



Accounting Policies and Procedures Manual

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Prepared by [*Finance Manager*]: _____

Approved by [*Executive Director*]: _____

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ACRONYMS

FM	Finance Manager
ED	Executive Director
AFO	Assistant Finance Officer
FO	Finance Officer
P/O	Program Officer
POA	Power of Attorney
SOE	Summary of Expenditure
USG	United States Government
CISLAC	
BDX	
FX	
IFRS	
GAAP	

Accounting Policies and Procedures Manual Preface

This manual has been assembled to provide Civil Society Legislative Advocacy Centre ("CISLAC") with guidance in fulfilling its fiscal responsibility to its funding sources.

The Accounting Policies and Procedures Manual establishes CISLAC's policies in various financial-related areas and sets forth the procedures to be followed in adhering to those policies. This manual is to be used by CISLAC and its employees to assure that CISLAC's financial resources are properly safeguarded and utilized only for authorized purposes. The purpose of this accounting manual is to have explicit descriptions of accounts procedures of the projects, and of the organization of the accounts functions, the accounts system and related systems. The manual will support the project in ensuring sound and effective financial management of project funds.

The manual is approved by the Board of CISLAC and may be submitted to Donors on request and subject to the approval of the Executive Director.

It always acts;

- As a comprehensive explanation, guideline and reference for staff regarding the policies and procedures of daily office operations and accounting methods;
- As a means to orient new staff members to the policies and procedures of CISLAC's financial management;
- As a demonstration to partner organization and public that CISLAC has in place a strong financial management system;
- As a documentation of the overall internal control systems of CISLAC.

Management realizes that the procedures set forth in this manual may become inadequate because of changes in conditions. As such, Management, as authorized by the Board of Directors will revise, modify, and update this manual as conditions warrant. Employees will be notified in writing of any amendments to policies and procedures.

An annual review of this manual shall be performed with key staff to ensure that the policies and procedures are understood and reflect the desired practices.

Accounts Section

The accounts section/function is located at the first floor of No.16, P.O.W. Mafemi Crescent called the Finance Department.

The accounts functions are defined below, including job descriptions for the project accountant(s) and other relevant accounts staff. The responsibilities of the accounts function include, among others:

- Establishment of secure procedures in the administration of funds;
- Establishment of detailed rules for authorization to sign vouchers for payment;
- Responsibility for all cash and bank holdings and other assets recorded in the books;
- Control of the project budget;
- Supervision and random control of cash holdings and day-to-day bookkeeping.

STAFF IN THE ACCOUNTS DEPARTMENT

The Executive Director has appointed staff to support the accounts functions, and job descriptions are available.

FINANCE MANAGER (FM)

Employee Tasks:

The Employee is engaged to serve in the post of a Finance Manager and is expected to perform the following tasks:

Planning and Budgeting

1. Ensure that appropriate finance systems are maintained, and that all finance policies, procedures and controls are implemented
2. Set up financial systems to meet donor contract requirement and obligations
3. Support Program team to review donor contract and assess conditions
4. Support program team to review project budgets and accounts to donors
5. Prepare and share with ED, CISLAC annual phased budget in line with the 5 years strategy

Transaction processing

1. Prepare monthly management reports (including variances) at the end of each month.
2. Monitor the funding situation, and prepare the funding grid at the end of each month.
3. Ensure that all transactions are properly accounted for and documented
4. Review payroll, and other payments before necessary approvals

Cash and Bank Management

1. Prepare the monthly financial accounting reports, at the end of each month, and submit them to the ED by the second week of the following month.

2. Manage bank accounts, and transfer of money between head-office and field offices
3. Monitor cash flow and ensure availability of sufficient funds for project activities.

Reporting

1. Support Program team to prepare and comply with donor reporting framework and timetable
2. Ensure all purchases are made according to donor procurement requirements
3. Support Program team to submit claims for income from donor
4. Support Program team to manage donor funded budgets and monitor income & expenditure, including commitments
5. Submit financial reports to donors as per reporting schedule
6. Ensure project reports reconcile with the CISLAC financial accounts in QuickBooks
7. Ensure successful completion of any internal or external audit, including tax audit
8. Coordinate respond to any financial queries from staff, donors and other key government stakeholders such as tax authorities.

Capacity Building and Development

1. Continue to develop improvements in the finance system, as necessary
2. Train new and existing staff to be aware of all donor grant conditions
3. Managed and develop all finance staff
4. Work with and mentoring of intern/s assigned to your team.
5. Undertake any other duties that may be requested by the Executive Director.

FINANCE OFFICER 1

Basic Duties/Responsibility

Planning and Budget

1. Assist program team in the preparation of draft proposal budgets to donors.
2. Coordinate collation of documentations for successful completion of any internal or external audit, including tax obligations.
3. Review activity budgets and ensure there are in line with donor approved budget
4. Represent finance team on all procurement committees to provide guidance on donor requirements.
5. Deputize for the Finance Manager when necessary

Transaction processing

1. Ensure that supporting documents/signatures are valid before posting to QuickBooks.
2. Code and post all transactions manually and on CISLAC QuickBooks accounting
3. Ensure that supporting documents/signatures are valid before posting to QuickBooks.
4. Code and post all transactions manually and on CISLAC QuickBooks accounting systems.
5. Prepare Monthly Payroll for FM review
6. Provide Guideline on Account Code.
7. Review PVs, journals and RV prepared by the Finance Assistant

Cash and Bank Management

1. Maintain staff loan and salary advance registers
2. Assist program team in preparation of donor financial reports including variance analysis

3. Every two weeks, carry out cash count of both non-petty and petty in the custody of FO II and the FA respectively
4. Prepare monthly bank reconciliations for review by the FM

Reporting

1. Reconcile project reports with CISLAC s Financial Accounts in QuickBooks
2. Assist the Finance Manager to prepare and submit financial reports to donors as per reporting schedule
3. Assist the Finance Manager to provide financial information in respond to any financial queries from staff, donors and other key government stakeholders such as tax authorities.
4. Undertake any other duties that may be requested by the Finance Manager.
5. Work with interns in your team and support your Manager in the mentoring of intern/s assigned to your team.

Cash and Bank Management

1. Maintain staff loan and salary advance registers
2. Assist program team in preparation of donor financial reports including variance analysis
3. Every two weeks, carry out cash count of both non-petty and petty in the custody of FO II and the FA respectively
4. Prepare monthly bank reconciliations for review by the FM
5. Assist the Finance Manager to prepare and submit financial reports to donors as per reporting schedule
6. Assist the Finance Manager to provide financial information in respond to any financial queries from staff, donors and other key government stakeholders such as tax authorities.
7. Undertake any other duties that may be requested by the Finance Manager.
8. Work with interns in your team and support your Manager in the mentoring of intern/s assigned to your team.

FINANCE OFFICER 2

Basic Duties/Responsibility

1. Processing of Payment voucher
2. Keep and prepare cheque/payment orders
3. Being responsible for non-petty cash held in the office
4. Assist in production of CISLAC monthly financial report
5. Assist in production of Donors reports
6. Work with financial officer I to conduct monthly reconciliation of all Banks Account
7. Assist Finance Officer on any Audit undertaken
8. Working with Intern assign to our team
9. Undertaken any other duties that may be requested by the Finance Manager.

