRACTICES

9.1 Overview
ARUSO in undertaking its accounting operations shall be guided by policies, local and international standards. This part of the financial regulations provides general and specific policies in regard to capitalisation of the non current assets, provision and impairment of the assets inventory valuation as well as foreign currency transactions among other things, which are in line with international standards.

9.1.1 General
9.1.2 ARUSO in collaboration with Bursars’ Office shall determine from time to time the appropriate accounting policies in conformity with the generally accepted accounting principles
9.1.3 The policies shall be approved by AUSRC before they are effected in the preparation of Financial Statements of the ARUSO.

9.2 Capitalization of Fixed Assets
Plant, Machinery, Computers, Equipment and Furniture shall be capitalized on acquisition.

9.3 Provision for Bad Debts
Receivables shall be recognized, initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision shall be made in the financial statements against receivables considered to be doubtful of recovery.

9.4 Inventories Valuation
Inventories shall be valued at the lower of cost and net realizable value. Cost shall be determined on First in First Out (FIFO) basis. Provision for impairment shall be made on the basis of actual cost of stocks found obsolete or damaged.

9.5 Foreign Currency Transactions
(i) Functional and Presentation Currency
The financial statements shall be presented in Tanzania Shillings, which is the ARUSO’s functional and presentation currency.

(ii) Transactions and Balances
Foreign currency transactions shall be translated into Tanzanian shillings at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities at the year end expressed in foreign currencies shall be translated into Tanzanian shillings at the rates of exchange ruling at the end of the financial year. The resultant gains/losses on exchange rate translations shall be dealt with in the Statement of Comprehensive Income.
9.6 Cash and Cash Equivalents
Cash and cash equivalent shall be carried in the balance sheet at face value for the purpose of cash flow statement. Hence cash and cash equivalent comprise cash in hand or deposits held on call and fixed deposits.

9.7 Income Recognition
Income shall be recognized on accrual basis of accounting. Income shall be recognized only when it is probable that the economic benefits associated with the transaction will flow to the ARUSO.

9.9 Provisions
Provisions shall be recognized when the ARUSO has presented legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and in such a situation a reliable estimate of the required amount shall be made. When the ARUSO expects a provision to be reimbursed, for example under insurance contract, the reimbursement shall be recognized as a separate asset only when the reimbursement is virtually certain.
PART TEN

BASIS OF ACCOUNTING, PREPARATION OF ANNUAL ACCOUNT AND AUDIT

10.0 Overview
At the end of each academic year, ARUSO is obliged to close books of accounts as required by the legal instruments and the financial regulations. In addition to that, the ARUSO Minister of Finance shall prepare and submit regularly two months financial statements to Budget and Finance Committee for monitoring, control and audit purpose. The ministers and secretary of participatory organs shall submit monthly reports to Budget and Finance Committee as well. Thus, Part Nine highlights the audit requirement procedures, the retention of accounting documents. It also provides details on the alterations and corrections of entries.

10.1.1 Legal Requirement
10.1.2 The AUSRC shall cause to be kept proper books of accounts within and not later than two months after the end of each academic year. The cause consists all accounts relating to such academic year together with Financial Statements to be audited by the ARU Chief Internal Auditor or by such other authorized auditor as provided for under Rule 46 of ARU Charter, 2007. Such Financial Statements include:

(i) Statement of Financial Position
(ii) Statement of Comprehensive Income and Expenditure
(iii) Statement of Cash flows
(iv) Statement of Change in Equity and
(v) ARUSO Executive Committee’s Report.

The statements to be produced to the Chief Internal Auditor shall contain notes for the purposes of disclosing fully the financial position of the ARUSO.

10.1.3 The ARUSO accounts shall be kept on an accrual basis in accordance with the International Accounting Standards (IAS) and Generally Accepted Accounting Practices recognized by the accounting profession in Tanzania (NBAA).

10.1.4 In general, ARUSO shall use the accounting policies that the university applies.

10.1.5 Accounting codes to be used for recording income, expenditure, assets and liabilities shall be prescribed in ARUSO Chart of Accounts (attached as Appendix 1).

