10 Financial-related Questions NGO Director Should Ask



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Board of Directors of an NGO



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Financial Related Responsibility

Ensure NGO's Sustainability

Perform Financial Oversight

Accountable to stakeholders

NGO Sustainability

Financial Planning	 Do we have financial planning? Is financial plan consistent with the NGO's strategic goal?
Sufficient Available Cash	 Is cash flow forecast projected to be adequate? Are cash flow projections reasonable, objective and not overly optimistic?
Budget & Review	 Are we continuously monitoring our financial activities against budget? Are appropriate actions taken to address variance?

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NGO Sustainability

Reserve

Do we have sufficient reserve?Do we have a reserve policy?

Assessing & Managing Risk

- •Do we regularly assess the risks that our organization and board members are exposed to?
- •Do we take appropriate action to manage these risks either by reducing, transferring or avoiding them?

Financial Oversight



- •Are proper financial policies and procedures established?
- Are they being followed without exception?

Internal Control

- Are appropriate check and balance built in the system to prevent errors, fraud and abuse?
- •Segregation of duties
- Signatures & authorization

Financial Oversight

Internal Audit	 Is our internal audit function working satisfactorily? Are their findings taken seriously?
External Audit	 Do we have an external audit? Does our auditor issue an unqualified report? If not, why not?

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Accountable to Stakeholders

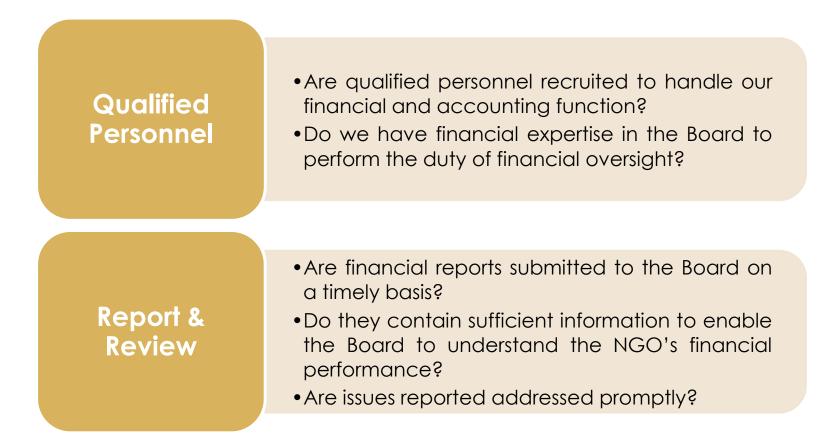
Regulatory Compliance

• Are we complying with the reporting requirements set by SWD, IRD, donors, etc.?

Good Governance Policies

- •Do we have good governance policies to promote accountability?
 - Conflict of interest
 - Document retention
 - •Code of ethics
 - Whistleblower policy

Accountable to Stakeholders





Questions?