

**Foundation for Active Civic  
Education - FACE**

**Operations Manual**

**Along with**

**Gaka Community Radio Station**

## INTRODUCTION

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### 1.0 PURPOSE

This manual provides a standardised set of operating policies, procedures, guidelines, and related forms for Foundation for Active Civic Education – FACE. The document includes guidance on:

- a) Administration
- b) Finance
- c) Fundraising
- d) Communications

The overall principal objective of this manual, is to outline policies and guidelines that will help to convey the standards for sound administration, financial, personnel and organisational management towards the achievement of the organization, vision, mission statements and objectives

The specific objectives of this manual are to:

- a) Promote consistent and sound practices throughout the organisation.
- b) Provide guidance and reference for staff and volunteers across the organisation.
- c) Complement training of personnel to meet organisational good practice in personnel, financial, programmatic, fundraising and administrative requirements.

This manual serves as a standard reference document for appropriate procedures and processes, for CAMFED staff and stakeholders internationally.

### 1.1 The Manual and Local Laws

The laws in this manual shall not be above the rules and regulation of Malawi as a republican state

### 1.2 Revisions to the Manual

This is a living document that will change and evolve to reflect changes in the environment and respond to FACE's needs. Suggestions are welcome from all staff and should be made to members of the Executive Team. Potential additions will be reviewed by the Executive Team and upon approval by board will be added to this document.

## 2.0 OVERVIEW OF FACE

**Foundation for Active Civic Education (FACE) is a Malawian local Non-Governmental Organization registered by Government of Malawi under the Trustees Incorporation Act (Registration Number TR//INC: 2646). It is also registered with the Council for Non-Governmental Organisations in Malawi (CONGOMA). FACE started operations in 2004 initially as a Community Based Organisation registered with the Nsanje District Social Welfare Office (Registration number NE/SW/CBO/010/010) before turning into a fully fledged NGO. (Copies of registration certificates attached for reference). This provides empirical evidence to the legal existence of the organization that authenticates and legitimatizes its operations in Malawi**

**FACE has highly reputable board of trustees who provide overall guidance and strategic direction in the running of the organisation. The Board comprises of people of high standing in society, with unimpeachable character and integrity. The Board is the focal point for corporate governance in the**

**organisation. It has a charter which articulates roles of the Board, among them, directing, governing and being in effective control of the organisation.**

## **2. VISION STATEMENT.**

**Empowered community living a dignified life**

## **3. MISSION STATEMENT**

**To be a responsive, non-partisan and not for profit NGO that facilitates holistic human development through sustainable partnerships in the areas of education, health, food security, Sexual reproductive health rights, HIV/AIDS, Entrepreneurship and loans Water Development and environmental management and climate change mitigation.**

## **4. FACE DEPARTMENTS**

**The organization has two different departments which includes Micro finance which will be implemented through Thenthe Fund and Broadcasting & Communication which is implemented through Gaka Fm.**

### **Gaka Fm**

Gaka FM is a Malawian licensed community radio station established on 14<sup>th</sup> February, 2016 by a local NGO, Foundation for Active Civic Education (FACE) with technical support from The Polytechnic College a constituent college of the University of Malawi. Gaka FM is located at Bangula Trading Centre along M1 road in Nsanje District. The radio can be tuned on 96.5 FM and can be heard in Nsanje, Chikwawa, with spiral over waves in Blantyre, Mwanza, Neno, Mulanje, Phalombe and Balaka districts. Gaka radio is a none religious, political, discriminatory, race and gender biased.

Gaka radio targets different types of people such as farmers, mothers, under five, youths, business communities, civil servants, pensioners, bankers, entrepreneurs, people with physical challenges and local communities. The radio focuses on several thematic areas such as food and nutrition security, education and awareness, disaster risk management, health, water and sanitation, HIV and Aids, economic empowerment and entrepreneurship. Some of the programmes on Gaka radio are conducted live on the radio while others are recorded through the use of local journalists who produce almost all programmes in our local languages of Sena and Chichewa hence unique in Malawi.

