



Financial Regulations of OIC

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CHAPTER: I

SCOPE AND DEFINITIONS

ARTICLE 1.1 : SCOPE

The present regulations shall be called "The Financial Regulations of the Organisation of Islamic Cooperation" and shall be applicable to the General Secretariat of the Organisation and its subsidiary organs in compliance with Resolution No. 6/18-AF adopted by the Eighteen Council of Foreign Ministers.

Except for organs granted – statutory – authorization to establish their own Rules and Regulations in this respect.

ARTICLE 2 : DEFINITIONS

In these regulations the following terms shall have the meaning hereunder assigned to them:

THE ORGANISATION	:	The Organisation of Islamic Cooperation (OIC)
THE CHARTER	:	The Charter of the Organisation
THE CONFERENCE	:	The Summit of Kings and Heads of States/and Governments or the Council of Foreign Ministers or their duly accredited representatives
MEMBER STATES	:	The Member States of the Organization
SECRETARY-GENERAL	:	The Secretary-General of the Organisation
THE PERMANENT FINANCE COMMITTEE	:	The duly accredited representatives of member states provided for under Article 31 of the Charter
THE SUBSIDIARY ORGANS	:	The organs established in the framework of the organization, as defined in accordance with the Article 22 and 23 of the Charter
GENERAL SECRETARIAT	:	The General Secretariat of the Organization

CHAPTER: II **GENERAL PROVISIONS**

ARTICLE 2.1 :

These regulations define the principles and rules governing financial matters in the General Secretariat and its subsidiary organs. They also regulate budget preparation and execution, and financial control of accounts, collection of revenues, preparation of closing accounts as well as purchase procedures and for performance of service and warehouse management.

ARTICLE 2.2 :

The Secretary General shall be responsible for:

- a) Implementation of the resolutions and policies of the Council.
- b) Preparation of draft budgets and follow up of their execution once approved by the Council .
- c) Management of the financial and administrative affairs of the Organization and adoption of the measures necessary for the organization of work and the application of prescribed rules and regulations.
- d) Safe-keeping and management of the Organization's funds and resources and effective and rational use thereof.
- e) Follow up of the collection of mandatory financial contributions from Member States in accordance with the scales fixed by the Council .

ARTICLE 2.3 :

The Secretary General may delegate his financial powers to special staff members and to heads of the subsidiary organs of the Organization each within his competence in accordance with the provisions of these Regulations.

ARTICLE 2.4 :

The Secretary General shall prescribe the detailed functions of Finance Officer in the General Secretariat and its subsidiary organs, and the way to exercise such functions.

ARTICLE 2.5 :

The Finance Department shall be responsible for the application of these regulations and the resolutions to be adopted in accordance with them. It shall refuse to carry out any requests involving a financial infringement except on the written orders of the Secretary General and on his responsibility.

ARTICLE 2.6 :

Financial infringements shall include failure to submit draft budgets, closing accounts or status reports thereof, submitting them incomplete or beyond the date fixed for that purpose; exceeding the approved allocations; failure to implement proposals and recommendations of the Finance Control Organ approved by the Council ; or violation of any provisions of these Regulations and of instructions given for their implementation.

ARTICLE 2.7 :

The Secretary General shall issue orders and instructions for the implementation of the provisions of these regulations.

In the absence of a text applicable to an emergency situation, the Secretary General has the right to interpret these regulations, inspired by the rules and regulations of similar organizations.

CHAPTER: III

BUDGET STRUCTURE AND FINANCING

ARTICLE 3.1 :

- a) The budget is the annual financial plan of the General Secretariat and its subsidiary organs, separately, drawn up for the achievement of specific objectives within the framework of the plans and policies approved by the approving bodies.
- b) The financial year shall start on the first day of January and shall end on the last day of December of the same year.
- c) Budget estimates, both revenues and expenditures, shall be made in a convertible currency prescribed by the Approving Bodies, based on the recommendation of the Secretary General and the recommendation of the Permanent Finance Committee consistent with the interest of the Organization.

