CENTER FOR EXTRACTIVES AND DEVELOPMENT (CEDA)

CONSTITUTION, FINANCIAL POLICIES, PROCEDURES AND PROCUREMENT MANUAL

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BRIEF ON CENTRE FOR EXTRACTIVES AND DEVELOPMENT

Introduction

The Centre for Extractives and Development Africa, (CEDA) was established in 2014 registered in Ghana under the Companies Registration Code with registration number CG103822014. CEDA is an extractive and development policy research and advocacy organization working with partners around the continent and beyond to promote better governance of the mineral resource endowment of the continent for improvement of national life.

Vision

To be a leader in extractive and development policy analysis and advocacy, training and mobilization of citizens voices on the best use of Africa's mineral resources for equitable and sustainable development.

Mission

We work to place Africa's extractive sector at the centre of its development policy discourse through evidence based research, training and capacity building, policy advocacy and citizens mobilisation for the efficient, transparent and accountable management of the sector for the improvement of national life.

Operational Areas

CEDA would operate in Africa and shall focus on the following operational themes;

1. Policy, legal and regulatory issues –Role the mining sector can play in Africa's economic and social transformation and the legal and regulatory barriers that might prevent this role being fulfilled;
2. Economic issues – How the mineral sector could facilitate broader economic and social linkages
3. Governance, human rights, Gender and Social issues – Including enhancing stakeholder participation along the mining value chain; the institutional and policy space for mineral sector governance to contribute to economic and social transformation,
4. Environmental and Social Issues – The management of environmental and social sustainability through judicious impact assessments and prudent material stewardship
5. Knowledge base, human and institutional capabilities – How to build broad human and institutional skills that support a development oriented African mineral sector in a multi-sectoral and holistic manner

Our core values:

CEDA seeks to promote and adopts a no compromise stand on the following values

- Professional Integrity
- Transparency and Accountability Leadership
- No to Corruption
- non-political partisanship
- Partnership and Trust
- Equity
- Socio-economic and environmental justice
- Shared benefits
- Gender equality and inclusiveness

1. GOVERNANCE AND MANAGEMENT

This section describes the governance and management structure of CEDA.

1.1. The Governing Board

a) There shall be a five (5) member Governing Board appointed to oversee the management of CEDA.
b) The Members of the Board shall be appointed by the founding members of CEDA.
c) The Governing Board is the highest decision-making body and shall meet twice in a year at such time and place acceptable to them.
d) Meetings of the Board can also be done physically or via electronic devices.
e) Minutes of meetings shall be taken by a staff delegated to the task.
f) A quorum at Board meetings shall be three (3) including the Executive Director
g) The Executive Director shall be a permanent member of the Board.

1.2. The role of the Board include:

a) Providing strategic direction
b) Setting organizational policies
c) Monitoring compliance with organizational policies and reporting against agreed performance standards.
d) Approving annual plans, projects and budgets
e) Appointment of the Executive Director and other management staff
f) Providing sector policy and research direction
g) Reviewing and advising on the quality of the content of CEDA's work
h) Contribute to CEDA's policy and advisory work where necessary.
i) Propose for the adoption of the Board of Directors other operational areas CEDA needs to move into that have potential for enhancing its image and services.

1.3. Conflict of Interest

To prevent the personal interest of Board members from interfering when participating in CEDA decision-making processes, as other professional or personal roles intersect. performance of their

services to CEDA, Board Members must clearly disclose their interest and recuse themselves from attending meetings that deliberate on matters that he/she has interest in it.

1.4. MANAGEMENT

1.4.1. The Executive Director

The Executive Director shall be appointed by the Board on such terms and conditions as are approved by the Governing Board.

The role of the Executive Director include:

a) The head of the management team
b) Responsible for the overall administration of CEDA
c) Responsible for the overall financial management
d) Provide strategic leadership and implement the strategic plan of CEDA.
e) Implement the decisions of the Governing Board
f) The official Spokesperson of CEDA and can delegate this where necessary.
g) Represent CEDA and its interests in all matters and transactions and can delegate where necessary.

1.4.2. Other Management Staff

Other management and administrative staff shall be appointed by the Governing Board on such terms and conditions as are approved by the Board.

1.4.3. Transparency and Accountability

- The Accounts of CEDA shall be audited annually.
- Annual Reports of CEDA shall also be published on its website.