ASSISTANT FINANCE OFFICER (AFO)

Basic Duties/Responsibility

A. Transaction processing

1. Support all CISLAC staff to prepare monthly time sheet based on donor requirements

2. Prepare payment request and memos
3. Prepare PVs, Journals and Memos for review by FO I
4. Prepare petty cash vouchers
5. Provide finance related logistic support during office meetings and program workshops

B. Cash and Bank Management

1. Support FO II to make payments at meetings in accordance with CISLAC finance procedures
2. Prepare Petty Cash Form, and request additional cash as necessary
3. Keeping petty cash box and records

C. Reporting

1. Ensure that all accounts records are filed and archived in an orderly manner.
2. File receipts from BDC and signed FX committee negotiation forms
3. Package supporting documents on donors' reports
4. Separately maintain donor files - including correspondence and reports
5. Assist FOs on any audit undertaken
6. Undertake any other duties that may be requested by the Finance Manager.

Table of Contents

<u>Policy Number 1 - General Statement on Accounting Policies and Procedures</u>	8
<u>Policy Number 2 - Internal Control</u>	8
<u>Policy Number 3 - Financial Statement Audit</u>	9
<u>Policy Number 4 - Financial Reporting</u>	9
<u>Policy Number 5 - Budget Development, Overview and Responsibility</u>	11
<u>Policy Number 6 - Exchange Rate Differentials</u>	12
<u>Policy Number 7 - Cash Management</u>	13
<u>Policy Number 8 - Petty Cash</u>	13
<u>Policy Number 9 - Accounts Receivable Collection</u>	16
<u>Policy Number 10 - Procurement Standards</u>	16
<u>Policy Number 11 - Receiving</u>	21
<u>Policy Number 12 - Accounts Payable</u>	22
<u>Policy Number 13 - Cash Receipts</u>	23
<u>Policy Number 14 - Cash Disbursements</u>	23
<u>Policy Number 15 - Payroll</u>	25
<u>Policy Number 16 - Payroll Taxes</u>	25
<u>Policy Number 17 - Property Management</u>	25
<u>Policy Number 18 - Travel and Entertainment Expenses</u>	26
<u>Policy Number 19 - Personal Vehicles</u>	31
<u>Policy Number 20 - Employee Expenses and Advances</u>	31
<u>Policy Number 21 - Related Party Transactions</u>	32
<u>Policy Number 22 - Documentation/Record Retention</u>	32

CISLAC will follow the established policies and procedures in fulfilling its fiscal responsibility and in maintaining its accountability to its funding sources.

Policy Number 1 - General Statement on Accounting Policies and Procedures

Policy:

- a. CISLAC shall maintain its accounting records in conformity with International Financial Reporting Standards (IFRS).
- b. Fund accounting - In order to ensure observance of limitations and restrictions placed on the use of resources available to CISLAC, the accounts of CISLAC are maintained in accordance with the principles of "fund accounting". Resources to be used for specific purposes are classified for accounting and reporting purposes into funds that are in accordance with activities specified. Fund balances restricted by outside sources are distinguished from unrestricted funds. Externally restricted funds may only be utilized in accordance with the purposes established by the source of such funds. Unrestricted funds represent those funds over which the Board of Directors retains full control in achieving any of CISLAC's purposes.
- c. The policies and procedures set forth in this manual will be followed by CISLAC in carrying out its daily operations. Variances will be allowed only when approved by the ED. If a grant-funding source requires more stringent policies and procedures, the funding sources' policies and procedures shall be followed.

Procedures:

- i. Accounting records will be maintained in accordance with CISLAC's fiscal year, i.e. September 1 to August 31.
- ii. The double-entry method of bookkeeping and the accrual method of accounting shall be used.
- iii. CISLAC's Quick Books accounting software will be utilized in maintaining and creating the general ledger, all related journals and financial reports.
- iv. All revenues, support and expenses shall be segregated by Fund programs, grants, etc. to provide for a proper accounting of each program/grant by source of funds and to avoid co-mingling of funds.
- v. CISLAC's financial statements will be audited by an independent certified public accounting firm on an annual basis in accordance with International Financial Reporting Standards (IFRS) and Government Auditing Standards, issued by the Auditor General of Nigeria.

Policy Number 2 - Internal Control

Policy: CISLAC will maintain an adequate system of internal accounting controls to provide management with reasonable assurance as to the safeguarding of assets against losses from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability of assets.

Procedures:

1. The characteristics of an adequate system of internal control will include the following:

- a. Segregation of duties, when possible, within the organization based on functional responsibilities.
- b. A system of authorization and record retention.
- c. A degree of personnel competence commensurate with responsibilities.

2. To achieve these objectives, the following controls will be in place:

- a. No one person shall have complete control over all phases of any significant transaction.
- b. Whenever possible, the flow of work will be from one employee to another so that the work of the second, without duplicating that of the first, provides a check upon it.
- c. Recordkeeping will be separated from operations or the handling and custody of assets.
- d. Responsibilities in the accounting department will be clearly established and followed as closely as possible

Policy Number 3 - Financial Statement Audit

Policy:

CISLAC will have its financial statements audited by an independent Certified Accounting firm on an annual basis.

Procedures:

1. CISLAC will have its financial statements audited annually in accordance with IFRS, and Government Auditing Standards, issued by the Auditor General of Nigeria.
2. If applicable, CISLAC's audit shall also comply with the auditing requirements mandated by IFRS.
3. In preparing for the audit, CISLAC should complete a self-check audit program.
4. Copies of the audited financial statements will be distributed to the Director, staff of the Finance Unit and others at the discretion of CISLAC's Executive Director. Additional copies will also be distributed to the Board of Directors.

Policy Number 4 - Financial Reporting

Policy:

1. CISLAC Adopts the Vertical style of financial reporting.
2. All monthly, internal financial reports will be completed and distributed to CISLAC's ED by the 15th day of the following month.

3. All financial reports required by a grant-funding source will be properly prepared and filed in accordance with the requirements of the agreement.

Procedures:

1. The monthly, internal financial reports consist of the following:
 - a.) Trial Balance,
 - b.) Bank Reconciliation
 - c.) Statement of Expenditure
 - d.) General Ledger
 - e.) Budget Variance Reports,
 - f.) Aged Accounts Receivable Report, and an
 - g.) Aged Accounts Payable Report, if applicable.
2. Monthly Financial Reporting - At the end of every month, CISLAC's Finance Manager is expected to prepare internal and Management report which includes monthly bank statements for all its accounts, Cash flow statements and Income and Expenditure reports.
 - a. The Finance Officer 2 collects bank statements from the bank at the end of the fiscal month. The Finance Manager will ensure that there are no days missing in the cut-off dates on the bank statement (*from the 21st of the month X to the 20th of the month X+1*).
 - b. The Finance Officers (I & II) prepare bank reconciliation for all assigned CISLAC projects based on the bank accounts and attaches the bank statements and bankbooks.
 - c. The Finance Manager will review and compile all reports that have been already prepared and send to the Executive Director for review and approval.
 - d. The Finance Manager makes sure that all vouchers, receipts/invoices, the financial report and cash drawdown requests are scanned, photocopied, stamped "paid" and filed in the appropriate location.
 - e. The Finance Manager will ensure the completeness and orderliness of the documentation to be submitted for approval.
3. CISLAC's external reporting requirements as set forth in the terms and conditions of grants shall be adhered to.
 - a.) The official financial reports to the donors are issued by CISLAC.
 - b.) The submission of the official financial reports to the donors can be submitted by CISLAC.
 - c.) CISLAC's financial reports will be prepared in line with the individual donor's standard of financial reporting.
 - d.) Before a financial report is sent out, a meeting with the management and the Finance officers will be held to discuss the reports, before it is sent out to a donor to ensure accuracy and completeness.
4. In order to satisfy these reporting requirements, CISLAC shall set up and utilize a report tickler file. The tickler file will identify the funding source, type of report,

due date and date filed. The tickler will be pasted on the wall in the accounts unit or will be tracked via a white board in the account's unit.