Gaka community radio station provides a forum for discussion on issues that are greatly affecting the lives of over seven hundred thousand people of the Shire Valley. Through the radio, communities are able to access information, knowledge, skills and share lessons from other community members who are either in the same vulnerability status or not. Ninety percent (90) of the programs are being broadcasted in local language of Sena and Chichewa.

### **1.2 The vision Statement**

The radio, whose mission statement is to be the people's development voice, through a variety of entertaining, educative and informative development programmes.

### **1.3 Mission statement**

To provide accurate information alone or with support from partners and other organizations.

### **1.4.0 Objectives**

#### **1.4.1 Main Objective of Gaka Community Radio Station**

To provide accurate information to people in the communities for a dignified life through several educative, entertaining and informative radio programming.

#### 1.4.2 Specific objectives

Gaka radio which is found on frequency 96.5 FM provides best services to the local communities in order to achieve the following objectives:

- a) To promote serving culture of money by creating demand among people in all targeted districts to at least have a bank account with reliable banks
- b) To provide community broadcasting services of radio programs to the people of Chikwawa, Nsanje and other surrounding districts like Mwanza, Neno, Thyolo, Blantyre, Mulanje, Balaka, Phalombe, Zomba and Phalombe,
- c) To promote nutrition and food security by increased awareness on resilience and adaptation mechanisms
- d) To improve the quality of education by enhancing learner's retention through radio programming in all the targeted districts
- e) To reduce HIV and Aids transmission by eradication of normative cultural beliefs which help to spread the virus in all the target district
- f) To provide early warning systems in flood and drought affected districts with support from government, NGOs and meteorological department.
- g) Improve Water Sanitation and hygiene standards in all the targeted districts through theatre for change programmes.
- h) To improve the livelihoods of people through economic empowerment and entrepreneurship skills and knowledge in all the targeted districts

#### 1.5.0 Justification

Gaka radio was established amidst a number of challenges which have been experienced by communities in Chikwawa and Nsanje districts. These challenges include frequent episodes of disasters (droughts and floods), cultural practices which had been assisting the spread of HIV and Aids pandemic that resulted into death, orphan wood, widow wood, slow economic development and high food insecurity. There was also high school drop ratio in schools as a result of early child marriages and child labour in Nchalo-Chikwawa and Thyolo plantations, disease outbreaks of various disease such as cholera, malaria, dysentery which increased high infant mortality and morbidity rates among under five children as a result of floods and droughts, poor water, hygiene and sanitation. Additionally, there was poor allocation activities and mismanagement of government resources due to poor governance. The following reasons above prompted the Executive Director-Mr Gizex Gizai to establish Gaka Radio station to address the above-mentioned issues through community-based radio programming activities.

#### 1.6 Impact of Gaka Radio in Malawi

Gaka Radio has managed to save the lives of many Malawians living in flood prone areas to evacuate to a safer place through DRRM warning messages. The radio has mobilized many donors/stakeholders to support flood victims through resilience and recovery projects. Gaka has contributed to the reduction of HIV and Aids prevalence in the targeted districts through its radio programmes. Additionally, the radio has contributed to the increase in food and nutrition security, reduced disease prevalence and school dropout ratio, enhanced economic empowerment, social accountability, community participation, good governance, improved serving culture by demand creation (NBS's Ufulu Funeral Plan Contract-Nchalo Branch) through several radio programming activities.

#### Organizational Structure

Gaka Radio, has been operational in Malawi since 2016 and is fully registered under MACRA and Registrar General. Gaka has a total of 18 established staff members (7 Women and 11 men) with five senior staff members. Gaka has a clear organogram and key staff for this project and are well linked into an existing organogram.

The radio station has reporters who report to a station manager. The station manager reports to the Executive Director who provides reports to the board of trustees and donor. In addition, the radio has finance and marketing personnel who provides support to the management and resource mobilization team.

Gaka FM has highly reputable board of trustees who provide overall guidance and strategic direction in the running of the organization. The Board comprises of people of high standing in society, with unimpeachable character and integrity. The Board is the focal point for corporate governance in the organization which articulates roles of the Board, among them, directing, governing and being in effective control of the organization.