ARTICLE 3.2 :

The budget shall include all anticipated expenditures and estimated revenues necessary to finance the various activities of the General Secretariat and its subsidiary organs in one financial year.

ARTICLE 3.3 :

The budget shall be prepared on the basis of the administrative distribution and qualitative classification of the Organization's activities with due regard to analysis on the basis of programmes projects, operations and technical activities.

ARTICLE 3.4 :

The administrative distribution shall be the classification showing the expenditures and revenues of each principal department or subsidiary organ separately. The qualitative classification shall reflect expenditures and revenues according to the nature and type of each expenditure and revenue.

ARTICLE 3.5 :

Some allocations may, for special considerations approved by the Approving Bodies, be budgeted as overall figures not subject to the classifications contained in Article (3.4).

ARTICLE 3.6 :

The revenues of the budget shall consist of:

- a) The mandatory contributions of member states;
- b) Voluntary contributions of member states;
- c) Revenues from services rendered;
- d) Revenues from sale of publications and goods; and
- e) Miscellaneous income (such as donations, grants and returns on investment).

ARTICLE 3.7 :

The expenditure of the Budget shall be divided into chapters, items and sub-items according to their identical objectives as defined by the Secretary General with the approval of the Permanent Finance Committee.

ARTICLE 3.8 :

Each financial allocation specified by the Organization (special allocations) for the achievement of specific objectives shall be considered as a separate accounting unit and, as such, shall have its own independent accounts which embody all rights and obligations. This rule shall be applied by a decision of the Secretary General.

ARTICLE 3.9 :

If a new state becomes member to the Organization in the course of a financial year, it shall pay its contribution at the rate of one-twelfth of the assessed annual contribution for each remaining month of the financial year. Such a sum shall be considered as mandatory contribution.

ARTICLE 3.10 :

Any state requesting withdrawal from the Organization shall have to settle financial obligations until the end of the financial year in which the request for withdrawal has been submitted, in addition to any other financial debts as it may have incurred.

ARTICLE 3.11 :

No specific revenue may be allocated for a specific purpose unless in conformity with the provisions of the present regulations or in cases where a resolution is adopted by the Approving Bodies. In all cases, a separate account shall be opened for every revenue earmarked and budgeted and the result shall be reflected in a consolidated financial statement of closing accounts of the general account under the prevailing financial regulations.

ARTICLE 3.12 :

The Secretary General may accept general and ad-hoc donations provided that the purpose thereof is in line with the Organization's objectives and activities and does not conflict with its Regulations.

ARTICLE 3.13 :

Donations made for no specific purpose shall be considered General donations, and added to the accounts of sundry income. Ad-hoc donations shall be those made for a specific purpose. In such case, Article 3.11 shall be applied. After the fulfilment of the purpose for which allocation was made, all surpluses shall be credited to the Sundry Income Account.

ARTICLE 3.14 :

In case the Conference decide to establish a fund, whose financial resources shall be allocated to meet specific purposes in accordance with the procedures approved by the Approving Bodies. The management and accounting of these funds shall be subject to the financial rules stated in these Regulations, unless otherwise statutory authorization to establish its own rules and regulations is granted by the Conference.

ARTICLE 3.15 :

A reserve account shall be established for the Organization, whose amount shall be fixed, from time to time, by a decision of the Council based on a proposal of the Secretary General and the recommendation of the Permanent Finance Committee.

ARTICLE 3.16 :

Cash surplus resulting from an increase of resources over expenditures in the closing accounts of previous years shall be transferred to the Reserve Account at the end of the financial year.

ARTICLE 3.17 :

The Secretary General may draw amounts from the Reserve Account, when fund is needed but not available to meet the needs of Organization, provided that such amounts shall be returned to the Reserve Account after the Member States have paid their contributions.

ARTICLE 3.18 :

The management and accounting the Reserve Account as well as its bank account shall be subject to the financial rules applicable in these Regulations.