2. ACCOUNTING PRINCIPLES AND ADMINISTRATION

2.1. Accounting policies

a) The financial year of the organization shall be January to December.
b) Income is recognized at the point when remittance/grant is received.
c) Expenses shall be recognized at the time they are incurred. Long-term contracts are accounted for in accordance with statement of standard accounting practice 9.

d) CEDA accounts shall be prepared under the historical cost convention and in accordance with Statement of Recommended practices No. 2 "Accounting by Charities" and applicable Accounting Standards.

e) Stocks shall be expensed at the time of purchase. Stock on hand at year end is valued and stated as a note to the accounts.

f) Fixed assets purchased shall be expensed to the appropriate cost centers for internal reporting. Capitalization of fixed assets is done at year end for statutory accounts purposes.

g) Depreciation will be provided on a straight line basis at rates calculated to write-off the cost of each fixed assets over its estimated useful life. The annual rates in use are as follows;

Buildings	20%
Fixtures and fittings	20%
Office and other equipment	20%
Motor vehicles	12%

h) Foreign exchange: Transaction denominated in foreign currencies are translated into Ghana cedis and recorded at the conversion date's rate. Balances denominated in foreign currencies are translated into Ghana cedis at the rates of exchange ruling at the balances sheet date.

i) Grants to partners for expenditure in the current financial year are expensed in the books at the time of payment.

j) A grant paid to a partner at the current period to be spent in the following period is treated as prepayment.

2.2. Organization And Administration of The Financial And Administration Unit

a) The Finance and Administrative Department is headed by the Finance and Administrative Manager who is responsible to the Executive Director and Supported by an Administrative Officer.

b) The overall responsibilities of the Finance Department are as follows;

   i. To maintain the books of accounts and other records of all accounting transactions of CEDA and provide the necessary financial reports for management decision making and for donor requirements.

   ii. To operate satisfactory accounting controls over the assets and liabilities of the organization.

   iii. To comply with statutory and international accounting policies and practices.

   iv. To develop and amend accounting principles and procedures in the light of changing circumstances for approval by the board of directors.

   v. To provide accounting information which is required by management to plan and control all the activities of the Network

c) The major aspect of these responsibilities has been expanded to provide staff of the department with a comprehensive specification of their individual's responsibilities and duties known as job descriptions.

2.3. The General Ledger System

A general ledger system shall be developed based on the expense system of the organization. It is highly recommended that an accounting package (software) purchased to make postings of items of transaction easier and effective under a detailed Chart of Accounts.

On the basis of account classification, the following are available:

a) Expenditure
b) Income
c) Fixed assets and stocks
d) Debtors

e) Cash and bank
f) Creditors and liabilities
g) Reserves

2.4. Monthly Accounting Routines

The Finance and Administrative Manager shall pass necessary journals for all transaction. This checklist shall be helpful:

a) Bank payments
b) Petty cash payments
c) Bank lodgments
d) Reconciling items in the bank statement
e) Float retirement
f) Accrued expenses
g) Others, if any

2.5. Monthly procedures at the Finance Department

a) Monthly journals shall be passed
b) The Finance and Administrative Manager shall generate statements to staff showing movements in their floats, loan and advance balance monthly.

2.6. Financial Reporting

The Finance and Administrative Manager shall issue quarterly management accounts by the 15th of the following. This shall but not limited to the following:

a) Income and expenditure Account
b) A summary Management Report that shows actual expenditure against budget for all projects and office cost.

2.7. Operations Of Bank Accounts

2.7.1. General

a) CEDA shall maintain bank accounts in such numbers, currencies and at such locations as deemed necessary for its operation. For each account a minimum of two signatories shall be required to draw money from the bank accounts in accordance with authorization levels in force at the time.

b) The signatories to these accounts shall possibility be the Executive Director, Finance and Administrative Manager and Programs Officer

c) CEDA shall maintain project specific cedi bank account and if possible one foreign account for each project. Proximity and reputation of bank shall be considered in the choice of bank. Cheques meant for cash withdrawal from such bank account shall be drawn from the officer concerned only.

d) An account in the general ledger shall be opened for each bank account. In addition, the Finance and Administrative Manager shall keep a cash book for each bank account.

e) The Finance and Administrative Manager shall keep unused cheque books in safe custody. These shall be issue out for use in numerical sequence. Issues shall be made only when stubs of fully utilized ones have been produced.

f) Statement shall be obtained from bank periodically, latest once a month. Where interim statements have been obtained, substantive ones for same period shall also be obtained.

g) The Finance and Administrative Manager shall be prepare monthly bank reconciliation for all accounts 10th of the following month for approval by the Executive Director.