Policy Number 5 - Budget Development, Overview and Responsibility

Policy:

1. CISLAC will develop and utilize a budgeting process to monitor CISLAC's financial assets and resources.
2. All approved budgets for all project related activities by donors is the overall financial framework for project implementation. Organizational Budgets will be prepared annually and submitted to the Board of Directors for approval following review and recommendation by the Finance Committee. The Executive Director, in conjunction with the Finance Manager, will be responsible for the oversight of the budget(s) throughout the year. Monthly budget variance reports will be completed and distributed to the budget holders, department heads and/or project directors, and the ED by the 15th day of the following month.

Procedures:

1. Annually, the department heads and/or project directors for each program/grant are responsible for developing a budget for the next fiscal year.
2. The Finance Manager will assist the department heads and/or project directors by providing cost factor information and information on past budget performance. The Finance Manager will also review the budget requests for reasonableness, allowability and cohesiveness within CISLAC.
3. The Finance Manager will submit the budget to the Executive Director. The Executive Director will review, adjust and otherwise confirm the budgets in consultation with each department head and/or project directors and the Finance Manager.
4. The Executive Director submits the budget to the Board of Directors
5. The Board reviews, adjusts as appropriate and confirms CISLAC's budget for the next fiscal year.
6. The Executive Director, department heads, develops budgets for grant-funded programs and Finance Manager in conjunction with grant funding sources. These budgets will be reviewed and submitted to the Board of Directors as part of the annual budget process described above.
7. Department heads and must operate within the budget guidelines and dollar amounts approved for each fiscal year.
8. Department heads and/or project directors will receive a Budget vs. Actual (budget variance) report on a monthly basis.
9. Department heads and/or project directors are responsible for managing the funds allocated in their budgets and will be required to justify all budget overruns.

10. The Executive Director, in conjunction with the Finance Manager, will oversee actual costs and expense allocations throughout the year to ensure adherence to budget(s).
11. New initiatives, cost overruns, etc. identified during the year are to be brought to the attention of the Director. Review efforts should identify either proposed revenue (support) coverage for these costs or budget re-allocation opportunities.
12. The Executive Director will inform the Board of the proposed budget revisions and seek their approval. The Board at any time, may adjust CISLAC's budget at its discretion to reflect Board initiatives or new conditions.
13. Budget revisions for donor-funded projects will be made in accordance with the applicable donor regulations and requirements.

Policy Number 6 - Exchange Rate Differentials

Policy:

1. The project accounts are kept in the local currency.
2. In the annual accounts to Donor, both the local currency and the accounts in Donor currency will be stated.
3. In the annual accounts to Donor, the exchange rate at the time of submission of the annual accounts will be stated.
4. If another currency than the local currency is used, e.g. Cedi; CEFA, and other regional currencies, these foreign currencies other than the Donor's will be translated into local currency in the accounts.

Procedures:

1. After funds are received from Donors, into the **domiciliary** account, an instruction is sent to the bank after negotiating on the prevailing exchange rate to convert a said amount from the Dollar account and paid into the local currency account if the donor so requests.
2. A four-row cashbook will be used: cash in local currency, bank in local currency, bank in local currency translated from foreign currency, and finally bank in foreign currency. When a transfer of funds takes place, the exchange rate might change.
3. CISLAC is the HQ for Transparency International (TI) in Africa here in Nigeria and we use an official website called www.inforeuro.com for currency conversion recommended by TI and it is use as a basis for calculating the exchange rates. At the date of the change, the balance will be calculated, and the exchange rate difference will be booked. From that date, the new rate of exchange will be used.
4. A specification of the calculation of the exchange rate difference will be filed together with the cashbook and the vouchers. The same goes for the booking of differences occurring when funds are transferred from the foreign to the local bank account.

Interest gained from exchange rates will be specified separately in the annual accounts and will be utilized at the end of the project period for implementation of activities within the

same project.

Policy Number 7 - Cash Management

Policy:

1. CISLAC will properly control and account for all cash.
2. All bank accounts will have a BVN.
3. All bank accounts shall be in the name of CISLAC.
4. All bank accounts shall have a minimum of 2 signatories

Procedures:

1. All PVs will be pre-numbered and used in numerical order.
2. No PV/Cheque will be prepared without proper supporting documentation.
3. Cheques will not be made payable to "Cash" or "Bearer".
4. Blank Cheques are to be kept in a secured location in the Finance Manager's office.
5. All Cheques must be accounted for. Void Cheques are to be defaced and kept for subsequent inspection.
6. All bank accounts will be reconciled monthly by the Finance Manager and/or Accounting Clerk, and reviewed by the Director.
7. The Finance Manager will compare the reconciled cash balances to the General Ledger balances and investigate and resolve all variances.
8. The authorized check signatures are as follows:
 - a.) ED
 - b.) One of Board of Directors
 - c.) One of Program Manager
9. For disbursements < N50,000 and recurring monthly payments the ED can sign alone.
10. For disbursements > N50,000, two authorized signatures are required.
11. The mechanical Cheques signer, if applicable, will be kept in a locked file cabinet separate from the blank checks

Policy Number 8 - Petty Cash

Policy: CISLAC shall maintain a petty cash account on an imprest basis in the amount of N50,000.00. A Petty Cash Fund (in the local currency, Naira) has been established to meet minor and recurring expenses (taxi fares, copying, small office supplies, meeting refreshments, etc.), which would not normally require the issuance of Cheques.

Procedures:

1. The Assistant Finance Officer will be the custodian of the imprest petty cash funds.
2. All petty cash funds will be kept in a petty cash box in a locked drawer or file cabinet. Only the petty cash custodian and the Finance Manager will have access to the petty cash box. Access to the Safe box is limited to the following:
 - a. The Assistant Finance Officer has access to the key of the safe but not to the