ARTICLE 3.19 :

The Secretary General has the right to establish an Expert Committee, with the approval of the Permanent Finance Committee, to invest the cash surplus of the Organization's reserves for short and medium terms, provided that this does not affect the activity of the Organization.

Income derived from investment of the Organization's funds, shall be credited to the Sundry Income Account.

CHAPTER: IV

RULES FOR BUDGETS PREPARATION

ARTICLE 4.1 :

The Secretary General shall release a circular, at least three months before preparing the draft budget, containing the guidelines and principles to be followed by every principal department and office in the General Secretariat and its subsidiary organs, to prepare budget estimates in the light of their annual plans, programmes and objectives to be achieved.

ARTICLE 4.2 :

The principal departments and offices shall send their budgets estimates together with all relevant annexes and explanatory notes, within a month after the date of the Secretary General's circular, to the concerned Finance Department of the General Secretariat and of the subsidiary organs, for their consideration.

ARTICLE 4.3 :

The Finance Department of the General Secretariat and its subsidiary organs shall prepare the draft budgets after studying the budgetary estimates presented by the various departments and offices, into a unified draft-consistent with the standard modalities and studies conducive to the achievement of the objectives.

ARTICLE 4.4 :

The Secretary General shall submit the draft budget to the Member States at least two months before the date of the meeting of the Permanent Finance Committee for its consideration, opinion and recommendation to the Conference for the approval.

ARTICLE 4.5 :

Upon approval of the budget, the Secretary General shall send it to Member States together with all annexes, explanatory and analytical notes as well as a statement of the assessed amounts to be paid by each of them.

CHAPTER: V
EXECUTION OF THE BUDGET

ARTICLE 5.1 :

Approval of the Budget shall be considered as an authorization given to the Secretary General, within the competence conferred on him for use of the approved allocations for their prescribed purposes as of the beginning of the financial year.

ARTICLE 5.2 :

No loan may be contracted, or financial commitments made by the Organization if these involve expenditure beyond the budget period except with the approval of the Council .

ARTICLE 5.3 :

No commitment may be made in respect of expenditures for which no allocations have been included in the Budget unless the Approving Bodies approve that such expenditures be made from the Reserve Account.

ARTICLE 5.4 :

If the budget approval is delayed, the previous Budget shall continue to remain in force. Member States shall be requested to pay their contributions on the basis of the previous Budget and their contributions shall later be adjusted upon approval of the Budget. Reduced allocations in the draft budget shall be considered as actually reduced and additional allocations as not included. Expenditure shall be made from the Reserve Account within the limit of one-twelfth of those appropriations each month.

ARTICLE 5.5 :

Member States must pay their mandatory contributions to the General Secretariat and its subsidiary organs, separately, in the first month following the beginning of the financial year or immediately if the financial year has already started.

ARTICLE 5.6 :

The Secretary General shall follow up collection of the resources included in the Budget of the Organization and shall, with the approval of the Permanent Finance Committee, report to the Council at its ordinary session every year on Member States' settlement of their shares. He shall also, when necessary, make a report explaining the reasons for failure to carry out the plan.

ARTICLE 5.7 :

No transfer of allocations from one chapter to another or over expenditure on the approved allocations of any chapter and no initiation of unbudgeted expenditure may be made except with the approval of the Permanent Finance Committee provided that such operations shall be submitted to the Council at its first meeting.

ARTICLE 5.8 :

The Secretary General or the person authorized by him may, if necessary, carry out within chapter transfers from one item to another provided that the amount transferred shall not exceed 50% of the original allocation of the item from which the transfer is made and 100% of the original allocation of the item to which the transfer is made, subject to the availability of savings.

CHAPTER: VI

COLLECTION RULES

ARTICLE 6.1 :

All amounts received shall be immediately deposited in an official bank account and entered in the books on the basis of the bank advice.