2.7.2. Direct Cost Rule

Direct costs include all of the expenses that are required for, and can be tracked directly to, a grant project, including but not limited to:

a) **Personnel /human resource-;** Salary and staff benefits cost of all staff directly involved with the project. In general, this includes the time and salary for each staff member on individual line items.

b) **Consultants and Contractors**; the costs of hiring workers who are not employees of CEDA to assist us with the planning, evaluation, development or implementation of our

projects. These may be individuals or organizations, nonprofit, for-profit or other type of entity and shall be identified by function or purpose they will be performing.

c) **Sub-Grants;** these are funds that will be distributed to other individuals or organizations to conduct their own activities related to and geared to a common objectives and purposes and reported to CEDA and in turn report same to donor(s).

d) **Other Direct Expenses;** are the costs needed to complete the project, including but not limited to the cost of travel, training, conferences, supplies, computers and software.

e) **Equipment and Capital Expenditures;** Equipment bought for the purpose of a project with useful life beyond a taxable year.

All direct cost allocated for staff salaries and emoluments, benefits shall be an income to the CEDA and transferred into common pool as total staff cost for the CEDA. Once donors and CEDA pre-agreed on staff cost, management of CEDA shall determine salaries of staff using our internal system of salary administration. Payments from the account or pool for salaries, benefits, statutory payments (PAYE, SSF 1 & 2 etc) shall be open for verification by Donors and other interested parties.

2.7.3. Indirect Cost

Indirect costs are expenses that cannot be tracked directly to a grant project. CEDA shall charge not less than 10% and no more than 28% for indirect cost as percentage of the total direct project cost. Each funding stream comes with its guidelines regarding indirect cost policy, and this shall drive our budgeting.

As a policy, CEDA shall negotiate for a percentage of the direct project cost not below 10% and not more than 28%. This amount shall be assumed to be an income to CEDA.

2.8. Payment Procedure

2.8.1. Approval of payment

This provides for the authorization for approval of expenses and signing of Cheques. The Board represented by the Board Chair shall approve annual budgets for CEDA. Payment for expenses

shall be signed by the Executive Director, Finance and Administrative Manager or Programs Officer.

2.8.2. Registration of invoices;

a) Request for payment shall normally arise from transactions with third parties. Such request shall therefore be in the form of bills, invoices, engineer's certificate or letters for requesting payments/funds for various purposes. In addition to this, staff claims shall be made on appropriate claim forms.

b) All documents requesting payments shall be authorized for payments in accordance to existing authorization levels and thereafter delivered by the Finance and Administrative Officer.

2.8.3. Processing of Supplier invoice:

a) Supplier invoices shall be reviewed before payment is made. The review shall involve some or all of the following;

   i. Required supporting documentation. For goods subject to purchase order procedure, Local Purchase Requisition (LPR), Local Purchase Orders (LPOs) and Stores Receipt Vouchers (SRVs) etc shall be attached. For other request from suppliers/beneficiaries are required.
   ii. Required levels of authorization. Reference shall be made to authorization levels in force.
   iii. Budgetary allocations.
   iv. Appropriate coding of transaction
   v. Compliance with laid down financial policies.

vi. Arithmetic accuracy of the amount stated in invoices/requests for payment.

b) A bank payment voucher (BPV) shall be completed with the details about the payment recorded on the voucher.

c) The Finance and Administrative Manager shall perform the review with evidence of work done by indicating his initials in the appropriate columns above.

2.8.4. Writing of Cheques;

d) Cheques shall be written when all the procedure above have been satisfactorily performed. By forwarding cheques for signature, the Finance and Administrative Manager is representing that the underling transaction(s) is/are reviewed him/her in accordance with the policy, is/are properly authorized and supported by proper documents.

e) The bill/invoice/LPO must be attached to the payment voucher with Store Receipt Voucher (SRV) if it is a purchase of goods.

f) As a rule, payment for goods procured shall not be made unless confirmation of delivery is attached to the BPV. However, where a supply is on 'cash on delivery' basis, the Finance and Administrative Manager shall monitor the receipt of such goods and confirm delivery as soon as practicable.

2.8.5. Outgoing Cheques.

a) The Finance and Administrative Manager shall stamp or signed Payment Voucher to indicate transaction has been paid. This shall avoid the risk of double payments.

b) CEDA shall request for official receipt for all cheques payments except in a situation where it is impossible. In that case, a receptor honor certificate shall be drawn up by the Finance and Administrative Manager and signed by the payee.