10.1.6 The Minister for Finance shall ensure that proper books of account are maintained and that annual accounts are closed within one month following the end of the academic year.

10.1.7 Apart from end of year audit, the ARUSO Minister of Finance or Treasure shall be responsible to submit quarterly financial statements to the office of the Chief Internal Auditor not later than 15 day following the audited quarter.

10.2 Retention of Accounting Documents
The Minister for Finance shall issue instructions to relevant member of Treasurer specifying the precautions which may be taken in particular cases to safeguard
accounting records and documents and in particular those which have been stored on electronic or other non-traditional media.

10.2.1 The Minister for Finance and Treasurer shall ensure that all receipts and payment vouchers of the ARUSO are properly and securely bundled and that all other accounting documents are kept in an orderly manner so that they are available when required.

10.2.2 ARUSO Treasurer shall observe the principle of neatness and orderliness in the filing and preservation of vouchers, books, registers and other documents which support and explain entries in the accounts. Paid vouchers shall be filed by the sequence of cheque numbers.

10.2.3 All accounting documents and records shall be retained in an orderly manner and satisfactory condition within the ARUSO office/premise for a period specified in appendix 2.

10.2.4 All classes of account books and records will be carefully preserved and may not be destroyed without the approval of the Dean of Students, AUSRC, ARUSO Board and ARUSO president and DVC-PFA or Relevant Authorities as the case may be.

10.2.5 Books of accounts and records shall be retained as per details in Appendix 2.

10.3 **Destruction of Accounting Records**

10.3.1 The Minister for Finance shall submit three copies of the lists of documents recommended for destruction to the ARUSO Cabinet. The Cabinet in liaison with the office of the Dean of Students shall, if no objections to the destruction of the documents signify approval on two copies.

10.3.2 The Minister for Finance shall advise the ARUSO President in writing when destruction of the documents authorized under sub-regulation 9.3.1 has taken place, retaining his copy of the list as his authority for the destruction.

10.4 **Security of Accounting Systems**

The Minister for Finance and Treasurer shall take all reasonable precautions to guard against damage to destruction of, or falsification of any book, account, record or part of a book, account or record required to be kept under these Regulations.

10.5 **Alterations and Corrections**

10.5.1 No any erasure, correction, reversal of entry or alteration of whatsoever nature shall be made in any record, cash book, ledger, voucher or other document of account without proper authority of the Minister for Finance.

10.5.2 Payment in connection with any document bearing an alteration or erasure may be refused by the Minister for Finance.

10.5.3 No correction shall be made in any document which has been audited without the prior consent in writing of the Auditor.
10.6 Audit Requirement and Procedures

10.6.1 The primary role of auditing is to give assurances on the adequacy and effectiveness of the controls in existence on the appropriate use of ARUSO funds. To achieve this, the auditors shall be entitled to have access to all books, records and returns relating to the accounts.

10.6.2 The auditors shall have authority to:

(i) Access ARUSO premises at reasonable times.
(ii) Access all assets, records, documents and correspondence relating to any financial and other transactions of the ARUSO.
(iii) Require and receive such explanations as are necessary concerning any matter under examination.
(iv) Require any member of ARUSO to account for cash or any other ARUSO property under his control.
(v) Access records belonging to third parties, such as ARUSO debtors/creditors, etc. when required.

10.6.3 Whenever there is any limit in the auditor’s scope, this shall be clearly stated in the report showing the part concerned and the impact thereof.

10.7 Auditor's Report

10.7.1 Quarterly Financial Reports

10.7.1.1 ARU Internal Audit office upon receipt of ARUSO financial statements shall arrange the audit to be carried out after scrutinizing its audit plan already in place and ensure report come out as early as possible, but not later than 30 days after receipt of the statements.

10.7.1.2 The audit report shall be presented to AUSRC and copied to, DoS, DVC- PFA, VC and the ARU Audit Committee.

10.7.2 End of Academic Year Financial Report

ARUSO President shall submit to the ARUSO Students Baraza the Auditor's Report on the accounts of the ARUSO as soon as practicable but not later than six months after such academic year end.
PART ELEVEN

CUSTODY AND SECURITY OF ARUSO MONEY AND PROPERTIES

11.0 Overview
It is a duty of the ARUSO to ensure that money and other valuable properties of the ARUSO are kept in a proper and safe custody. In this respect, this part of the financial regulations highlights the details on the custody and security of the ARUSO money and valuables.