- safe codes
- b. The Finance Manager has access to the safe codes and to the key of the safe. The Finance Manager has the authorization to change the safe codes when necessary to ensure that there is no other third party that knows the safe codes.
 - c. The AFO serves as the custodian of the petty cash funds and has full access to the key.
 - d. In case the AFO is on vacation, the Finance Manager will ensure that the AFO, before taking vacation, leaves a portion of the petty cash to an interim Petty Cash Holder to be used to cover small expenditures during that period. A written document signed by both the Petty Cash Holder and the AFO when the handover of that portion of the petty cash needs to be documented. Upon the AFO's return, the interim Petty Cash Holder will hand over all petty cash funds remaining to the AFO. A written document signed by both parties when the AFO receives the remaining petty cash funds is required.
 - e. The assignment of this task above will ensure proper safeguarding of the Petty Cash funds without hampering the operations of the project.
3. The initial petty cash fund will be NGN20,000.00 (Twenty thousand naira only).
 4. To establish a Petty Cash fund, a cheque for an initial amount of Twenty thousand Naira is written to the Cash Officer and cashed at the bank.
 5. The cheque is written to the AFO for all petty cash replenishment (a memo authorized that all Cheques written for petty cash replenishment be written by the FO to the AFO needs to be documented).
 6. The Petty Cash is maintained in Naira.
 7. The Petty Cash is used to cover expenditures below or equal to NGN5,000.00 (five thousand naira only).
 8. Cash payments of more than NGN5,000.00 should be paid by cheque.
 9. Disbursements of N10,000.00 or less may be made from the petty cash fund for miscellaneous supplies and expenses.
 10. The purchaser shall present the petty cash slip to the petty cash custodian for payment. A receipt for all purchases must be attached to the petty cash slip.
 11. The petty cash custodian shall insure that the petty cash slip is properly completed, approved, and that a proper receipt is attached before payment is made.
 12. At all times, the petty cash box will contain receipts and cash totaling the amount of the fund.
 13. When expenditures total N15,000.00 the petty cash custodian will total the disbursements by account classification and submit all appropriate documentation necessary to the Finance Manager to have the fund replenished.
 14. This amount may be increased or reduced depending on the volume of transactions that will be assessed periodically by the Finance Manager, signed and approved by the ED.
 15. Occasionally, petty cash may be replenished even if the balance is more than NGN 5,000.00; this occurs only when the finance unit has a high demand from different projects at once i.e. if many staff need advance cash for traveling to the field within a certain period.

16. A regular cash count should be conducted by the Finance Manager on the petty cash account at least one time per month.
17. A surprise cash count also should be conducted on a regular basis by the Finance Officer before replenishment. This spot check is documented each time to show a listing of the vouchers already paid plus the physical count- denominated by each piece of bill (e.g. 10 bills of 100 naira equals NGN 1,000) with a total equal to the amount of cash balance. The total of the account.
18. If there is a difference, this difference must be explained.
19. A signed cash count sheet needs to be documented each time a cash count is performed.
20. A copy of the signed cash count sheet may be provided upon request.
21. All cash counts must be conducted in front of the Petty Cash Holder.
22. The petty cash fund should not be mixed with other funds of money and should not be used for short-term loans for employees or officials.
23. A Petty Cash Register is maintained and updated at the beginning of every week. A summary list of expenditures made by the Petty Cash Holder attached with the invoices/receipts for those expenditures are submitted to the Finance Officer every week for review.

Petty Cash reimbursement requests must follow the following procedures:

- a. The staff member requesting reimbursement must have the receipt and/or request signed by their supervisor (this constitutes approval).
- b. After supervisory approval, the staff member will bring the receipt and/or request to the Petty Cash Holder who will prepare a petty cash voucher (Payment Voucher).
- c. The Petty Cash Holder will attach the receipt and/or request to the payment voucher and pass it to the Finance Officer for review, and then it will be submitted to the Finance Manager for approval.
- d. After approval, the Petty Cash Holder will reimburse the staff member, having the staff member sign for the receipt of cash.
- e. Next, the Petty Cash Holder will stamp the payment voucher and receipt "PAID" and file it along with all accompanying documentation in the appropriate file.
- f. The Petty Cash Holder will update the spreadsheet after each transaction.

When replenishment is necessary, the following procedures will be followed:

1. The Petty Cash Holder will fill out Petty Cash replenishment form and then notify the Finance Officer that Petty Cash needs to be replenished. At this point, the Finance Officer will follow these internal control procedures:
2. The account expenses are reconciled first and budget codes and account codes are assigned for all expenses.
3. The Petty Cash payment vouchers are totaled.
4. Remaining Cash is counted.
5. Total Petty Cash expenses are subtracted from the original amount of Petty Cash
6. A comparison of remaining Petty Cash and the amount from the Petty Cash balance are compared. These should be the same. If not, the Finance Manager should be notified.
7. The Finance Officer needs to sign on the Petty Cash replenishment request form

8. After reconciling Petty Cash, a cheque voucher (payment voucher) is prepared for the amount of cash needed to return the fund to its original amount. This amount should be the total of petty cash payment vouchers.
9. Enter the cheque in the Cash Register as a credit to the bank account and a debit into petty cash account.

Policy Number 9 - Accounts Receivable Collection

Policy: The Finance Manager shall be responsible for monitoring the booking and timely collection of accounts receivable balances.

Procedures:

1. Remittance statements will be mailed to all affiliate Funds so they will be received by the 1st of the month.
2. An aged Accounts Receivable Report will be prepared and distributed to the Executive Director by the 15th of the month.
3. The Executive Director and the Finance Manager will review the report and determine those receivable balances that should be collected during the month.
4. The following procedures will be followed for all affiliate Funds with delinquent balances of 60 days or more:
 - a. The Finance Manager will send reminder letters to the delinquent affiliate Funds, as discussed with the Executive Director.
 - b. Participant Funds' responses to the notice of delinquency will be brought to the Executive Director's attention, including reasons for delinquency and payment commitments obtained from the affiliate Funds.
 - c. If the delinquencies cannot be satisfactorily resolved, the Board of Trustees will be notified of the situation and any problems experienced.
5. The Finance Manager will note the affiliate Fund's commitment date and amount. If the affiliate Fund does not uphold the payment commitment or if there are any material discrepancies in the payment amount, the affiliate Fund will be telephoned in an attempt to resolve the matter. All problems experienced will immediately be reported to the Executive Director for resolution.
6. The Executive Director will report any major problems with receivable collections to the Co- Chairmen, and then if need be, to the Board of Directors.

Policy Number 10 - Procurement Standards

Policy:

1. All purchases will be made in accordance with international and/or in-country procurement regulations as set out in CISLAC's procurement guidelines. Procurement relates to the purchase of materials, equipment and services.
2. All purchases wherever possible will be made on a "Purchase Order System".

3. Procurement of supplies, equipment, construction services and other services under a grant-supported project will comply with the procurement policy
4. CISLAC may use its own procurement policies and procedures. However, it shall adhere to the standards set forth in donor regulations.
5. CISLAC shall establish policies and procedures that will provide:
 - a.) That CISLAC maintain a code of conduct to govern the awarding and administration of contracts using Federal funds.
 - b.) Awards shall be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the recipient, price and other factors considered.
 - c.) CISLAC shall establish procedures to assure the avoidance of purchasing unnecessary or duplicate items.
6. As part of the procurement process, no employee, officer or agent of CISLAC shall participate in the selection award, or administration of a contract supported by federal funds where the possibility of a conflict of interest, real or apparent exists. Additionally, CISLAC's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub agreements.