2.9. Cash/Cheques Receiving Procedures

a) For security reasons, CEDA shall have official receipt books.

b) The Finance and Administrative Manager shall be responsible for unused official receipt books.

c) An official receipt book register shall be kept to record movements in stock.

d) All newly printed receipt books shall be entered in the Register with the serial numbers.

e) Issues of official receipt books must be entered in the register showing the officer receiving the books, the serial number issued and the date issued.

f) The officer shall sign for them

g) As much as possible, only one receipt book shall be issued at a time and completed receipt books (duplicate) must be returned before a new one is issued.

h) Cash/cheques for CEDA shall come from sources including the following;

   a) Donors
   b) Third parties for services rendered
   c) Disposal proceeds
   d) Third parties as contributed/ gift to a programme activity/sector
   e) Staff for floats refunds
   f) Membership/ subscriptions, etc.

i) All such monies shall be received by the finance department. An official receipt shall be issued to evidence such receipts.

j) As much as possible, all cash receipt shall bank intact within one week. The quantum of the amount involved shall be considered in determining when the banking is done. In all circumstances, this shall not exceed one week.

   k) On banking, the cash receipt voucher and the pay-in-slip shall be batched and journalized.

   l) The cash book shall be written up by the finance department to record the lodgment. CEDA cashbooks are recorded on columnar basis with the date, narration, or particulars, BPV reference, cheque reference, debit, credit, and the balance columns indicated.

2.10. CHECKS FOR THE SUPPORTING DOCUMENTS FOR VOUCHER

a) All supporting documents should be authorized by the appropriate person initiating the payment.

b) It is the responsibility of each person who is responsible for buying goods/ services in the project office to check each bill for its validity. E.g, check that the description of items, number of items, cost per unit and total cost, date of the bill and name of payee (i.e. name of project) are accurate. Payments should be made only after checking these details.

c) Any mistake/ discrepancy should be pointed out to supplier or contractor before payment and if an alteration is necessary, supplier or contractor should make the change right then and put his/her initials and date. If this results in a change in any of the amounts on the bill it is particularly important that supplier or contractor alter the bill and append signature, or a better option would be to obtain a fresh bill if possible.

d) Invoices should only be in the name of the organization.

e) Where bills are in local language, please indicate briefly in English the purpose /item on the bill.

f) No other alteration in the bill by project staff is normally permissible. If at all an alternate is unavoidable e.g., a mistake in the date by supplier which was not corrected such a bill should be brought to the attention of executive Director for approval of alteration. The management reserves the right to accept such bills or not.

3. Sources Of Funding

CEDA main sources of funding, income shall be from donor's grant, donations, investment income, consultancies fee, etc.

The organization is funded by donors and well-wishers i.e. corporates, government agencies and other non-government organizations around the world. The grants are given upon the approval of donors' contract of offer for the funding. We also make income from investment, consultancy fees, donations and member dues and registration.

3.1.1. Grant

The organization's main source of income is grants received from other non-governmental organizations, and other well-wishers. These grants are specified as restricted and non-restricted. Restricted grants are those grants that are given to the organization for a specific purpose. These funds are expended in line with the content of the contract for such funds. Unrestricted grants are those funds given to the organization for non-specific expenses. These are expended according to the budget and in line with the statement of objectives.

3.1.2. Investment Income

Cash, surplus to pre-agreed with specific donor (s) shall be invested in quick yielding portfolios, treasury bills, and other interest yielding securities.

3.1.3. Cost Sharing and Recognition

CEDA shall clearly report on any cost sharing or co-funding of activities/projects to respective donors where two or more donors contribute to project/activity and shall indicate same its financial statement.

3.1.4. Consultancy fees

These are income generated from technical and professional services rendered to other organizations for fees. This income shall support the organization's administrative overheads, staff salary cost and other organizational sustainability strategic needs.

3.1.5. Donations

Donations received from individuals, organizations; philanthropists, etc shall be income to the organization. These donations are mostly unrestricted and therefore have the flexibility on how to manage such funds.

3.2. Petty Cash

a) Petty cash shall be maintained to facilitate administrative work. Petty cash shall be in such currencies as convenient for the operations of the organization.

b) All petty cash float shall be maintained on the imp rest system i.e. replenishments shall not exceed total disbursement to restore the float to its normal level. The float level of the petty cash shall be reviewed by the Executive Director from time to time.

c) The current maximum petty cash ceiling is Ghc3,000.00; this shall be reviewed taking into consideration how frequent the imprest is exhausted, economic and inflationary factors.

d) Replenishments shall be made using the appropriate forms once the petty cash float reaches a minimum level. The minimum level to request for replenishment shall be **Ghc500.00**. A uniform minimum level has not been prescribed by policy. This shall be determined by considering the volume of transactions.

e) The limit for payment from petty cash shall be maintained at **GH¢500.00** now.

f) All petty cash replenishments shall be made from the bank accounts by drawing cheques on the amount of which shall not exceed total disbursements made.

g) Periodic cash counts must be made in addition to occasional cash counts by the Finance and Administrative Officer. For record purposes, the necessary forms shall be completed and signed as appropriate.

h) A cash count must be made whenever a cash replenishment request is made.

i) The replenishment cheque shall be made payable to the petty cashier who shall cash it and keep in the cash safe.