ARTICLE 6.2 :

In case of any collection made, a receipt shall be made out in original and two copies. The original shall be given to the payer of the money, the first copy shall be attached to the voucher and the second copy shall remain in the Receipt Book.

ARTICLE 6.3 :

Accuracy and care shall be observed in delivering and keeping valuable books, namely those books whereby money is collected or disbursed or those used for purposes having a cash value.

CHAPTER: VII

RULES OF EXPENDITURE AND DISBURSEMENT

ARTICLE 7.1 :

No expenditure shall be made without original vouchers certified by the Secretary General, or those authorized by him, and unless their soundness has been ascertained by the Internal Controller.

ARTICLE 7.2 :

Disbursements shall be made by cheques, transfer or cash signed by the Secretary General or the person authorized by him and by the Head of the Finance Department.

ARTICLE 7.3 :

The official(s), may be designated by the Head of the Finance Department, shall make cash disbursements and shall be responsible for the proper management and safe keeping of cash.

ARTICLE 7.4 :

The Secretary General or the person authorized by him shall sign cheques that are cancelled for any reason and such cheques shall be attached to their stubs in the cheque book.

ARTICLE 7.5 :

Salaries and wages shall be paid on their due dates except in the cases of leave when they shall be paid in advance and on the approval of the Secretary General or the person authorized by him.

ARTICLE 7.6 :

Disbursements shall be made against original and sound vouchers and documents testifying that the services and goods concerned have been actually performed or delivered in conformity with the agreed conditions, specifications and contracts provided that supporting vouchers and documents shall be attached to the payment vouchers. These are as follows:

- a) Contracts and agreements concluded.

- b) Original requisitions and orders for the purchase of goods, performance of services or execution of work.
- c) Original Receipt Notes and Inspection and Installation Reports.
- d) Original invoices duly approved by the competent official.
- e) Original mission order and application form for the payment of mission allowance, signed by the staff-member and approved by the competent official.
- f) Travel tickets purchase order approved by the competent official and accompanied by ticket stubs.
- g) Original salary sheets and copies of decisions of appointment, promotion, granting of increments, contracts and duty assumption note.
- h) Original decisions of overtime work and granting of remunerations and leave.
- i) Original report of overtime.
- j) Decision of salary and wage deductions.
- k) Bank advices.
- l) Supporting documents for delivery of aid, assistance, donations and various expenses.

ARTICLE 7.7 :

In the event of loss of original documents for the payment of amounts owed to other parties by the Organization, disbursement may be made with the approval of the Secretary General provided that the entitled party submits a duplicate of the lost document, and that the Organization ascertains that payment has not been made and that the entitled party undertakes not to claim the amount in future.

ARTICLE 7.8 :

For procurement of goods and products by purchase or lease and of services requested, the following principles shall be considered.

- a) Best quality by best value for money;
- b) Service guaranty;
- c) Terms of delivery and payment
- d) Neutrality and transparency.

ARTICLE 7.9 :

The documents attached to payment vouchers shall be stamped with a seal indicating that payment has been made and showing the number and date of the payment voucher so as to avoid repetition of payment.

ARTICLE 7.10 :

Amounts shown in documents should be paid only to the entitled party or their lawful agent against power-of-attorney approved by the Secretary General or the person authorized by him.

ARTICLE 7.11 :

Amount disbursed by mistake or without entitlement or cancelled for any reason and reimbursed during the same financial year shall be returned to the accounts against which they were originally withdrawn. Reimbursements of actual expenditures incurred in the previous financial years shall be added to Sundry Income.

ARTICLE 7.12 :

The Secretary General may authorize the payment or settlement of amounts by excluding them from the revenue account provided that he states the justifications for such action.

CHAPTER: VIII

ACCOUNTS AND RECORDS

ARTICLE 8.1 :

All funds of the Organization shall be kept in the bank or banks accounts to be determined by the Secretary General.

ARTICLE 8.2 :

Bank accounts shall be reconciled within a week from the date of receipt of the bank statements for each month.