11.1 Provision of Security Facilities
11.1.1 Strong rooms, safes and strongboxes shall be provided for the safe custody of ARUSO money and valuables in all ARUSO premises in which such money are received and retained either temporarily or permanently.

11.1.2 Strong rooms and, where appropriate, safes shall be fitted with two different locks, the keys or combinations of which should be held by different members of ARUSO.

11.1.3 The necessity for a strong room, safe or strongbox shall be determined by the Minister for Finance and it shall be the responsibility of the accountant to report to the Minister for Finance if he is not satisfied that adequate facilities are available in any of their premises for the proper safe custody of ARUSO money and valuables.

11.2 Use of Security Facilities
11.2.1 Any member of ARUSO holding the key of a strong room, safe or strongbox shall retain the key in his or her personal possession and shall ensure that it is properly safeguarded at all times but the key shall not carry a tag or other indication of the strong room, safe or strongbox to which it functions.

11.2.2 A member of ARUSO holding the combination of a strong room, safe or strongbox shall ensure that the combination is known only to him and shall not be divulged to any other person.

11.2.3 When operating the combination, it shall be done in a manner that cannot be read by another person and, except as provided for in these regulations, no spare or duplicate keys or written record of a combination shall be retained.

11.3 Custody of Duplicate Keys and Written Records
11.3.1 Spare and duplicate keys or a written record of the combination of strong rooms, safes and strongboxes other than those used for the storage of classified material shall be placed in an envelope which shall be endorsed “Duplicate key and combination of strong room, safe, strongbox, No...”

11.3.2 The key or combination holder shall seal the envelope personally, either with his personal seal or by signing and dating across the sealed flap in such a manner that the envelope cannot be opened without disfiguring his signature.
11.3.3 The envelope shall then be deposited with the Minister for Finance, who shall enter the into a register showing the strong room, safe or strongbox number, its location, the maximum overnight holding, the name and designation of the key or combination holder and the date of the deposit.

11.3.4 The Minister for Finance shall issue an appropriate receipt to the depositor and retain the envelope under maximum security in his own strong room.

11.3.5 The duplicate keys or written record of the combination of the Minister for Finance’s own strong room or safe shall be deposited in like manner in a bank.

11.4 Duty of Assignment Person During Handover of Strong Rooms

11.4.1 The combinations and envelopes of the duplicate keys shall be changed on the handover of a strong room, safe or strongbox as provided in these Regulations or every six months, whichever is the earlier.

11.4.2 The Minister for Finance shall release the envelope containing the duplicate key or records of the combination only after the surrender of the receipt for the same, noting the date of the withdrawal in his register.

11.4.3 On receiving the envelope of the key or combination, the holder shall check that the seal if it has not been tampered with, in any manner. The duplicate key or a written record of the new combination shall be placed in a new envelope and deposited with the Minister for Finance.

11.5 Records of Strong Rooms

11.5.1 The Minister for Finance shall keep a record of strong rooms, safes and strongboxes on premises occupied by his office showing the strong room, safe or strongbox number, its location, the name and designation of the key or combination holder, the dates on which he took over and handed over responsibility for the strong room, safe or strongbox and a record of the withdrawal of duplicate keys or written combinations in accordance with the preceding Regulations.

11.5.2 A change of the person holding a key or combination may be effected only on the authority of the Minister for Finance, who shall notify the change in writing to the ARUSO President with a copy to the Dean of students and the ARU Chief Internal Auditor.

11.6 Strong Rooms Having Different Locks

11.6.1 When a strong room, safe or strongbox having two different locks is handed over, it shall be ensured by examining the register, which the person taking over has never held the key of the other lock but if such a situation cannot be avoided, the lock of the strong room, safe or strongbox shall be changed.
11.6.2 If the key to a strong room, safe or strongbox is lost, the person under whose custody the key was shall immediately report the fact to the Minister for Finance, who shall forthwith report the loss to the ARUSO President.