The station has acquired various skills, knowledge and experience to produce, manage and air out different types of programmes in distinct formats and approaches on demand driven by our clients and listeners or targeted audience.

### **THENTHE FUND**

**The Foundation for Active Civic Education (FACE) is a Malawian NGO working in the area of community empowerment through the promotion of education and sustainable livelihoods. FACE also runs a community radio Gaka FM which is used as an additional medium of communication with the project beneficiaries in the impact area.**

**FACE now seeks to extend its services to the provision of financial services, focussing on savings mobilisation and provision of credit facilities. This entails that FACE will set up another subsidiary to be known as THENTHE FUND, which will operate as an independent micro-finance agency.**

**THENTHE FUND will be a locally owned and membership based financial institution designed to serve the banking needs of vulnerable but capable men and women including the youth who have no access to formal credit. The impact area will be the Shire Valley and the main target will be farmers and other Small and Medium Enterprises (SMEs).**

**THENTHE FUND will not only guarantee increased access to microfinance to the community, but it will also act as an income generating activity by mobilising nonrestricted funding for its parent organisation, FACE. THENTHE FUND will have two main components namely:**

- Savings deposit mobilization**
- Offering loans to farmers or SMEs for farm or off-farm activities.**

**1 Thenthe is a Sena term which refers to a tradition clay pot which is used to store flour and is fully controlled by women**

**Over the next five years, it is projected that THENTHE FUND will provide microfinance services to over 10,000 people. Apart from contributing to improved access to financial services for the poor, it will generate revenue for FACE.**

### **5. FINANCIAL STAB**

**Foundation for Active Civic Education is non-governmental organisation founded in 2004 in response to living in an undignified life by members of the marginalised community groups due to their**

**exposure of hazards and threats in the areas of education, health, food security, Sexual reproductive health rights,**

HIV/AIDS, Entrepreneurship and loans Water Development and environmental management and climate change mitigation

FACE implement its activities in poor environment conditions to break this vicious cycle of poverty by increasing educational access for girls and other vulnerable and marginalised children, promoting health services seeking behaviours, enhancement of soil enrichment and other good land management practices by opening up opportunities for them through capacity strengthening and knowledge increase

## II. FINANCIAL GUIDELINES

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### 1.0 INTRODUCTION

The Board of Trustees of FACE and its secretariat have a responsibility to make sure that its financial practices including Thenthe Fund and Gaka Fm are robust, effective and transparent. They must represent best practice and provides an assurance of the organization's integrity to donors, governments and the general public who give their support. An efficient and accurate financial system is essential for the sustainability and vitality of Foundation for Active Civic Education.

#### 1.1 Purpose

These financial guidelines set out the policies and practices used by all Foundation for Active Civic Education staff and all stakeholders at all levels. It provides guidelines for programme and financial management and seeks to follow acceptable accounting standards and best practice.

Sometimes local laws or practice may prevent certain aspects of this manual being fully followed. If so, the local law takes precedence over the provisions of this manual

#### 1.2 Contents

The guidelines contain the following sections:

- a) Financial management principles and policies
- b) Bank and cash
- c) Accounting
- d) Reporting
- e) Risk management
- f) Procurement
- g) Grant making and management
- h) Financial reports
- i) Audit

### 2.0 FACE FINANCIAL MANAGEMENT PRINCIPLES AND POLICIES

#### 2.1 Financial Management Systems

FACE's financial systems seek to achieve the following:

- a) Effective planning and budgeting.
- b) A sound accounting system.
- c) Strong financial analysis and reporting.
- d) Accurate financial forecasting.
- e) Robust internal controls.
- f) A dependable risk management system.
- g) Full compliance with acceptable accounting standards and regulatory bodies.
- h) Independent audit.

