

FINANCE POLICIES AND PROCEDURES MANUAL

FINANCE POLICIES AND PROCEDURES MANUAL

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TERMS AND ABBREVIATIONS USED

S. No	Term	Definition
1.	BG	Bank Guarantee
2.	BoD	Board of Directors
3.	BoG	Board of Governors
4.	BPV	Bank Payment Voucher
5.	BRV	Bank Receipt Voucher
6.	CEAF	Capital Expenditure Approval Form
7.	CERD	Communications & External Relations Department
8.	CMA	Capital Markets Authority
9.	CPV	Cash Payment Voucher
10.	CRV	Cash Receipt Voucher
11.	DFM	Deputy Finance Manager
12.	DoF	Director Finance
13.	DAR	Director Admission & Registration
14.	DVC	Deputy Vice Chancellor
15.	DVC-R	Deputy Vice Chancellor-Resources
16.	F&A	Finance & Account
17.	DFM	Deputy Finance Manager
18.	GRN	Goods Receipt Note
19.	HoD	Head of the Department
20.	IAS	International Accounting Standards
21.	IFRS	International Financial Reporting Standards
22.	JV	Journal Voucher
23.	L/C	Letter of Credit

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S. No	Term	Definition
24.	LC	Letter of Credit
25.	LPO	Local Purchase Order
26.	LTR	Loan against Trust Receipts
27.	Manual	Finance & Accounts Policies & Procedures Manual
28.	MoCI	Ministry of Commerce and Industry
29.	MoF	Ministry of Finance
30.	MoHE	Ministry of Higher Education
31.	MSM	Muscat Securities Market
32.	Oman or Sultanate	Sultanate of Oman
33.	OMR	Omani Riyal
34.	P&CD	Procurement & Contracts Department
35.	PDC	Post Dates Cheques
36.	PVC	Pro-Vice Chancellor
37.	PVC-SA&E	Pro-Vice Chancellor Student Affairs & Engagement
38.	PVC-R&I	Pro-Vice Chancellor Research & Innovation
39.	RDRN	Retirement/Disposal/Relocation Note
40.	RV	Receipt Voucher
41.	VC	Vice Chancellor

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Master Copy – Hard Copy & Soft Copy	Director of Finance / Deputy Finance Manager	Entire document, available for review & comments as and when requested

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2 INTRODUCTION

2.1 PURPOSE

1. The purpose of this manual is for Sohar University LLC (hereinafter referred as the 'University') to consistently follow, comply and maintain accounting statements as per International Financial Reporting Standards (hereinafter referred as the 'IFRS'), International Accounting Standards (hereinafter referred as the 'IAS') as applicable in the Sultanate of Oman (hereinafter referred as 'Oman' or the 'Sultanate') and all guidelines issued by the regulatory bodies in this respect.
2. In order to give proper effect to financial management and accounting, the University's financial rules and regulations require to be codified in a Finance & Accounting Policies and Procedures Manual (hereinafter referred as the 'Manual'), thus embodying best practice and consistency of approach.
3. The purpose of this manual is also to:
 - Lay down standard policies and procedures pertaining to Finance & Accounts functions to be followed within the University
 - Ensure transparency of policies and procedures
 - Clearly define and formalize requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal according to defined approval levels
 - Enable management and staff to take decisions efficiently within authorized limit
 - Minimize risk and uncertainty in University's operations
 - Provide ready means of reference in order to:
 - Explain the policies and procedures to the management and staff; &
 - Train the Finance and Accounts staffs in implementation of the procedures
4. The approved policies and procedures in this manual are intended for use only within the University and should be treated as confidential

2.2 SCOPE

1. The policies and procedures stated in this manual apply to relevant staffs involved in finance & accounting related activities of the University.
2. This Manual shall act as a reference to the policies and procedures of the department in relationship with Finance within the University. Each policy is a guideline to be used with discretion, understanding, and management in the spirit in which the policy is written.

2.3 RESPONSIBILITY

1. The Board of Directors (BoD) shall formally adopt the policies and procedures outlined in the Manual and set an effective date for implementation based on the recommendations from the Board of Governors (BoG), Sohar University Executive Management Committee (EMC), and Director of Finance (DoF). Along with Finance Department, Deputy Vice-Chancellor-Resources (DVC-R) also reports for the various administrative services of the University include Procurement & Contracts Management, Estates & Campus Services Department, Human Resources Department and Staff Development.

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2. The Finance Department is headed by the Director of Finance (DoF), who is responsible for the co-ordination and implementation of the general arrangement, development and follow-up of this manual. The DoF reports to the Deputy Vice-Chancellor-Resources (DVC-R) who reports to the Vice Chancellor (VC).
3. It is the responsibility of the DoF and the Deputy Finance Manager (DFM) to make sure that both the content and the spirit of this document are communicated, understood and acted upon within the department.

2.4 PROCEDURE FOR REVISION

1. DoF and the DFM shall review the manual periodically and recommend additions, deletion and/ or amendments towards the finance policies and procedures to update the existing manual in line with the University's requirements and business trends and as changes are made in the relevant laws and statutes.
2. Revision of the Manual may be required where:
 - No procedure exists;
 - Existing procedure is no longer relevant or requires revision due to amendments or new releases of any relevant laws;
 - Changes to the following laws and regulations that are presently applicable for operating University:
 - Royal Decree/ Ministerial Decree from Ministry of Higher Education ("MoHE")
 - Budget heads from the Ministry of Finance
 - Commercial Companies Law;
 - Oman Labor Law;
 - Social Security Law;
 - Oman Income Tax Law;
 - Capital Market Authority regulations, wherever applicable;
 - Requirement of various Ministries, Government and Municipalities, etc.; &
 - Specific requirements relating to University operations vary from time to time.
 - Further guidance is required on routine work.
3. In the event that there is a conflict between a statutory regulation and any aspect of this manual, the applicable statutory regulation shall prevail. DoF and DFM shall maintain a copy of all the applicable laws and regulations both in Arabic and English versions (latest). These shall be kept in a bound form and shall be accessible for reference upon request to the University's officials responsible for the compliance of these laws.
4. The process for revision may be initiated by DVC-R, DoF, DFM and/ or its designated personnel in the University and must be referred to the DVC-R, DoF and DFM. The initiator shall give the objective for the revision, summary of changes required and description of the proposed policies and practices.
5. The DoF / DFM shall discuss with the concerned staff that are directly involved with the policies and procedures and make a recommendation to the DVC-R. Upon satisfactory verification, the DVC-R shall recommend the changes in the manual to Vice Chancellor (VC) and the EMC. Further VC recommends the changes to be made in the manual to BoG for their verification.
6. Upon BoG's satisfactory verification, the updated manual shall be submitted to the (BoD) for their final approval.
7. VC shall forward the approved manual to DVC-R and DoF, in-turn, DoF / DFM shall forward the revised policies and procedures to concerned holders of the Finance &