3.2.1. Pettys Cash Payment Procedures

a) All petty cash payments made by CEDA must be in respect of properly authorized expenses made for the purpose of the work. Petty cash shall be made for reimbursement of claims and to a limited extent, third party bills that fall within the threshold.

b) All transactions processed for payment shall properly be authorize and must be supported with proper documents to show evidence of the transaction. These documents may take the form of invoices, local purchase order (LPO), official receipts, stores received vouchers, external bills, internet memoranda, etc.

c) Petty cash expenses/claims shall be authorized by designated officers especially unit heads.

d) Staff requesting payment from petty cash shall complete a petty cash voucher (PCV) and attach the required supporting documents (bills, receipts, invoices, expenses claims form, internal memo, etc) and forward them for approval as stated in above. Approval shall be given by signing the appropriate portion of the PCV.

   i. Payment to third parties through petty cash shall be approved by the Executive Director or the Finance and Administrative Manager.
   ii. The payee must sign the voucher as having received the cash.
   iii. The documentation attached to the copy of the cash payment voucher (CPV) shall be batched and journalized.
   iv. Official receipts shall be obtained for all petty cash payment except where it is a staff personal claim for which the staff member has signed as having received the cash.

3.2.2. Petty Cash Book

The petty cash book shall be maintained in the same format as the bank/cash books. This shall be written up daily to facilitate review and cash checks. In the General ledger, an account is kept for all petty cash analyses. The petty cash vouchers shall be batched and journalized.

4. PAYROLL

4.1.1. Staff Appointment and Terminations:

The conditions of service shall specify policies regarding engagement and dismissals.

4.1.2. Payroll Preparation:

a) Payroll shall be prepared by the Finance and Administrative Manager. This shall be completed for review latest 20th of every month. All staff is required to provide their bank account details and social security numbers to the Finance Department.

b) Staff shall be paid by or on the 25th of every month.

c) The source document for inclusion of staff is the Accepted Letter of Appointment forwarded to the Finance and Administrative Manager by the Executive Director. The individual staff shall remain on payroll until advised otherwise. Deletions from payroll shall be because of letter of resignation or dismissal received from the Executive Director or the Board of Directors.

d) The Finance and Administrative Manager shall prepared the payroll for the month and generate the following reports;

   i. Payroll for the month
   ii. Benefits and Allowances
   iii. SSF deductions
   iv. Income tax deductions
   v. Pay slips
   vi. Bank letters

e) The Finance and Administrative Manager shall prepare and/or review all payroll and sign off two copies of the payroll to evidence his preparation/review. The Executive Director shall review and approve the payroll. The Finance and Administrative Manager shall distribute pay slips to all staff.

f) Payroll deductions payable to third parties e.g. Tier 2 Trustees, SSNIT and GRA shall be paid by drawing cheques. Statutory deductions are required to be paid to appropriate authorities by the 15th of the following month.

g) For staff without bank accounts, individual cheques payable to them shall be made out in accordance with procedures already described.

4.2. Expense Claims

4.2.1. General:

a) Claim must be for expenses incurred by staff on behalf of the organization and must be in accordance with policy. Examples of such expenses includes, but not limited to, medical expenses, transport cost on official trips, hotel expenses on official trips and other expenses incurred by the employee for which CEDA is not paying directly to the supplier of the service.

b) An individual's expense claim must be reviewed by his/her supervisor and approved by the Executive Director. Where is practical, as is usually the case for staff traveling out of their stations, the Executive Director shall review and authorize the expense claim.

4.2.2. Procedure

a) An expense claim form must be completed with the details of the claim made. All receipts and supporting documents must be attached to the form. In exceptional circumstances for items purchased on local markets, certificate of honor may be completed (see appendices) and submitted in lieu of receipts.
b) The completed form shall be authorized in line with existing petty cash, the supervisor can authorize. Where the amount exceeds petty cash level, the normal authorization procedures shall apply.
c) The completed and approved claim form shall be reviewed and processed for payment by the Finance Department.

4.2.3. 2.15 Per Diem

a) Generally, per diem shall be paid based on proper authorization and duly approved by the supervisor of the claimant.
b) As much as possible claims shall be made at the duty office.
c) The relevant form for per diem shall be completed at all times. The form shall be authorized in accordance with existing authorization levels. Per Diem claims shall be for days as specified in the supporting documents.
d) In case of foreign travels, the Secretariat shall pay per diem in cedis.

Refer to details on this matter in the staff terms and conditions of service & travel and transport policy.

