

HOPE'87 INTERNAL CONTROL OVERRIDES (ICO)

This document refers to the process of amending or derogating internal control policies and procedures and states the responsibilities, authorization levels and procedures to be followed within the organization.

1. Purpose

In accordance with the relevant basic documents of HOPE'87 concerning control standards, especially but not limited to financial issues, the organization shall track and give prior approval to control overrides or deviations from policies and procedures.

2. Scope

The procedure is applicable to all organizational staff. This procedure is without prejudice to the procedures described in the „Manual of Procedures“, the ToR of staff members, the „Fraud Paper“ and the „Personnel Manual“ with reference to the tasks and responsibilities of verifying officers and verifying assistant(s).

This procedure does not cover irregular activities. Please refer to a separate procedure dealing with reporting improprieties („HOPE'87 Fraud and Corruption Policy“).

3. Responsibilities

It is the responsibility of the General Secretary, the Country Representatives (CR) and Directors/Supervisors to ensure that staff is aware of and complies with this procedure. Specific responsibilities are outlined under 6. *Procedure*.

4. Format needed for this ICO

Register of exceptions

5. Definitions

Authorizing officer: in the context of exceptions, the authorizing officer for all finance related issues is the CFO, for all other issues the General Secretary.

Delegations of power do not apply in exceptional circumstances and all exceptions have to be authorized by the CFO or the General Secretary who are the only two persons having the power to override controls.

In case of the CFO or the General Secretary requesting an exception, the authorizing authority is the Governing Board.

Exception: management intervention involving potential deviations from established policies, procedures and controls to deal with exceptional circumstances or events that otherwise cannot be handled appropriately following the organization's standard procedures. Provision for proper management intervention is necessary in all internal control systems because no system can be designed to anticipate every circumstance. When such exceptional circumstances arise, management intervention shall be documented and disclosed at the appropriate level in order to obtain approval from the authorizing officer.

If a procedure already contains provisions of how a deviation is to be dealt with, then this deviation does not constitute an exception.

6. Procedure

Step 1

Complete the template for requesting exceptions (see below), describing circumstances and reasons why a deviation from the policies, procedures or established controls is necessary. Attach any relevant documentation. Do not take any action before the final decision has been reached.

- Done by: Member of staff requesting the deviation

Step 2

Forward the completed form to the CR.

- Done by: Member of staff requesting the deviation

Step 3

CR will decide whether the circumstances presented necessitate this exception procedure. If it is not necessary to initiate the exception procedure, CR will continue with step 4.

If it is necessary to initiate the exception procedure, the CR will continue with step 5.

- Done by: CR

Step 4

Inform staff member of decision and alternative action to take. End of procedure.

- Done by: CR

Step 5

Sign the form and forward to the CFO or General Secretary

- Done by: CR

Step 6

CFO or General Secretary take decision on whether to grant an exception. Complete request form as appropriate, date and sign.

- Done by: CFO or General Secretary

Step 7

File original request and ensure proper archiving. Forward a copy to the requesting staff member and the CR

- Done by: CFO or General Secretary

Step 8

Proceed with action in accordance with the decision taken by the CFO or General Secretary

- Done by: Member of staff requesting the deviation

Request for an Internal Control Override (ICO)

NAME OF STAFF REQUESTING OVERRIDE:	
POSITION OF STAFF REQUESTING OVERRIDE AND LOCATION OF RESPECTIVE COUNTRY OFFICE:	
DATE OF REQUEST:	

WHICH REGULATION(S) IS (ARE) CONCERNED BY THE REQUEST FOR OVERRIDE?	
EXPLAIN THE REASONS WHY AN OVERRIDE IS NECESSARY:	
EXPLAIN ALTERNATIVE PROCEDURE THAT WOULD BE APPLIED:	
EXPLAIN POSSIBLE CONSEQUENCES OF OVERRIDE (FINANCIAL, SOCIAL, INSTITUTIONAL, ADMINISTRATIVE, ENVIRONMENTAL)	
NAME ANY ANNEXES AND RELATED DOCUMENTATION	

Signature of Staff

The following field is ONLY to be filled by the Country Representative

NAME OF COUNTRY REPRESENTATIVE / SUPERVISOR OF STAFF REQUESTING OVERRIDE:	
DATE OF RECEIPT OF REQUEST:	
DOES THE COUNTRY REPRESENTATIVE DEEM IT NECESSARY TO INITIATE EXCEPTION PROCEDURE? <input type="radio"/> YES <input type="radio"/> NO COMMENTS:	

The following field is ONLY to be filled by the authorizing officer (CFO or General Secretary)

NAME AND POSITION OF AUTHORIZING OFFICER:		
IS THE EXCEPTION AS REQUESTED ABOVE GRANTED? <input type="radio"/> YES <input type="radio"/> NO COMMENTS: 		
ACTION TO BE TAKEN:		

Place and Date:

Signature of the Authorizing Officer:

RECORD TO BE ARCHIVED UNDER:	
------------------------------	--