ARTICLE 8.3 :

The Secretary General shall take suitable measures for the keeping of necessary accounting records in accordance with the commonly used accounting rules and procedures, and for the submission of annual accounts containing:

- a) Income and expenditures of all funds;
- b) Situation of approved allocations;
- c) Position of fixed assets and liabilities

ARTICLE 8.4 :

The Organization shall keep the accounting records of its revenues and expenditures in accordance with the observed accounting system subject to the chapters, items and sub-items of the Budget which must be adhered to in all statements and correspondence.

ARTICLE 8.5 :

The accounting system shall include the following principal accounting records:

- a) General Journal
- b) Ledgers for:
 - Chapters
 - Items
 - Sub-items
 - Bank Accounts (each)
 - Petty Cash Account
 - Contributions
 - Revenues
 - Suspense Accounts (receivables & payables)

ARTICLE 8.6 :

The accounting system shall include the following auxiliary programmes:

- a) Fixed Assets Inventory Programme
- b) Payroll Programme.

ARTICLE 8.7 :

The Organization shall maintain such programmes or statements as it may deem appropriate or as may be required.

ARTICLE 8.8 :

Financial book entries based on payment, receipt or transaction vouchers should be made by continuous and consecutive voucher numbering so that the system should not allow to enter, in between, any back-dated vouchers later on.

ARTICLE 8.9 :

All book entries should be supported by vouchers approved by the Secretary General or those authorized by him, in accordance with the provisions of these Regulations.

ARTICLE 8.10 :

Financial book entries must be made regularly and upon completion of each and every operation so that recording delays may not entail confusion in the accounting work.

ARTICLE 8.11 :

No erasing or crossing out may be made in the accounting records and if any error is made, it must be corrected by an appropriate accounting method.

ARTICLE 8.12 :

Records and their supporting documents must be kept for period of time to be determined by the Secretary General with the approval of the Finance Control Organ. The Secretary General may order the destruction of the records and their documents following expiration of the fixed periods.

CHAPTER: IX

CLOSING ACCOUNT

ARTICLE 9.1 :

At the end of each Financial Year, the Finance Department of the OIC General Secretariat and the Subsidiary Organs each on its own shall prepare the closing account, not later than the first two months of the following financial year. The closing account shall comprise the statements, tables, annexes, explanatory and analytical notes including, in particular, the following:

- a) Statement of consolidated Financial Situation (assets and liabilities).
- b) Statement of Income and Expenditure
- c) Statement of mandatory contributions received from member states
- d) Statement of Debtors and Creditors
- e) Statement of actual expenditures (chapter by chapter) by comparing to approved budget appropriations.
- f) Summary Statement of Fixed Assets.
- g) List of arrears of mandatory contributions of member states.
- h) Statement of Financial Situation of the special accounts.

ARTICLE 9.2 :

The closing account of a Financial Year shall only include the revenues allocated for it and the actual expenditures made of those obligated during that year. At the end of the Financial Year both unused and un-obligated funds shall be frozen.

ARTICLE 9.3 :

After full investigation, over the cancellation of liquidity and non-recouped cash or assets, the Secretary General submits the matter to the Permanent Finance Committee accompanied by the recommendation of the Finance Control Organ, in the closing account.

ARTICLE 9.4 :

The General Secretariat and its subsidiary organs shall submit their closing accounts, for the past financial year, to the Finance Control Organ, no later than three months from beginning of the new financial year, for auditing.

ARTICLE 9.5 :

The Finance Control Organ shall submit its report and recommendations to the Permanent Finance Committee for consideration prior adoption by the Council .

ARTICLE 9.6 :

The Secretary General shall submit the Closing Accounts of the Organization to the Council together with the report of the Finance Control Organ and the recommendations of the Permanent Finance Committee at its first session following the expiry of the Financial Year in question.