11.6.3 The Minister for Finance shall make arrangements for the lock to be changed immediately and where such change cannot be possible shall arrange for the duplicate key to be withdrawn from the person holding the key. And the contents of the strong room, safe or strongbox shall be removed under proper security to other safe custody, until the lock is changed, and similar action shall be taken if the person holding the key has good reason to suspect that the key has been exposed to copying or otherwise compromised.

11.7 Cost of Changing the Locks

In any case in which the lock of a strong room, safe or strongbox needs to be changed because of the negligent loss of a key, the person responsible for the loss shall be charged with the cost of changing the lock and providing new keys.

11.8 Safes to be Secured and Locked

11.8.1 The Minister for Finance shall ensure that all safes on premises are secured by being built into the wall of the building or by otherwise being securely attached to the structure. Provided that where strongboxes need to be moved from place to place, they shall be secured by being bolted to the structure, whereby access to the bolts shall be from inside the strongbox.

11.8.2 Strong rooms, safes and strongboxes shall be kept locked at all times except during the actual process of depositing or withdrawing the ARUSO money, and when a strong room, safe or strongbox is open, the person who is in-charge, shall take every precaution to ensure that no other persons have access to its contents.

11.9 Custody of ARUSO’s Money and Valuables

11.9.1 All ARUSO’s money, trophies and other valuables received by members of ARUSO and retained shall be deposited as soon as possible in a strong room, safe or strongbox pending their deposit into the bank or being disposed of and, under no circumstances such money, trophies or valuables other than temporary Imprest shall be retained in the possession of a member of ARUSO.

11.9.2 No ARUSO member shall keep, or be allowed to keep in a strong room, safe, or strongbox under his charge private money or valuables or any money or valuables other than those which are bound to be received and accounted for by virtue of his office.
11.10  Money Which May be Retained in Strong Room

11.10.1 The Minister for Finance will lay down the maximum amount of the ARUSO money and, where appropriate, the limitation of valuables which may be retained in a strong room, safe, or strongbox overnight, shall be stated.

11.10.2 If the maximum amount is likely to be exceeded, the excess shall be placed in a locked or sealed secure container and temporarily be deposited in a strong room or safe of higher security grading and a receipt shall be obtained from the person holding the key of that strong room or safe.

11.11 Keeping of Certain Items in Strong Room

In circumstances that the following items are not in use, they shall always be kept in a strong room, safe or strongbox. The items include:

- (i) cash, including cheques and other instruments of payment
- (ii) cheque books
- (iii) cash books
- (iv) revenue receipt books of any description
- (v) Special clamps, dies and seals
- (vi) a register, showing the contents of the strong room, safe or strongbox at any given time and
- (vii) Any other official valuables.

11.12 Surprise Inspection of Strong Rooms

11.12.1 The Chief Internal Auditor shall be responsible for arranging surprise inspections of the contents of strong room, safes and strongboxes in the ARUSO premises.

11.12.2 For the purposes of sub-regulation 10.12.1 inspections may be made at irregular intervals, but at least once every three months and the inspecting officer shall report to the ARUSO President and copied to the Dean of Students any discrepancies, deficiencies or irregularities which are found and any cases which are believed to amount to inadequate custody.

11.12.3 The result of each inspection shall be recorded in the Register of Surprise Inspections.

11.13 Procedures for Handling and Taking Over of Cash and Cash Equivalents

11.13.1 When the duties of ARUSO member, which involve the custody of money and/or other property, are handed over to another member of ARUSO, the following procedures shall be adopted:

- (i) The person handing over must ensure that books/bin cards which record the ARUSO’s money or property in his custody are written up to date, ruled off
and balanced, and that cash or property in hand agrees with the balance shown in the books/bin cards as the case may be.

(ii) The person taking over must check the cash or property in the presence of the member of ARUSO handing over and a witness who shall come from the office of Internal Audit, and satisfy himself that cash or property agrees with balance shown in the records.