Procedures:

1. Identify the needs/requirements in terms of materials, equipment or service;
2. Department heads and/or project directors must discuss potential purchases with the Finance Manager.
3. The Finance Manager will review the purchase request and determine if there are sufficient funds in CISLAC's and/or applicable grant's budget to make the purchase.
4. The Finance Manager will also review the approved budget and applicable laws and regulations to determine if the purchase is an allowable cost (for Grant funds).
5. After obtaining approval from the Executive Director, the Finance Manager will issue a Purchase Order to the person making the request, who will complete the Purchase Order and place the order with the vendor.
6. Purchase orders will be pre-numbered and used in numerical sequence.
7. Copies of the purchase order are distributed as follows:
 - a. White Copy - To Vendor
 - b. Yellow Copy - To Person Who Initiated the Order
 - c. Pink Copy - To Finance Manager
8. When the accounting department receives the receiving report and the vendor's invoice, the purchase is scheduled for payment.
9. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability. Procurement records and files for purchases in excess of N500,000.00 shall include the following:
 - d. Basis for contractor selection,
 - e. Justification for lack of competition when competitive bids or offers are not obtained
 - f. Basis for award costs or price."

The basic steps followed for purchases are as follows:

1. Search for suppliers who can satisfy the requirements;
2. Contact (by public tender or direct contact) the suppliers and request a quotation or a proposal. Normally, a minimum of three quotations/proposals is required to meet competition requirements;
3. Review the quotations or proposals based on pre-set criteria (such as price and quality);
4. Negotiate and conclude an agreement/contract with the most appropriate supplier;
5. Check that the supplier is not related in any way to any member of staff, including relatives or suppliers in which a staff member has a business interest;
6. Check that all steps are transparent, and that documentation is available.

The table below is used as a reference for procedures relating to the procurement for consultants, project equipment, project materials and services etc.

Consultants		
Costs	Supporting documents	Detailed requirements
All costs	Procurement documentation	Including request for quotes to 3 different suppliers/ consultants, evaluation and selection of quotes
	Contract	Including maximum cost/day or maximum total cost.
	Invoice	Indicating working hours and the activity/tasks performed, signed and dated by employee and employer.
	Proof of payment	Bank transfer payment
Equipment and supplies		
Costs	Supporting documents	Detailed requirements

<i>Computer equipment</i>	Invoice	Including request for quotes to 3 different suppliers, evaluation and selection of quotes
	Proof of payment	Bank transfer as applicable
<i>Postage</i>	Invoice / Receipt	Stating % of the invoice allocated to the project
	Proof of payment	Cash receipt or bank transfer as applicable
Other costs, services		
Costs	Supporting documents	Detailed requirements
All costs	Procurement documentation	Including request of quotes to 3 different suppliers/ consultants, evaluation and selection of quotes.
	Contract	Including maximum cost/day or maximum total cost.
	Invoice	Consultancies: should indicate date, number of days worked, rate, tasks and total amount to be paid.
	Proof of payment	Bank transfer payment
Air travel		
	Electronic ticket	Stating name of passenger, date of travel and itinerary
	Invoice	Stating name of passenger, date of travel and itinerary
	Boarding passes	If boarding passes are lost, only if purchased directly by the staff member travelling then 25% of is withheld until when presented
	Reimbursement claim	Only if purchased directly by the

		staff member travelling
	Proof of payment / proof of reimbursement when purchase is made directly by the staff member travelling	All payments should be made through bank account transfers
Car travel (on the basis of internal rules on reimbursement per km.)	Reimbursement claim	Maximum normally reimbursed by CISLAC is NGN 25/km.
	Proof of payment or reimbursement	All payments should be made through bank account transfers
	Internal rules on reimbursement per km.	
Daily subsistence allowance (as a fixed amount - recommended)	Proof of payment or reimbursement of daily allowance to employees	Payments should by preference be made via bank account transfers
	Attendance list (only in case of conferences/meetings) of non-staff participants	With signatures of participants (if paid in cash at event)
	Reimbursement claim	Indicating place, date and time, dated and signed by employee and employer/ person authorizing the expenditure
or, daily subsistence allowance (as actual cost)	Invoices	Hotel costs: with name of person, date of stay, and cost per night, excluding telephone and mini-bar expenses. Restaurant costs: with number of meals
	Receipts	Local travel (taxi, train, bus) or parking
	Proof of payment or reimbursement	Bank transfer
Conference and seminars/workshops		

Costs	Supporting documents	Detailed requirements
All costs	Invoice	For seminar package - should specify number of participants/prices per person.
		For external staff (interpreters, speakers and translators) should include task, date and hours, rates and amount to be paid.
		For translator and interpreter always specify in the invoice - languages covered and length of text translated (words/lines per page)
	Attendance list	The attendance list must be dated and signed by each participant - one list per event, per day. In addition, the attendance list should state the name, organization, position and ideally contact details of the participant.
	Proof of payment	Bank transfer

Policy Number 11 - Receiving

Policy: All materials, supplies and equipment will be received and signed for by an authorized employee.

Procedures:

1. All materials, supplies and equipment received by CISLAC are to be inspected, counted and checked against the receiving report (packing list) and/or a copy of the purchase order.

2. All receiving reports are to be signed by the employee receiving the goods provided the steps noted above did not disclose any discrepancies between the goods actually received and the receiving report (packing list).
3. If any discrepancies are noted, the employee receiving the goods should bring the discrepancy to the immediate attention of the Finance Manager.
4. The receiving report is to be forwarded to the accounting department where it will be matched with the Purchase Order and invoice.

Policy Number 12 - Accounts Payable

Policy:

1. All invoices, check requests, and travel vouchers must be approved for payment by the Executive Director and department heads and/or project directors where appropriate.
2. To establish CISLAC's obligation for payment of invoices, all invoices are matched with Purchase Orders and signed receiving slips.
3. Copies of code sheets and invoices coded are to be reviewed by the Finance Manager to ensure that the proper expense account is charged to the proper program/grant in the appropriate accounting period.
4. Code sheets and invoices must be reviewed by the Finance Manager for accuracy before the vouchers are posted to the general ledger.
5. All support documentation must be intact
6. Open invoices are to be filed by vendor name and payment due dates.

Procedures:

1. The FO opens all incoming mails
2. Mail, date stamps all invoices and delivers date stamped invoices to the Finance Manager.
3. The Finance Manager matches all invoices with Purchase orders, and submits invoices to the appropriate department heads for review. Once approved by the department head, all invoices and check requests are submitted to the Executive Director for authorization to pay.
4. The FO will then perform the following tasks:
 - a. Review vendor files to ensure that invoice hasn't been paid.
 - b. Run calculator tape to check any extends, discounts, tax rates and addition.
 - c. Attach calculator tape to the upper left-hand corner of the invoice.
 - d. Code the invoice using the chart of accounts and any other document provided.
 - e. Use the A/P Voucher form for recording the line items of expense for each separate invoice, and for coding expenses chargeable to grants.
 - f. Paper clip any remittance advises to the invoice and forward to the Finance Manager.
5. The A/P Vouchers with invoice and supporting documentation attached are then reviewed by the appropriate department heads and/or project directors, who initial the Voucher forms.
6. The FO will then perform the following tasks:

- i. Enter the invoice into the Accounts Payable module.
- ii. Print and review Voucher Edit Report.
- iii. Post A/P activity to the general ledger.
- iv. File the entered invoices and supporting documentation in the "open" A/P file by Vendor and DUE DATE, if not being paid at that time.

Policy Number 13 - Cash Receipts

Policy: All cash receipts shall be properly recorded in CISLAC's accounting system and deposited in a timely manner.