5. Working Floats

5.1. General:

a) Work floats are given to employees to enable them carry out program activities outside out the office where finance staff cannot conveniently be present to handle disbursements. The principal uses for floats shall include, but not limited to, fuel and vehicle maintenance during long distance travels, travel related expenses, workshops and related expenses, and other services for CEDA for which cash must be paid. As much as possible floats are not to be used for purchases. Purchases, if any, must be relevant to the assignment.

b) Floats are normally taken from employee's duty station, and shall be accounted for at the employee's duty station (except in case of emergency floats as set below).

c) Emergency float may be issue in two circumstances.

d) When member of staff is informed of a change of plan after they have left their duty station that necessitates a further float to allow them to carry out the new plan.

e) In case of emergency, as shall be decided by the Executive Director. Bad planning does not constitute an emergency.

f) Emergency float requested for any reason are entirely at the discretion of the Executive Director.

5.1.1. Advancing Floats/Cash to Staff (Travel, Workshops, Medical General *Expense, etc)*

Advance might be paid to staff on travel or to carry out official duties. Rates shall depend upon the approved rates and may be review from time to time.

a) Approval from supervisor is required for cash advance.

b) Staff requested for cash advancement shall fill in the staff cash/advance form (attached) and submit it to the supervisor.

c) The approved form shall be sent to the accounts department for payment.

d) The cheques must be signed for such approved payments for such staff.

e) Staff shall then sign and collect cheques from accounts.

5.1.2. Float/Per Diem

CEDA does not give float to staff anytime they are traveling. It is fixed approved rates/allowances and currently these are as follows:

a) Transportation: this depends upon the cost of transport fare from office to the destination or project approved budget rates
b) Feeding; rates are attached as appendices or project approved budget rates.
c) Accommodation: rates are attached as appendices or project approved budget rates
d) Incidental rates are attached as appendices or project approved budget rates.
e) These are reviewed from time to time as the economic circumstances at a time demands.
f) Employees requesting floats shall complete a work float request form in triplicate. The supervisor shall review the amount being requested and recommend the request for authorization. Authorization shall be in accordance with existing authorization levels. Floats shall only be advanced to staff against completed and authorized work float request form. The first copy shall be attached to payment documents. The second shall be given to the float taker. The third copy is a book copy.
g) The Finance and Administrative Manager shall review the amount being requested and recommend the request for authorization. Authorization shall be in accordance with existing authorization levels. Floats shall only be advanced of staff against completed and authorized work float request from. Only one float shall be outstanding at a time. No employee may take a float for any reason while an earlier float remains outstanding.
h) Floats shall be processed for payment in the same way as other cheque payments.

5.1.3. Accounting for Floats Advanced:

a) Floats shall be accounted for as soon as practicable. In any case, this period must not exceed one calendar month. Floats not accounted for after one month shall be deducted from the employee's salary in full. If that is not possible the balance is received
b) Float taken but no longer needed must be returned immediately to the finance department.

c) The float taken shall proceed to complete a cash float retirement from in triplicate. All relevant documentation [receipts, invoices, vouchers, etc] must be attached. Certificates of honor may be used in circumstances where a receipt cannot be obtained.

d) The completed form shall be sent to the finance department for review after which the supervisor shall approve the retirement.

e) The employment retiring the float shall take the original [after the review by the appropriate authority] for safe keep as evidence of the retirement. The duplicate shall be used to journalize the float retirement. The triplicate is the book copy and remains as reference copy.

f) As part of the management accounts, the Finance and Administrative Manager shall provide to officers a status report on all float balances outstanding.

5.2. Staff Loans and Advances

The rules governing loans advance are contained in condition s of service.

5.3. Procurement Guidelines

This procurement policy/guideline shall ensure compliance with the General Principles to ensure that:

- Resources (supplies/services/works) needed to carry out the project are procured with due attention to economy and efficiency (lower cost, best quality, and timely availability)
- Project funds are used to pay for resources needed.
- All suppliers have an equal opportunity to compete.

5.3.1. Procurement Policy & General Principles

CEDA personnel and partners shall always guarantee equal treatment of suppliers and high standards for integrity, transparency, price, performance and quality to ensure **Value For Money** at all times;

The following key aspects of the procurement process are common donor requirements:

a) ***Transparency, fairness and fraud prevention*** is important so that everyone will know that funds are being honestly spent and accounted for.

b) ***Equal opportunity*** ensures that the suppliers/contractors are provided with equal opportunity.

c) ***Economy and efficiency*** (value for money) means that supplies, services and civil works will be purchased at a reasonable price. This also means that the procurement planning process of CEDA is of satisfactory status.

d) ***Effectiveness*** means that the supplies, services and civil works will fulfil project objectives.

e) ***Certainty of the ability of the supplier/contractor to provide the supplies and services.*** This has to be documented so that there is a reasonable assurance that what is promised can be provided.