11.13.2 After completion of the above procedures both persons shall sign a certificate which will show the cash and bank balances, keys etc., which have been handed and taken over. Signing of this certificate should be witnessed by one representative from the Minister for Finance’s office and one representative from the office of the Internal Audit. Signed copies of this certificate shall be retained by both members of ARUSO and the original sent to the Minister for Finance.

11.13.3 If any discrepancy between the books and actual balance is revolved at the time of handing over, whether or not the handing over is of a temporary nature, the certificate, accompanied by a report of the discrepancy shall be forwarded to the Minister for Finance. The Minister for Finance shall then take immediate action to ensure that discrepancy is investigated and/or settled.

11.13.4 Where the handing/taking over involves security documents (for example, receipts, LPO books, cheque books, etc.) the member of ARUSO taking over must satisfy himself and ensure that such documents tally with index registers.

11.13.5 These provisions shall also apply to the handing/taking over of all ARUSO cash equivalents.

11.14 Procedures on Illness or Absence of a Person Handling the Key

11.14.1 If by reason of illness or any other, the Treasurer of ARUSO is unable to hand over his duties and responsibilities in person, he shall forward the keys of the strong rooms, safes, strongboxes, and such other items in his custody to the Minister of Finance by hand under sealed personal cover.

11.14.2 The ARUSO Vice President shall appoint a Handing over Committee comprising of at least two member of ARUSO who shall, on behalf of the Treasure of ARUSO, jointly perform the hand over duties prescribed in the foregoing paragraphs and sign the handing over statement in his stead.

11.14.3 The procedure detailed herein shall apply where the person holding the key is unexpectedly absent from a duty which cannot be held in abeyance until his return.

11.14.4 Where the person holding the key has died unexpectedly or has absconded from duty, the matter shall be reported to the police and the ARUSO Vice President shall ensure that the strong room, safe or strongbox is opened or its lock broken in front of at least two
witnesses who shall sign the list of contents of the strong room, safe or strongbox and sign the handing over statement in the stead of the dead or the person who has absconded.

11.15 Procedures Where Taking over Cannot be Made

If, for any reason, an incoming member of ARUSO considers that the state of the records, balances, security, etc. is such that he cannot conscientiously take them over, he shall immediately seek instructions orally from the appointing authority and promptly submit to the ARUSO President and copies to the Chief Internal Auditor with a full written report of the circumstances of the case.

11.16 Loss of Accountable Documents and Action Taken

11.16.1 The action to be taken on the loss of accountable documents shall vary with the nature of the documents concerned.

11.16.2 A loss of fixed deposit receipts (if any) shall be treated as a loss of cash.

11.16.3 Loss of accounting documents such as receipts, invoices, orders and others which do not have a predetermined value, but which nevertheless might be misused if they fell into the wrong hands, shall be reported forthwith to the ARUSO President, the Minister for Finance and ARU Chief Internal Auditor.

11.16.4 A notice in a form approved by the ARUSO President shall be placed in at least one local newspaper, advising traders and other members of the public not to accept documents of the serial numbers concerned.

11.16.5 Where the loss of the documents was due to the negligence of the beholder the ARUSO President shall require the person responsible to pay for the cost of the advertisement.
PART TWELVE

MISCELLANEOUS

12.0 Overview

This part provides the details on the issues that could not be covered in other parts. The issues are important for ensuring judicious use of funds and proper financial management by ARUSO. The issues covered include ARUSO debts, corrupt practices and handling of presents and gifts.

12.1 ARUSO Debt

12.2 The Minister for Finance shall maintain a register showing details of all loans raised by the ARUSO and other forms of the organization's debts.

12.2.1 The register shall show in respect of each item of ARUSO debt its terms and conditions, the amount raised (in local currency) and, if appropriate, the currency of issue, the authority under which the loan was raised or the debt incurred, the terms on which it was issued, including the rate of interest, the dates on which payments of interest are due, the date of redemption and the sinking fund contributions.

12.3 Corrupt Practices

ARUSO members shall conduct themselves in the manner that does not perpetuate corrupt practices.

12.4 Presents, Gifts and Voluntary Contributions

The ARUSO member shall not seek or accept gifts, favours or inducements, financial or otherwise, in the course of discharging their duties. Likewise, they shall not offer gifts, favours or inducements.

