

# DONATION POLICY AND RULES

## **FUND MANAGEMENT, FUND RAISING & ACCOUNTING/ACCOUNT OPENING & HANDLING PROCEDURES-POLICY UPDATED**

Dear all concerned

In order to ensure control over fund raising and its recording and reporting you are requested to please organize two teams of fund management and fund raising on the following lines. All Chapters are required to please follow and implement the rules and control procedure as per Head Office Instructions and guidelines to bring transparency and accountability in funds management and fund raising activities.

### **A. Fund Account Management:**

- a. All chapters must have fund account management team of four to five members, i.e. Chapter's Secretary Finance and three to four other members as joint signatories. Accounts are to be operated by Secretary Finance plus any one person from other team members, as authorized by respective chapter's executive committee to operate bank accounts. All members must have good repute and approved by HO.
- b. No single signature account operation is allowed. This team will also be responsible for all matters pertaining to accounts operation plus internal audit controls and accounting reports/returns. The management team will be responsible for all issues jointly in matters relating to finance and accounts. The Central Secretary Finance in Head Office must be informed with updated position of collections and transfers / occurring of any activity related to accounts
- c. All chapters shall adhere to the privacy laws and no financial and non-financial information shall be shared with any individual, unless required by law, without the prior approval of Central Finance department.
- d. All chapters shall submit the following information to Central Finance Department:
  - i. Audited annual accounts that are submitted to respective concerned revenue authorities.
  - ii. Names and particulars of members and fee received
  - iii. List of donors with amount received and nature of donation whether specific or general purpose.
  - iv. List of members and donors with complete details along with each money transferred to head office account.
  - v. Names of fund management team and bank signatories with complete details.
  - vi. Detail of administrative and fund raising expenses.

### **B. Fund Raising Team**

- a. All Chapters must have Fund raising teams independent of Fund Management Team. Keeping in view the geographical spread of the respective areas the teams can have area wise representations. In consultation with the Central Fund Raising Committee, only designated people from the team must take the responsibility to raise funds for PTI.
- b. No free for all fund collection is allowed. The team head, must have innovative ways /methods for meeting fund collection targets as assigned by the local chapter.
- c. Fund raising is an ongoing requirement and should not be restricted to Chairman's visits or specific event.
- d. Amounts should be paid only into the defined PTI accounts, and all payments received must be properly accounted for and proper receipts and acknowledgement shall be issued. A reconciliation must be prepared of the amount received and deposited in designated bank account.

### **C. Fund account control Procedures:**

- a. At the end of each financial year there must be an audit for sake of transparency.
- b. Funds shall only be deposited in the recognized bank account of the respective chapter and only one bank account shall be maintained.
- c. In areas where local laws do not permit opening party account ,all payments/collection have to be remitted directly into the official PTI Central account.
- d. Central Finance Department shall issue receipt and acknowledgement signed by Secretary Finance and CFO of the party for funds received from chapters. In case of any additional information please contact Central Office for guidance.
- e. Central Finance department will not take any responsibility of collections / remittances to any Office/Person etc. other than the officially notified central accounts. All Recognized Accounts in other Chapters will be responsible for all controls, receipts and acknowledgements of all forms of contributions including transparent handling/audit of their respective accounts...
- f. No Fund Collection appeal should be entertained if not routed/endorsed by Central Fund Raising committee/Central Finance Department.

- g. No direct remittances should be made to any Person/Office/Chapter, except the central OFFICIAL PTI ACCOUNT.
- h. Chapter Bank account must be in the name of registered entity i.e. PTI Chapter and all record shall be considered as property of PTI Central Secretariat Islamabad.
- i. All/Any collections will be directly remitted into Pakistan Tahreek e Insaf Central account without exceptions except permissible expenses in fund raising activities and minimum retention of Balances in consultation with Central Secretary Finance

#### **D. Recognition by and Central Finance Office and OIA**

- a. All Chapters must be recognized by All Chapters must be recognized in line with detail given in PTI Constitution including by-laws made by OIA
- b. All Chapters must meet the requirement of minimum numbers of members as notified by OIA and PTI Constitution
- c. Every PTI chapter must be registered with local authorities as non-profit entity/or other form as per applicable laws of the land.
- d. Fund management team must be approved by Central Secretary Finance.

#### **E. Respect of Local Laws**

All Fund handling teams should be answerable to respective chapter's executive committees and all functions have to be carried out by adopting proper institutional methodology. Chapter managers are required to respect of laws of respective country and follow rules and procedures made by their committee and Laws applicable in that country.

#### **F. Compliance with ECP laws on Political Finance**

All chapters are required to please comply with ECP laws on foreign donations and political finance. Please note the following provisions of Political Party order 2002.

##### **1:- Article 2-C (Definitions) Political Parties Orders 2002**

"Foreign aided political party" means a political party which-

- (i) Has been formed or organized at the instance of any government political party of foreign country ; or
- (ii) is affiliated to or associated with any government political party of foreign country ; or
- (iii) receive any aid, financial or otherwise , from any government or political party of foreign country, or any portion of funds from foreign nationals.

##### **2:-Article 6 of Political Parties Orders 2002**

###### **6. Membership fee and contributions.-**

- (1) A member of a political party shall be required to pay a membership fee as provided in the party's constitution and may, in addition, make voluntary contributions towards the party's funds.
- (2) The contribution made by members or supporters of any party shall be duly recorded by the political parties.
- (3) Any contribution made, directly or indirectly, by any foreign government, multinational or domestically incorporated public or private company, firm, trade or professional association shall be prohibited and the parties may accept contributions and donations only from individuals.
- (4) Any contribution or donation which is prohibited under this Order shall be confiscated in favour of the State in the manner as may be prescribed.

**Explanation.-** For the purpose of this section, a "contribution or donation" includes a contribution or donation made in cash, kind, stocks, hospitality, accommodation, transport, fuel and provision of other such facilities.

All above is to be implemented urgently. Any further policy changes will be notified as and when required.

Please feel free to ask if any more details if required

Thank you & regards

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