Procedures:

1. The FO will open all incoming mail.
2. All remittances will be immediately stamped for "Deposit Only" by the FO.
3. The FO shall record the check amount, check date, check number and source (payer) in the cash receipts log, and will give all checks to the Accounting Assistant.
4. The FO will make a photocopy of each remittance and will prepare deposit slips for deposit into the appropriate cash depository account.
5. The FO will then:
 - a. Make deposit in local cash depository for all appropriate funds; and/or
 - b. Mail via certified mail/return receipt request, all remittances to be deposited in a non-local cash depository.
6. The FO will then forward the duplicate and/or bank stamped deposit slips and all supporting documentation to the Finance Manager.
7. The Finance Manager compares the daily cash receipts log to the duplicate bank deposit slips and investigates and resolves any variances. (Note: This procedure is also repeated upon the "return receipt" of the non-local bank stamped deposit slip).
8. The Finance Manager manually records the total of daily deposits by source of funds.
9. At the end of the month, the Finance Manager will record the month's receipts into the computerized accounting system.
10. For all remittances received by delivery or other methods, procedures 2 through 10 are followed in the same manner.

Policy Number 14 - Cash Disbursements

Policy:

1. All cash disbursements, except those from petty cash, will be made by cheque.
2. All cash disbursements shall be supported by an approved payment voucher and all applicable documentation.
3. Cheques shall not be issued without bearing the payee and the amount.
4. All cash disbursements must be approved by the Executive Director.

5. Upon disbursement of funds, the approved payment voucher will be attached to the supporting documentation thereby cancelling the invoice to prevent duplicate payments.
6. All payment packages shall be filed in vendor files after disbursement.

Procedures:

1. The AFO initiates cheque payments by
 - a. Raising requisition for the payment which is authorized by the Finance Manager and approved by the ED;
 - b. Preparation of a payment voucher upon receipt of an invoice and other supporting documents.
2. The payment voucher is reviewed by the Finance Manager and approved by the ED or his/her designee.
3. Cheques photocopied by AFO.
4. Cheque is entered into the Cheque register.
5. Cheque and a copy of salary schedule are delivered (soft and hard copies) to Sterling Bank for NEFT transfer to individual staff salary accounts.
6. Voucher, copy of the cheque, and invoice and payment are recorded in General Ledger by the Finance Officer, and then filed.
7. Once the cheque is prepared and signed, a cheque photocopy is made to be attached to the payment voucher and invoice. The invoice will be stamped with "PAID" to indicate that payment has been made.
8. When payments are made, the vouchers attached with the supporting documents must be presented to the Finance Manager for data entry into CISLAC's accounting system.
9. At the beginning of the month, the Finance Manager will print a monthly aged Accounts Payable Listing by program/grant, if necessary.
10. The Executive Director and the Finance Manager will review the aged Accounts Payable listing, open invoices, check requests and travel vouchers. A selection of items to be paid will be made based upon due dates and cash flow.
11. The Assistant Finance Officer will then enter those invoices selected to be paid in the computer system.
12. A pre-payment report is printed and reviewed by the Finance Manager for accuracy.
13. The computerized checks are printed and given to the Executive Director together with all supporting documentation.
14. The Executive Director reviews the supporting documents and initials the payment voucher authorizing the disbursement of funds.
15. For all disbursements < N5,000 and regular monthly bills as described in Policy #6, the Executive Director will sign the check and return the signed check and disbursement package to the Finance Manager.
16. The Finance Manager cancels all supporting documents to prevent any duplicate payments.
17. The Finance Manager will be responsible for all disbursements.
18. The Assistant Finance Officer files the supporting documentation in the appropriate vendor files and retains for audit.

Policy Number 15 - Payroll

Policy:

1. Employees are paid on the 25th of the month. The payroll is processed using an excel spreadsheet.
2. Employee signed time sheets must be submitted to their **line managers** and then **submitted to the Executive Director** for approval prior to payment. In no instances, will an employee receive a paycheck if he/she has not submitted a properly signed detailed time sheet for the prior pay period.
3. All employees who have access to any payroll information will be required to sign a "Payroll Confidentiality Form".

Staff can consider using the following salary payment methods:

- a. Cheque payment
- b. Bank transfer

Procedures:

- a. The cheque and a salary schedule for CISLAC staff are prepared by the Finance Officer.
- b. Cheques are co-signed by ED and any other panel B signatories to the CISLAC salary account with Sterling Bank Plc.
- c. The payroll deductions are calculated and remitted by the Finance Manager by the 3rd working day after payday. All remittances are made monthly.
- d. All employees who have access to any payroll information will be required to sign a "Payroll Confidentiality Form"

Policy Number 16 - Payroll Taxes

Policy: All payroll tax withholdings, expenses, filings and related payments will be made in accordance with applicable Federal and State regulatory requirements.

Procedures:

The payroll taxes for which CISLAC is responsible for paying and the applicable payroll tax forms are as follows:

4. PAYE
5. NHF
6. Pension
7. NSITF

Policy Number 17 - Property Management

Policy

- a. CISLAC will expense all fixed assets ("equipment") with an acquisition cost of N500,000 or more and a useful life of more than two years.
- b. CISLAC will record all transactions involving property and equipment ("fixed assets") in a fixed asset register.

Procedures:

1. All capitalized equipment will be properly marked with a specific identification number in the fixed asset register.
2. Property records shall be maintained accurately and shall include:
 - a. A description of the property.
 - b. Manufacturer's serial number, model number or other identification number.
 - c. Source of the property, including grant or other agreement number.
 - d. Whether title vests in the recipient or the donor.
 - e. Acquisition date (or date received, if the property was furnished by the donor) and cost.
 - f. Location, use and condition of the property and the date the information were reported.
 - g. Unit acquisition cost.
 - h. Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the donor sponsoring agency for its share.
3. A physical inventory of all fixed assets shall be taken annually.
4. The results of the inventory will be reconciled to the general ledger and the "fixed asset" property records. Any discrepancies will be thoroughly investigated and explained.
5. Fixed asset acquisitions will be the result of a capital planning process conducted in conjunction with the annual budgeting process. The Board of Directors will review and approve all capital acquisitions via the annual budgeting cycle. It is possible that additional asset needs will be identified during the year. Such acquisitions need to be justified and approved by the Board prior to acquisition.
6. Depreciation on all fixed assets will be calculated using the straight-line method over the expected useful lives of the assets (3-10 years).
7. All assets will be insured in addition to a control system shall be in effect to insure adequate safeguards to prevent loss, damage or theft of the equipment."

Policy Number 18 - Travel and Entertainment Expenses

Policy

- i. All travel conducted by Fund employees with respect to Fund business must be approved by the Executive Director.
- ii. Employees need to make the travel request in writing at least seven (7) days prior to the scheduled trip. The Executive Director can grant exceptions to this notice requirement.