12.5 Subscription and Community Responsibility

The AUSRC shall approve all subscriptions and donations within the ARUSO budget.

12.6 Payment of Sitting Allowance

Sitting allowance shall be payable per day of the sitting to the committee members at a rate to be determined, from time to time by the AUSRC.
Bibliography


ARUSO (2008) the ARUSO Constitution

IFMSO (2008) the Institute of Financial Management Students Organization Constitution


MUSO (2009) Mzumbe University Students Organization

IFMSO (2008), Institute of Finance Management Constitution.

International Accounting Standard Boards (various years), International Financial Reporting Standard Boards (various years),


UDSM (2009) University of Dar es salaam Financial Regulations


URT (2005), the Universities Act 2005, the Government Printer

URT (2004), the Public Procurement Act 2004; and Public Procurement Regulations, 2005, the Government Printer

URT (2009), Standing Orders for Public Services, Third Edition, and Tanzania Government

URT (1977) the Constitution of United Republic of Tanzania, the Government Printer

UDSM (2009), University of Dar es Salaam Financial Regulations
APPENDICES

Appendix 1

Chart of Accounts

Income

1001-1199   Grants
1200-1210   Students Union Fees
1211-1220   Rental Fees
1221-1230   Interest From Bank
1231-1240   Donations and Bequests
1241-1250   Special Commissions
1251-1260   Gain in Exchange Rate
1261-1999   Miscellaneous Income

Expenditure

2001-2010   Legal and Governing Costs
2011-2020   Printing, Stationery and Secretarial Expenses
2021-2030   Telephone, Internet, Fax and Other communication expenses
2031-2040   Postage Expenses
2041-2050   Advertising, Publicity and Marketing Expenses
2041-2060   Periodicals, Journals and Newsletters
2051-2070   Office Entertainment
2041-2080   Sitting Allowances for ARUSO meetings
2041-2090   Seminars, Workshop and Conferences Expenses
2091-2100   TAHLISO and Other Meetings Expenses
2101-2110  Sports and Games Expenses
2061-2120  Orientation Week and Welcoming First Year Expenses
2131-2130  Students Election
2071-2140  Allowances for ARUSO Leaders
2081-2150  Repair and Maintenance Expenses
2161-2160  Interest on Loan
2171-2170  Bank Charges
2181-2180  Loss in Exchange Rate
2191-2190  Cash Losses
2191-2200  Import Duty, Customs, Tax Expenses
2201-2210  Audit Fees and Expenses
2211-2220  Depreciation Expenses
2221-2230  Impairment Losses
2231-2999  Miscellaneous Expenses

Assets

Non-Current Assets

3001-3010  Acquisition of Furniture
3011-3020  Acquisition of Office Equipment
3021-3030  Acquisition of Computers and Accessories
3031-3040  Computer Software
3041-3050  Accumulated Depreciation/Amortization of Assets
3051-3099  Other Non-Current Assets
### Current Assets

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<tr>
<th>Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>3100-3110</td>
<td>ARUSO Debtors</td>
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<tr>
<td>3111-3120</td>
<td>Unretired Imprests from ARUSO Members</td>
</tr>
<tr>
<td>3121-3130</td>
<td>Prepayments</td>
</tr>
<tr>
<td>3131-3140</td>
<td>Bank Balance</td>
</tr>
<tr>
<td>3141-3199</td>
<td>Other Current Assets</td>
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</tbody>
</table>

### Liabilities

<table>
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<tbody>
<tr>
<td>4001-4010</td>
<td>Trade Creditors</td>
</tr>
<tr>
<td>4011-4020</td>
<td>Unclaimed Allowances</td>
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<tr>
<td>4021-4030</td>
<td>Accrued Expenses</td>
</tr>
<tr>
<td>4031-4040</td>
<td>Stale Cheques Payable</td>
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<tr>
<td>4041-4050</td>
<td>Provision for Audit Fees</td>
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</tbody>
</table>