6. Conflict of Interest

To prevent the personal interest of staff members from interfering with the performance of their duties to CEDA, or result in personal financial, professional, or political gain on the part of such persons at the expense of CEDA or its supporters and other stakeholders.

CEDA staff should be alert to individual or organisational **Conflicts of Interest and/or non-competitive practices** among suppliers. No procurement of supplies, services or civil works of any kind will be conducted if the supplier, to the knowledge of CEDA personnel,

a) Is a member of any of CEDA employees' immediate family
b) Has any financial interest with CEDA or employee.

The following General Principles shall always be respected and adhered to in all procurement, irrespective of the procurement method:

a) The award of contracts, with independence of the procurement procedure followed, shall always conform to the principles of economy and efficiency. The works, services or goods supplied must comply with the following requirements:

i. Satisfactory quality
ii. Timely delivery or completion
iii. Price corresponding to market prices

The procurement process of Goods and Services shall be headed by the Finance and Administrative Manager and assisted by the designated program officers of the respective programs in need for the goods or services at the time. They shall lead the process of procurement planning and review project plans and budgets to ensure that purchases are done on time. A procurement team shall be form and this team meets from time to time to deliberate and review procurement plans especially where the needs arises to undertake procurement event. Meeting(s) shall be held to discuss with the respective project officers to ensure conformity to existing plans and to allow enough time to go through the competitive process. Things to consider during this planning meeting include time frame for the procurement process, quantity of goods required, specifications of the goods & Services, price considerations and the form of procurement to undertake. A memo outlining the decisions made at the meeting shall be submitted by the Finance and Administrative Manager and submitted to the Executive Director notifying the outcome of the planning meeting for his/her inputs, comments and approval.

The following steps must be followed:

1. A procurement checklist shall be submitted by staff requiring the goods or service to the Finance and Administrative Manager for review and Executive Director for approval.
2. The Executive Director shall be notified by the Finance and Administrative Manager of the approval of the request and authorization for the procurement process to begin.
3. The Finance and Administrative Manager opens up the procurement process using the agreed form as stated in the planning meeting
4. A committee comprising of the Finance and Administrative Manager, respective project officer (s) and any other staff is set up by the Finance and Administrative Manager to review the tenders/invoices from suppliers
5. A report is produced indicating the choice of the qualified Supplier by the committee to the Executive Director for approval.
6. The Selected qualified supplier is notified by issuing an offer letter or a notification by email or phone call.
7. Upon the acceptance of the supplier, a Purchase Agreement issued and signed by Executive Director witnessed by the Finance and Administrative Manager and counter signed by the representatives of the Supplier.

8. Goods shall be received by the Responsible officer in charge of stores to review specifications for either acceptance or rejection.
9. Finance Department shall be notified of the acceptance of goods/service by the Project officer or respective Staff for the Executive Director's approval
10. Payment to the Supplier is initiated by the Finance and Administrative Manager as specified in the Purchase Agreement.
11. In the spirit fairness, an advance (preferably 60% unless otherwise determined by the committee on a case-by-case basis) shall be made to the supplier to enable him/her proceed with supplies. This advance issue must be incorporated into contract agreement with supplier(s).

Types of Procurement Processes:

Type	Process	Approval Limits	Approval Authority
Single/Sole Supplier	Single Supplier is contacted. Circumstances under this is where is it practical impossible to have comparative suppliers or where Specialized Services are required. This specialize service includes but not limited to emergency situation (disaster situation), items which are proprietary in nature (e.g software – accounting & others), newspapers, some library book etc. The requisitioning department or project officer shall furnish with documentation attached to the procurement checklist and justify why the technical characteristics inherent in the item make it essential to purchase the particular good or service	Any Contract Sum	Executive Director
Use of Vendor List	For Procurement of goods and services below GHS10,000.00 and consideration of the nature and timing of the procurement, a vendor may be selected from the approved vendor list in good standing with CEDA	Contract Sums below GHS 10,000.00	Finance and Administrative Officer/Executive Director
Competitive Price Comparison	The minimum supply/procurement required for competitive bidding is Ghc 10, 000.00**. T**hree Suppliers are notified, and invoices received from them. **The committee** reviews the invoices and writes a report. **T**he best qualified supplier is selected.	Contract Sums of GHS 10,000.00 to GHS 150,000.00 Contract Sums of GHS	Executive Director BOD's Chairperson