- iii. While traveling on official business, the employee is expected to exercise the same sound judgment in incurring expenses that a prudent person would exercise if traveling on personal business and expending personal funds.
 - iv. When Grant funds are supporting Fund travel in whole or in part, CISLAC will adhere to the appropriate travel regulations of CISLAC or such other regulations required of the funding agency.
 - v. All entertainment costs with respect to Fund business must have the approval of the Executive Director.
- i. Travel requests must be in writing, approved by the Executive Director and should state the following:
- a. Purpose of Travel
 - b. Travel destination
 - c. Travel accommodations sought
 - d. Mode of Transportation sought
 - e. Travel dates and duration
 - f. Source of funding for travel (if a specific grant will fund the travel in whole or in part, state the grant number and reimbursement terms)
 - g. Other employees required for travel ^[1]_[SEP]
- i. The form is then submitted to the Finance Unit Team for disbursement of funds. The AFO assigns an authorization number to the form and keeps a log for all travel approved, the authorization number is usually the cheque/PV number. The authorization number is used as a reference when entering into QuickBooks.
 - ii. The AFO prepares payment documents and gets it approved from the ED or his/her designee.
 - iii. The traveler makes a copy of the approved travel advance request form and keeps the copied sheet to fill out the travel expense report after the trip.
 - iv. The traveler will complete a Travel Expense report to liquidate the advance. Receipts and other related documents are stapled/glued to sheets of paper and need to be attached with the expense report (for international travel, attach airline ticket and boarding pass) and submitted to the Head of Unit or ED or his/her designee for approval.
 - v. Any overpayments to the traveler must be reimbursed to CISLAC in cash in order to clear their advance. An official receipt of cash will be issued to the traveler upon received the reimbursement.
 - vi. Amounts that CISLAC owes to the traveler will be paid out no later than three (3) working days after receipt of the travel reconciliation.
 - vii. All reports, receipts, and vouchers are filed by the AFO.
- ii. Receipts are to be submitted for all expenses over N4,000.00
- a. Transportation:
- i. Airfare should be at the discounted fares whenever practicable.
 - ii. Air class for CISLAC's employees is economy class. The use of business class or first class is specifically disallowed. An exception may be made in extenuating circumstances, with the prior approval of the Executive Director. Use of business

- class or first class, if necessary, must be documented and justified on the expense report.
- iii. Directors will be reimbursed up to the cost of first-class airfare while traveling on Fund business. If another, less expensive fare arrangement is used, the actual fare will be paid.
 - iv. Rail or car travel is encouraged if less expensive than air travel, and if time permits.
 - v. For business uses of personal vehicles, CISLAC will reimburse the employee at the current prevailing rate.
 - vi. Toll charges are acceptable expenses. Receipts are to be provided whenever possible. For all toll charges over N4,000.00, receipts are required.
 - vii. Taxi charges are acceptable expenses. Receipts are to be provided whenever possible, and for all charges exceeding N4,000.00.
 - a. Car rentals are permitted for mid-size or smaller vehicle rentals. Exceptions will be made when employees are travelling together and one large vehicle is less expensive than two small vehicles.
 - b. Hotels - Accommodations should be single rooms in moderately priced hotels.
 - c. Meals - Costs for meals are to be broken out into breakfast, lunch and dinner on the expense report.
 - d. Phones - It is generally accepted that the employee is permitted one "safe arrival" phone call for personal reasons. Additional personal phone calls will be permitted but should be kept to a minimum.
 - e. Laundry - This is a generally accepted expense when length of stay exceeds one week.
 - f. Entertainment - Entertainment expenses while on travel must be business-related to be acceptable charges. These should be differentiated from general meal expenses on the expense report, and receipts and justification indicating attendees, company, purpose, date, time and location.
 - g. Travel Reimbursement - Upon the completion of the travel, the employee must submit all receipts and travel-related reports within 15 working days. These documents will be reviewed by the Finance Manager for adherence to approved limits. Reimbursement of approved expenses will normally occur within the next 15 days.
 - h. The Accounts Assistant monitors any advances aging balances and reports the status to the FM on a monthly basis. The FM will then report to the ED on those advances outstanding aging balances.
 - i. The travel advance must be settled within ten (10) working days after the completion of the trip. The second travel advance request will not be issued if the traveler has not settled the first request. Occasionally, employee can request the second advance without settling the first one by seeking approval from their Head of Unit, ED or his/her designee and must fall within the following conditions:
 - j. The second travel schedule is less than ten (10) working days from the first trip
 - k. The traveler has other urgent assignment that does not allow him/her enough time to settle the first advance within the given number of days (10 working days after the trip) and the next trip has already been scheduled.
 - l. Due to the holiday or illness after the trip and the next trip have already been scheduled
 - m. Failure to settle a travel advance may result in the entire amount of the advance being

withheld from the traveler's salary within the discretion of the FM or the ED.

2. Local (city) Travel - In case that CISLAC's Vehicle is not available at the time of travel, staff can use motor-taxi and CISLAC will reimburse based on the cost for motor-taxi. In order to get reimbursement, staff needs to follow the following procedures:
 - a. Staff fills out the CISLAC Voucher/Receipt form after travel.
 - b. Staff submit the CISLAC Voucher/Receipt form to the direct supervisor for approval, and submit to Finance for getting reimbursement.
 - c. Finance reimburses staff within 2 days after receiving the approved Voucher/Receipt form.

CISLAC has no liability or responsibility if staff decides to use their own vehicle for transportation.

3. Domestic Travel (Field Trip):

CISLAC pays a per diem allowance including meals and incidental expenses (M&IE) and for the lodging costs up to a pre-determined maximum amount. CISLAC Nigeria has adopted its own per diem rates for all travel within country. This per diem rate will be applied to all CISLAC Nigeria staff, consultants who have residence in Nigeria, government employees, and other CISLAC partners/stakeholders that travel for CISLAC business.

Per Diem compromises (in country):

- a) **Meals and Incidental Expenses (M&IE)** are payable at rates specified in the CISLAC Nigeria per Diem schedules which are updated regularly. The maximum daily amount available for CISLAC Nigeria employees and consultants is presently at NGN 7,000.00 per day; Board members N10,000.00 per day. This rate will be reviewed at least on annual basis;
- b) **Lodging**, the maximum approved lodging rate for CISLAC is NGN25,000.00, this is also subject to regular review by the FM and approval by the ED, as specified in the CISLAC Personnel Manual. Staff members are obliged to submit receipts for lodging to claim lodging cost.
- c) **Reimbursable Expenses:** The following are the additional items that CISLAC will reimburse to staff after the trip completion:
 - i. Actual costs of local travel—including taxi fares or other transportation costs required by CISLAC business, or other travel expenses not pre-paid before travel begins—as required by the authorized itinerary.
 - ii. Telephone, facsimile and Internet charges for official messages while in travel status.

Employees receive reimbursement for travel expenses upon submission of the Travel Expense Report. Receipts are required for all expenditures claimed for travel reimbursement including lodging, transportation, telephone bills etc.

Description	MI&E	Lodging (Maximum)	Per Diem
CISLAC Staff/Consultant	7,000	25,000	32,000
Board Member	10,000	25,000	35,000

On days of travel, the M&IE allowance is adjusted as follows. For the first and last days of travel, 75% of the M&IE rate of the destination will be paid to the traveler. If meals are provided by the hotel or hosts, then the MI&E allowance will be reduced by the meals (Breakfast, Lunch or Dinner) provided.