### Capital Fund

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</thead>
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<td>5001-5010</td>
<td>Capital Funds</td>
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<tr>
<td>5011-5020</td>
<td>Accumulated Surplus/ (Deficit)</td>
</tr>
<tr>
<td>5021-5030</td>
<td>Current Surplus/ (Deficit)</td>
</tr>
<tr>
<td>5031-5099</td>
<td>Any Other Capital Item (e.g. Reserves, etc.)</td>
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## Appendix 2: Retention Periods for Accounting Documents

<table>
<thead>
<tr>
<th>Description</th>
<th>Retention Period (in years)</th>
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</thead>
<tbody>
<tr>
<td>I   Copies of official receipts, receipt vouchers, licenses</td>
<td>7</td>
</tr>
<tr>
<td>II  Original payment vouchers, used cheques</td>
<td>10</td>
</tr>
<tr>
<td>III Abstracts, subsidiary records, journals</td>
<td>10</td>
</tr>
<tr>
<td>IV  Cash books, ledgers, loan and investment registers</td>
<td>Indefinite</td>
</tr>
</tbody>
</table>
Appendix 3

ARUSO Budget Lines Items

1. Legal and Governing Costs
2. Procurement of Office Equipment and Furniture
3. Office Expenses
4. Subsistence and Travelling Expenses
5. Orientation Week and Welcome First Year Students
6. Allowances for ARUSO Leaders
7. TAHLISO and Other Meetings
8. Sports and Games
9. Students Election
10. Repair and Maintenance
APPENDIX 4
ORGANISATION STRUCTURE OF ARUSO

Student Baraza

AUSRC

Prime Minister

Cabinet/Executive committee

ARUSO Board

Budget and Finance Committee

President

Members/Students
APPENDIX 5

1.2 Terms of Reference (ToR)
The ToR for undertaking the assignment includes the following:

(i) To prepare a comprehensive financial regulations and accounting manual for ARUSO

(ii) To visit various higher learning institutions for purpose of learning how the student organization (a) get funds for organizations’ operations (b) manage organizations’ funds (c) approve expenditure for the organizations’ activities (d) audit the books of accounts (e) prepare audited reports and to which organs of the report are to be submitted (f) actions taken to those involved in misappropriation of funds following the auditors findings, and incorporating the best practices in the ARUSO financial regulations and accounting manual.

(iii) To present the ARUSO financial regulations and operational procedure to Students AUSRC and the ARU Management, SAC and the University Council for approval.

(iv) To submit soft and three hard copies of the ARUSO financial regulations and accounting manual to DVC-PFA.

1.3 Methodology
A number of approaches were adopted in preparing the ARUSO Financial Regulations and Procedures. The approaches adopted had facilitated the getting of the required inputs for accomplishing the assignment given. They include the following:

1.3.1 Holding Consultative meetings and interviews
The committee held consultative meetings with University Management for the purpose of getting or soliciting information for preparing the ARUSO financial regulations. The students had also opportunity to provide their inputs for financial regulations and procedures. They had opportunity to give their views in regard to the shortcoming and good attributes of the current financial practices of ARUSO as well as possible ways to improve them.

1.3.2 Reviewing ARUSO expenditure reports and other documents
The committee also reviewed ARUSO expenditure reports and other document for the purpose of getting the insights into the current procedures for approving expenditures and recording revenues and best way to improve the handling of financial matters by the ARU student’s organization. The committee also reviewed relevant document on financial matters available at ARU and other institution. Such as, Constitution and Financial Regulations of Students Organizations at, Institute of Finance Management, Mzumbe University, University of Dar es Salaam and Sokoine University of Agriculture.

1.3.3 Visiting other higher learning institutions
The team members also visited selected higher learning institutions and individuals with the knowledge and experience in management of students’ organizations for the purpose of interviewing or holding discussions with them. The institutions visited include the University of
Dar es Salaam, the Institute of Finance Management, Sokoine University of Agriculture and Mzumbe University. The main purpose of interviews was to get more inputs for the preparation of ARUSO financial regulations and procedures.

1.5.4 Data Analysis and report writing
Various information and data obtained from the documents reviewed, interviews held and consultations with various stakeholders have been analyzed and be used in the preparation of the ARUSO financial regulation and procedures.