		150,000.00 and above	
Selective Tendering	**T**ender specifications are developed and sent out to potential suppliers. **T**enders received from them supported by Business Profile, Business Registrations Documents with VAT or GRA Certificates **A** committee reviews the tenders and writes a report. **T**he best qualified supplier is selected	Contract Sums of 300,000.00 and above	BOD's Chairman

7. CONTRACT WITH THIRD PARTIES

These guidelines shall be followed in all cases where contracts are drawn up on behave of CEDA. The guidelines deals with principles and do not attempt to draw up a standard contract because of the varied nature of contract s and the need for flexibility. It seeks to set up minimum standard that a contract drawn on behalf of CEDA shall meet.

a) The contract referred to her include, but not limited to, contraction works, training and workshops, supply of various goods that are not subject to purchase order procedures, research/feasibility studies, reviews and other consultancy services.

7.1. Parties to the Contract

The names and addresses of the parties to the contract shall be clearly stated.

7.1.1. Responsibilities

a) The responsibilities set up under the contract shall be specific and unambiguous.
b) Specifications and/or drawings and costs, if any shall be attached and referred to in the main body of the contract as appropriate.
c) A time frame for completion should be specified. It shall be clear from the contract who is to provide resources for construction contracts if any.
d) In general, it may better for CEDA to provide all materials if possible. Procurement of materials for construction works shall be devolved to communities as much as possible.

e) Where CEDA provides materials, then responsibility for loss/damage/misuse shall be placed on the contractor.

f) CEDA shall supply the quantity and quality of materials for the job and the contractor shall make good any shortfalls resulting from his misuse or inefficiency.

7.2. Liabilities:

The contract shall contain a clause to the effect that any accidents or injuries sustained by a contractor or his/her staff or a third party directly as a result of the contractor carrying out the contract shall be the contractor's liability. The contractor shall indemnify CEDA in this respect if it becomes necessary.

7.3. Completion

Satisfactorily completion of constructional works shall be determined by a consultant or the budget holder shall determine satisfactory work. Completed work shall be processed for payment in accordance with procedures prescribed in the manual.

7.4. Terms of Payment

a) The terms of the payment must be stated in the contracts. A clause to the effect that withholding tax a ruling rate shall be deducted and paid to the Ghana Revenue Authority (GRA) as required by law shall be included in contract agreement. In contract where satisfactory completion can only be judged after the passage of time, some of the contract price (retention) must be held back as a guarantee against faulty workmanship and to pay for making good any defects. This is especially important in constructional/building contracts. This retention shall normally not be less than 10% of the contract sum. For construction works the retention period shall not be less than six months. Other short-term contracts such as consultancy and training, retention monies may not be held and once the final report has been received and accepted by the signatory to the contract, any outstanding balance shall be paid.

b) It is convention to make advance payments to contractors for work to begin. This amount shall be negotiated with the contractor. The contract must specifically state that the final payment shall only be made on successfully completion of the contract.

7.5. Redress:

The contract must especially specify the time limit for completion. For the purpose of unforeseen circumstances, allowance shall be made for extension of the period. It shall be stated that CEDA reserves the right to make deductions from the contract payment if work extends beyond the time limit. The amount shall be determined by CEDA but consideration shall be given to the overall value of the contract.

7.6. Rights to Terminate

Notices of termination shall be in writing. Terminations shall occur if the contractor fails to observe his/her responsibilities.

7.6.1. Approval and Referencing:

a) The contract must be signed by approved official representatives of both parties to the contract. In the case of the contractor, CEDA must be sure that the signatory is the responsible person and [in the companies] that he /she can legally bind the company to the contract. It is recommended that the owner or the director signs for the contractor

b) The signature of the parties shall be witnessed and sign and add their full names, addresses and positions/occupation. For quality control purposes, CEDA shall monitor/supervise progress of work done so far.

c) At the time of approval, a reference number shall be allocated to the contract and entered into a contract register. This reference number shall be quoted on all payment's vouchers relating to the contract in question.

8. DISSOLUTION

Each Director of CEDA undertakes to contribute to the assets of CEDA in the event of its being wound up while he/she is a member or within one year after he/she ceases to be a member, for the payment of debts and liabilities of CEDA and of the cost of winding up such amount as may be required not exceeding One Hundred Ghana Cedis (GH¢100).

If upon the winding up or dissolution of CEDA, there remains after the discharge of its debts, liabilities and property of the project, the same shall not be distributed among members but shall be transferred to some other Non-Governmental Organization (NGO) or charity limited by guarantee having objects similar to the objects of CEDA or applied to some charitable object, such other organization or charity to be determined by ordinary resolution of members at a general meeting prior to the dissolution of CEDA.