4. International Travel

For international travel, all CISLAC’S staff, consultants, government employees, and other CISLAC partners/stakeholders, the U.S. Department of State per diem rates will apply unless both parties agreed to a different rate.

a. **Lodging** which is based on actual receipts up to the maximum amount specified in the US Department of State schedules. CISLAC Staff is encouraged to take the least expensive acceptable accommodation. The maximum approved lodging rate for CISLAC staff is \$200.00; Board members at \$250 per day. This is also subject to regular review and approved by the ED, as specified in the CISLAC Personnel Manual. Staff members are obliged to submit receipts for lodging to claim lodging cost.

b. **Meals and Incidental Expenses (M&IE)** are payable at rates specified in CISLAC per Diem schedules which are updated regularly. The maximum daily amount available for CISLAC employees and consultants is presently at \$100.00 per day; Board members \$200.00 per day. This rate will be reviewed at least on an annual basis;

c. **Reimbursable Expenses**

The following are the additional items that CISLAC will reimburse to staff after the completion of the trip:

- a. Actual costs of local travel—including taxi fares or other transportation required by CISLAC business, or other travel expenses not pre-paid before travel begins—as required by the authorized itinerary.
- b. Cost of additional luggage, when the employee is required to carry additional weight on CISLAC’s behalf.
- c. Privately owned motorbike or vehicle: The use of a privately-owned motorbike or vehicle on official business will be reimbursed at the rate of motor taxi (public transportation).
- d. Fees in connection with the issuance of passports, or visas, cost of photographs for passports, and charges for inoculation are reimbursable upon presentation of

- supporting bills.
- e. Telephone, facsimile and cable charges for official messages while in travel status.
- f. Safe call will be reimbursed up to ten (10) minutes duration for staff that travels overseas within one-week period. After the first week, an additional five minutes per week will be reimbursed to staff that travels overseas and stay longer than one week.

Employees receive reimbursement for travel expenses upon submission of the Travel Expense Report. Receipts are required for all expenditures claimed for travel reimbursement including lodging, transportation, telephone bills etc.

Policy Number 19 - Personal Vehicles

Policy:

- a. CISLAC will reimburse certain employees in accordance with its organizational chart and personnel manual.
- b. All employees who are allowed use of personal vehicle must maintain an auto log (diary) of total mileage driven (business)

Procedures:

- a. Staff that travel using personal vehicles will submit a report to include the total kilometer covered and the approved expense report will be reimbursed to the staff.

Policy Number 20 - Employee Expenses and Advances

Policy:

- a. CISLAC's policy is to promptly reimburse employees for valid business expenses incurred in connection with Fund activities or on behalf of CISLAC.
- b. The Finance Manager will establish employee expense reimbursement and reporting guidelines which will be approved by the Board of Trustees and issued to all employees annually and as they are newly hired.
- c. Willful falsification of employee expense information for the purposes of defrauding CISLAC will be subject to termination and possible prosecution.
- d. Receipts should accompany expense reporting as required by the approved guidelines.
- e. CISLAC will provide advances on travel expenses for employees as appropriate for length of stay and destination. The Finance Manager will record these advances as a receivable account. An advance will not be disbursed to an employee until that employee submits expense reports accounting for all outstanding advances. (The Executive Director can authorize exceptions to this policy.)

Procedures:

- a. In order to obtain expense reimbursements, employees must complete and submit a signed employee expense report on a semi-monthly basis to the Finance Manager.

- b. Employees will be reimbursed for the following business expenses: a.) Lodging, transportation and food related expenses when on approved business travel. b.) Business expenses incurred in relation to conducting business meetings, seminars or presentations with or for Fund-related groups. c.) Mileage expenses when an employee uses his/her personal vehicle for Fund business. d.) Expenses incurred for using personal telephones for Fund business. e.) Other valid and approved business expenses incurred by employees for Fund- related business.
- c. Employees must attach all supporting invoices, receipts, etc. for expenses in excess of N4000.00 in order to receive a reimbursement for such costs. Expenses not properly documented will not be reimbursed.
- d. The Finance Manager will review all expense reports for compliance, completeness, and supporting documentation.
- e. Properly completed and supported reports will be forwarded to the Executive Director for voucher payment approval.
- f. Incomplete reports will be returned to the employee with instructions for revisions and/or completion.

Policy Number 21 - Related Party Transactions

Policy:

- a. It is the policy of CISLAC to obtain the "best purchase" price for goods and services purchased for Fund activities. Policy Number 10 defines the procurement standards to be followed by CISLAC.
- b. Such transactions will be disclosed in all grant and contract proposals as appropriate.
- c. Such transactions will be accomplished on an arm's length basis, with all conflict of interest issues examined prior to entering into the transaction. Evidence of a conflict of interest will be reason not to enter into the transaction or to cancel further service should this be discovered subsequent to its execution.

Procedures:

- a. CISLAC will adhere to the following guidelines as they apply to related party transactions:
- b. Such transactions will be justified in terms of their economics and quality of services/products.
- c. Evidence of cost and quality comparison should be maintained on file for these transactions.
- d. CISLAC will adhere to all applicable federal laws and regulations regarding open and free competition.
- e. The Finance Manager, in conjunction with the program managers, shall be responsible for monitoring these transactions.

Policy Number 22 - Documentation/Record Retention

Policy:

Documentation includes the electronic and hard copy filing system, accounting entries and among others the handling of vouchers and invoices. Records and supporting documents shall include the information necessary to document the correctness and accuracy of the registration. Documentation is an essential element of sound financial management.

The recording of accounting entries must be organized and carried out to the effect that the accounting records and documentation are not destroyed, discarded or mutilated, and that errors and mismanagement are prevented. The documentation must always be justified and approved and must be arranged by voucher number or accounts system ID number. It must be kept in an arranged order for a period of at least five years (for further information about the filing system, please refer to Section 1: Accounts Section).

Procedure:

1. All prior years accounting records shall be stored in storage boxes labeled with the following information:
 - a. CISLAC's name and address
 - b. Time Period
 - c. Contents of Box ^{[[]]}_{SEP}
2. The following are the exceptions to the 5-year retention rules:
 - a. If any litigation, claim or audit is started before the expiration of the 5-year period, the records shall be retained until all litigations, claims or audit findings involving the records have been resolved.
 - b. Records for fixed assets shall be retained for 5 years after the fixed asset is disposed of.
3. Source documentation. Accounting records shall be supported by source documentation such as cancelled checks, paid bills, payrolls, contract and sub grant award documents, etc."
4. CISLAC shall retain all accounting records and related supporting documentation for a period of at least 5 years. ^{[[]]}_{SEP}
5. At a minimum, all financial and programmatic records, supporting documents, statistical records, and all other records of a grantee or sub grantee required by the terms of a grant or sub grant, must be retained for the time period of five years

Policy Number 23 - Personnel Files

Policy: CISLAC shall maintain individual personnel files for all employees.

Procedures:

1. The personnel files shall be kept in a locked file cabinet in the Finance Manager's office.
2. The personnel files shall contain at least the following information:
 - a. Application
 - b. Resume
 - c. Letter of Hire
 - d. Documentation of all:
 1. Salary Increases

2. Job changes
 3. Promotions
 4. Evaluations
- a. Signed Forms W-4 for each year of employment.
 - b. Information regarding fringe benefits provided.
 - c. Other pertinent information and documents related to the employee's employment.

CISLAC PAYROLL CONFIDENTIALITY FORM

In the performance of your duties for CISLAC, you will have access to the company payroll records. This information is confidential and should not be discussed with any other person without the consent of the ED.

Failure to comply with this procedure could result in disciplinary action up to and including termination.

I hereby acknowledge that I have read and understand the above policy.

_____ Signature

_____ Date