## **2.2 Internal Controls**

An internal control system makes sure that risks such as loss, mismanagement of funds, or the misuse of assets are foreseen and minimised. FACE's policy is to keep an effective system of internal controls to safeguard assets and resources. Key features of FACE internal control systems include:

- a) Separation of duties and responsibilities. Different people handle different stages of a financial transactions e.g., segregating authorisation of payments, more than one level of authorisation of online payments, more than one person signing cheques, and having different people processing and reporting on transactions. Ensuring different people handle incoming donations e.g., opening of mail from the post and recording of donations received through the post in Sales Force and different people doing banking and recording of transactions in ledgers.
- b) Whenever possible, ensuring that FACE finance staff involved in operations accounting are not included as bank signatories. Where no other staff are eligible, a Head of Finance or Finance Manager can be assigned as a second signatory in addition to the Executive Director.
- c) A strong financial system that allows accurate accounting / record-keeping through the principle of double entry and allows the analysis of source and application of funds.
- d) Documentation of all financial procedures in accessible manuals which are followed rigorously, and reviewed regularly.
- e) Consistency of treatment of financial transactions over the years so that comparisons can be made, trends analysed and transparency facilitated.
- f) Authorisation of transactions is done by an appropriate person to whom responsibility has been delegated. Refer to subsection 3.7 below for the authorisation limits for different types of transactions.
- g) Ensuring that all invoices are checked for arithmetic accuracy and correctly coded before payment is done.

## **2.3 Accounting**

The recording of all financial transactions in a consistent, practical and accessible format is essential for good financial management. Accounting records provide valuable information about how funds have been used and whether the organisation is achieving its objectives. The maintenance of accurate finance records is paramount as that gives users and other stakeholders' confidence in the organisation's work. FACE uses FinancialForce as financial package. The accounting system allows:

- a) Accurate and complete disclosure of financial transactions;
- b) Records that identify source and application of funds;
- c) Effective control and accountability for funds, and other assets; and
- d) Comparisons of expenditures versus budget amounts to aid analysis and reporting
- e) Fund accounting allows the analysis of transactions between restricted and unrestricted and the identification of transactions with various funders.

## **2.4 Cost-effectiveness**

Cost effectiveness is at the centre of FACE's programme management. Economy, efficiency and effectiveness (3 Es) are the key reasons for successful programme implementation. This is achieved in the following ways:

- a) Meetings and workshops – if possible, FACE will plan activities at the same venue and time to reduce time and amount spent on travel.
- b) Travel and accommodation – for local travel, FACE pays a fair level of daily subsistence allowance and offers accommodation for both staff and participants in modest but comfortable accommodation.



- c) Training of trainers is provided to both empower communities as well as cutting travel costs to and from the national office.
- d) In-kind support from various supporters.
- e) Use of technology to cut back on international travel; e.g., online conferencing.

## 2.5 Cost Allocation Principle

FACE operates a full cost recovery system that allows the full quantum of costs involved in programme activities computed by adding all cost elements, i.e., adding the total per unit direct costs plus total per unit indirect costs as a charge to that activity. From the perspective of “cause and effect”, indirect costs are first allocated to activities that cause or drive them and where this is not possible, they are apportioned based on a fair and equitable basis. In practice this means that labour and other costs are directly charged to an activity where they can be directly linked to that activity, split between activities when they can be directly linked to more than one activity (prorated operating costs) and apportioned amongst several activities when direct allocation is not possible (indirect costs).

Costs incurred by FACE in the process of implementing programmes must be:

- a) Allocable
- b) Reasonable
- c) Allowable

A cost is allocable to a particular cost objective such as grant, contract, project, or other activity if it:

- a) Is incurred specifically for the award (direct cost)
- b) Benefits both the award and other work, distributed to them in reasonable proportion
- c) Is necessary to the overall operation of the organization
- d) Must conform to any limitations in the award

Criteria to consider in determining if a cost is reasonable:

- a) Does not exceed what is incurred by a prudent person in conduct of normal business
- b) Is ordinary and necessary for the operation of the organisation

To be allowable, a cost must be:

- a) Reasonable & allocable
- b) Conform to limitations or exclusions in the award
- c) Consistent with the organization’s policies & procedures
- d) Accorded consistent treatment
- e) In accordance with generally accepted accounting principles (GAAP)
- f) Supported with adequate documentation
- g) Not used to meet cost share requirement in any other federally funded program

## 2.6 Accounting Policies

FACE prepares financial statements under the ‘historical cost convention’, with the exception of investments that are included at market value i.e., the most probable price which the investment should bring in under normal market conditions. FACE Financial Statements are prepared according to an accrual basis of accounting.