CHAPTER: X

FIRST: INTERNAL CONTROL

ARTICLE 10.1 :

The Secretary General shall adopt a system of financial control and periodic reporting that enables him to continuously monitor the Organization's financial operations and activities.

ARTICLE 10.2 :

The Internal Controller shall be guided by the document "Executive Rules of Internal Control" annexed to these regulations to organize his activities.

ARTICLE 10.3 :

An experienced suitably qualified Internal Controller in the fields of Finance and Accounting shall be entrusted with the task of internal control at the General Secretariat and shall be administratively attached to the Secretary General, directly.

ARTICLE 10.4 :

Internal control in the subsidiary organs shall be entrusted to an internal Controller who shall administratively report directly to the Director General of the relevant subsidiary organ. He shall be appointed by the Secretary General. In the event of absence of an internal controller in the subsidiary organ, the Internal Controller of the General Secretariat may undertake field tours of the subsidiary organs once or twice in a year and prepare a report about the organ concerned, and forward the report to the Secretary General and the FCO as part of his report on the OIC General Secretariat.

ARTICLE 10.5 :

The Internal Controller shall assume the functions of financial and administrative control according to the document “Executive Rules of Internal Control” annexed to these regulations, to ensure the following:

- a) That the financial resources are used effectively and economically.
- b) That financial operations are orderly and consistent with the prevailing Rules, Regulations and Instructions.
- c) That the accounting statements and information are accurate.

SECOND: EXTERNAL CONTROL

ARTICLE 10.6 :

There shall be established within the Organization a body called the Finance Control Organ, which shall be responsible to the Council , and which shall perform the tasks set forth in these Regulations.

ARTICLE 10.7 :

The purpose of this Organ is essentially to exercise effective control over the utilization of the Organization’s fund to monitor the discharge, by the Organisation’s executive bodies, of their responsibilities, and to evaluate the result of their work.

ARTICLE 10.8 :

The Finance Control Organ is comprised of the representatives from ten Member States. The host country as permanent member and nine Member States to be appointed by the Council , in accordance with the principle of geographical distribution and commitment to the settlement of the mandatory contribution, for three years, renewable.

Each member state should nominate, for the Organ, a maximum of two members who should have to be highly experienced in this field.

ARTICLE 10.9 :

The Secretary General shall call the Finance Control Organ to meet at least once every year after the preparation of the Closing Accounts, provided that the results of the meeting shall be submitted to the first subsequent meeting of the Permanent Finance Committee.

The Secretary General may also invite the Chairman of the Organ to discuss about the matters which are important for the Organization and could not be delayed.

ARTICLE 10.10 :

A meeting of the Organ shall have a quorum if it is attended by delegates of five of its member states, minimum.

ARTICLE 10.11 :

The Organ shall formulate its own rules governing the exercise of its functions the distribution of work among its members and other related measures, required by its task.

ARTICLE 10.12 :

The Finance Control Organ shall exercise the following functions:

- a) Auditing Accounts and ascertaining that financial operations and accounting entries are carried out methodically in accordance with the prescribed financial rules and procedures.
- b) Auditing of closing accounts to ascertain their soundness and reflection of the real position; and making remarks on any errors, violations or shortcomings in application of regulations and instructions.
- c) Auditing of warehousing entries, cards and documents spotting any negligence or financial violations; examining the shortcomings that may have caused them and proposing corrective action.
- d) Reviewing personnel administrative procedure to ensure their conformity to the budget and the prescribed administrative procedures.

ARTICLE 10.13 :

In the exercise of its functions, the Organ shall carry out the following tasks:

- a) Examining records, accounts and their supporting documents at the General Secretariat and its subsidiary organs. The Organ may ask to examine any voucher, record or the other documents that it deems necessary for the discharge of its responsibilities.
- b) Contacting directly, when necessary and after informing the Secretary General, any staff member.

ARTICLE 10.14 :

The Finance Control Organ shall discuss its report on the accounts and the results of its activities with the Secretary General, before finalizing such a report for submission to the Permanent Finance Committee. It shall deliver a copy thereof to the Secretary General.