Reserves are the amount of unrestricted funds held over and above the amount needed for the current year's expenditure. It can be described as organisational savings. FACE recognises the need to have sufficient cash and reserves to cover changes in short-term funds and, in the longer-term, a reduction in grant funding (e.g., when a donor decides to stop funding). In its consolidated financial position, FACE needs to maintain reserves of 6 months of running costs.

Tangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its expected useful life. Unless there is a valid reason otherwise, these are:

Office equipment:	3 years
Fixtures & fittings:	3 years
Vehicles:	4 years

FACE Fiscal year runs from 1<sup>st</sup> of January to 31<sup>st</sup> of December.

Cut off period for interim closing is 8 days after the end of the previous period and for the final closing the cut off period is 3 months after the end of the fiscal year. At the end of the fiscal year adjustments of direct and indirect costs are made to year end actual allowable rates.

### **3.0 BANK AND CASH**

#### **3.1 Selection of Banks**

Whenever possible, FACE uses banks. The choice of a bank is done carefully using recommendations from external auditors or other international NGOs. Factors to consider include:

- a) the management structure of the bank;
- b) whether it has Government backing;
- c) any history of problems including its liquidity and stability.

#### **3.2 Administration of Bank Accounts**

Authorisation to open a bank account (including credit cards) must always be given in writing by the executive director. All FACE bank accounts should show

:

- a) "FACE" followed by account type,
- b) where the donor requires a separate bank account, "FACE", donor and project,

Changes to bank account signatories must be approved by a Board Resolution. Signatories on all bank accounts must include two members of FACE staff. The Executive Director should always be one of two signatories on any transaction.

##### **3.2.1 Daily Bank statement checks**

In every two weeks, finance staff shall carry out an online review of the office's bank accounts. The review includes checking that transactions shown on the bank statement are known to FACE and any unknown transactions are immediately queried with the bank. After the review, the officer checking the bank statement shall sign a statement to attest that they have carried the review and that all is in order. The statement shall be countersigned by their line manager.

The internal audit team shall, as they deem necessary, request to see such attestations and also request to review bank statements of any of FACE's offices.

### **3.3 Bank Payments**

Payments can only be made:

- a) against an original, unaltered invoice with quotes from alternative suppliers where necessary;
- b) after receiving of the correct goods and services has been confirmed;
- c) when the invoice details and addition have been checked by a member of the Finance Team;
- d) the accompanying Payment Requisition Form (PRF) has been approved and authorised

All signatories must review the payment requisition submitted for payment. No payments are to be made without the full complement of signatures on the PRF.

A PRF must be completed by the person originating a payment (often the budget holder) and forwarded to finance department. The budget holder shall complete and ensure the following are correct:

- a) Beneficiary name
- b) Bank details (if excluded or incomplete in the original invoice)
- c) Amount (including currency)
- d) All supporting documents such as invoices, contracts, and goods received form attached to the payment request form.
- e) The budget holder and further parties have approved the payment requisition

All cheque payments shall be recorded in a "Cheque Dispatch Register" showing the following details:

- a) Date
- b) Reference number
- c) Purpose of payment/Description
- d) Amount
- e) Beneficiary

NEVER:

- a) Write cheques payable to "bearer" or "cash" \*
- b) Sign blank cheques or cheques in advance

Cheque books are always used in sequential ordered as received from the bank. The cheque books are normally stored in the office safe to which only the Finance team members have access to. Cheques which have been voided are kept together with the cheque book in the safe and the relevant cheque number in the Cheque Dispatch Register must be listed as cancelled.

#### **3.3.1 Cash withdrawals and payments**

In executing activities, payments are made to suppliers of goods and services on the FACE programme as well as other FACE stakeholders. In all instances, payments to suppliers of goods and services (mostly external) should never be made in cash unless exceptionally pre-approved by the Executive Director. The guidance below relates to cash payments to individuals only.