ARTICLE 10.15 :

The Permanent Finance Committee shall invite the Chairman or one of the members of the Finance Control Organ at the discussion of the Organ's report.

ARTICLE 10.16 :

The Finance Department of the General Secretariat shall perform the secretarial work of the Organ and prepare for its meetings.

ARTICLE 10.17 :

The Secretary General shall, in coordination with the Permanent Finance Committee, determine the Organ's expenses, and the Council shall approve in the budget, the total expenditure required.

ARTICLE 10.18 :

The hosting institutions (The General Secretariat/Subsidiary Organs) shall assume the expenses of travel, accommodation and remuneration of the members of the Finance Control Organ during the performance of their work.

ARTICLE 10.19 :

These Financial Regulations shall enter into force from the beginning of the financial year, following approval by the Council

ARTICLE 10.20 :

Any provisions which are contrary to the present regulations shall be considered null and void.

CHAPTER: XI

HUMANITARIAN FIELD OPERATIONS

ARTICLE 11.1 : Establishment of Field Offices

Based on the request of the affected Member States, the Secretary General shall have the authority to establish a humanitarian field office to respond to a crisis, subject to having donations for that purpose.

ARTICLE 11.2 :

Finance Department of the General Secretariat shall establish a separate book account/sub account for each project where voluntary contributions are received. In accordance with the Memorandum of Understanding with the Donors, deductions for Administrative Expenses, which shall not exceed as stipulated in Article 11.4, shall be allocated under a separate account.

ARTICLE 11.3 :

All financial matters relating to field activities will be administrated on the basis of approved budget plans, prepared by the Finance Department, based on available funds, in coordination with the Humanitarian Affairs Department and approved by the Secretary General.

In case of a sudden onset disaster or time-critical emergency, a budget plan for OIC humanitarian field activities should be formulated on the first four months or on calendar year basis.

ARTICLE 11.4 :

All OIC humanitarian activities shall be financed from voluntary contributions in accordance with Resolution No.7/39-AF(PFC), which stipulates that “A percentage not exceeding 10% of voluntary contributions received by the OIC for humanitarian activities shall be allocated to cover the operational expenses of humanitarian activities”.

ARTICLE 11.5 :

In case of receiving voluntary contributions that are solely made to support – the OIC Humanitarian Activities, such contribution shall be considered as Administrative Expenses.

ARTICLE 11.6 :

In all circumstances, OIC humanitarian activities shall not cause any financial burden to the budgets of the General Secretariat of the OIC and its Subsidiary Organs.

ARTICLE 11.7 :

Two local bank accounts (one for Administrative expenses and the other for Projects) shall be opened with the approval of the Finance Department of the General Secretariat on the recommendation from Head of the OIC Humanitarian Field Office.

ARTICLE 11.8 :

The Head of OIC Humanitarian Field Office shall provide to the Finance Department at Headquarters with electronic monthly financial reports, bank statements, vouchers and related document. All original documents are to be sent to the Finance Department at the headquarters on the quarterly basis.

ARTICLE 11.9 : CLOSING OF A FIELD OFFICE

Upon the decision of the Secretary General to close an OIC humanitarian field office, OIC should dispatch an experienced officer from the Humanitarian Affairs Department, together with a financial officer from Headquarters to assist in the closing of the office by taking the steps to address the following:

- a. Update and finalize its financial account and close the local bank account and transfer the remaining fund back to Headquarters with the advice of the Finance Department;
- b. Confirm the inventory of fixed assets and write-off by officially donating them to the government ministries or local humanitarian organizations, including the official vehicles;
- c. Portable computer and telecommunications equipment that can be used for other disaster responses should be returned to Headquarters.
- d. Terminate the lease and settle all financial obligations of the office;
- e. Transfer all documents and databases back to Headquarters for record and archive and dispose of all documents that are no longer needed properly;