To mitigate the risk of staff and stakeholders carrying significant cash for programme activities (risk of robberies, cash lost in transit, misuse and fraud etc) FACE uses the following cash payment methods in order of priority:

- a. Mobile payments where this payment option exists
- b. Bank wire transfers (electronic payments)
- c. Cheque payments
- d. Cash payments

#### Mobile payments

Mobile payments are cheaper, faster, more convenient and provide adequate audit trail of supporting documents. They are mostly real time gross settlements, they provide the best means for us to reach our stakeholders who are in most cases unbackable through the traditional banking system, solves the problem of insufficient financial access and above all provide sure proof against robbery, cash lost in transit, misuse and fraud.

#### Bank wire transfers

Bank transfers offer similar advantages to mobile payments; however, they are more expensive and rely on the traditional banking system, i.e., the receiver has to have a bank account to take delivery of the funds and does not adequately cover the needs of some of our stakeholders who may not have bank accounts, and / or even with a bank account, will need to travel to a physical bank to access the cash. In some cases, receipt can take as long as 24hrs. Bank wire transfers have the residual risk from robberies etc at the time the receiver withdraws the cash from the bank.

#### Cheque payments

Is the age-old means of payment. It is costly, inconvenient and has the residual risk at the time the receiver cashes the cheque from the bank. However, it remains a practical way of payment especially to suppliers of goods and services where wire transfers are not possible.

#### Cash payments

Like cheque payments, is an age-old means of payment. Cash has the advantage of instant value and is preferred by many. However, cash payments present significant risks of robbery, cash lost in transit, misuse and fraud. In the medium to long term, FACE aims to either do away with carrying of cash by staff and stakeholders or significantly reduce the daily cash withdrawal limits as mobile money payments take hold.

#### Moving away from cash payments

Mobile payments are FACE's preferred method. Cash payments is the least among them all given the risks explained above and should be avoided. During planning, i.e., the development of the quarterly expenditure plan national teams is now expected to include the means of payment for each weekly activity shown. Where cash payment is preferred, justification will be required. Cash requests to draw down funds from quarterly budgets will need to include a summary of how much of the funding required will be utilized between the modes of payment above, and is expected to align to the plans in the quarterly. Subsequent payments from the bank will be part of the review carried out by internal audit to ensure that planning and cash payments are aligned as a risk mitigation measure.

### Cash & bank balance limits

The upper limit of cash withdrawal on any day by the national office is British pound 2,000 (two thousand British pound only)

### Exceptions

Exceptions to the limits above include payments to participants events. However, where possible, these should be processed through mobile money system. As explained above, payments to suppliers of goods and services for these events shall not be made in cash unless exceptionally pre-approved by the Executive Director

### Insurance for cash in transit

All offices should have in place cash in transit equivalent to US\$2,000 at national office level and \$500 at district level.

## 3.8.3 Workshops / Meetings

- a) Participants complete workshop attendance sheet register.
- b) Participants sign acknowledgement of receipt for any allowances/ reimbursements paid.
- c) Facilitators are paid using FACE rates.
- d) Provide participants with modest, affordable and comfortable accommodation.
- e) Participants are expected to use the most economic, efficient means of transport.
- f) Programme managers must complete a Field Advance Form with supporting receipts/invoices within 3 days of the workshop.

## 3.9 Petty Cash

Petty cash funds are available for small and regular office running costs (e.g., teas, small stationery, taxi fares, copying, office supplies and some interns' expenses should the need arise). The petty cash fund is held in local currency, FACE recommends a maximum amount of the equivalent of £750 or \$500.

### 3.9.1 Opening a Petty Cash Fund

To start a petty cash fund, a cheque should be raised for the initial amount from the local currency bank account and the funds should be managed on an imprest system. It consists of a cash balance which is replenished at the end of the period or when circumstances require it. The cash should be kept in a safe, in a secure location, with key access as a minimum and its use should be tracked via a petty cash spreadsheet.

Access should be limited to one or two staff members. Where the safe is accessed by means of a key and combination code, no member of staff should have access to both. The member of staff responsible for carrying out spot checks should not have access to the safe at any other time. If day-to-day administration of the petty cash fund is to be handed over from one member of staff to another for a period of time, e.g., during a period of annual leave, a cash count should take place as part of the handover.

### 3.9.2 Transaction Guidelines

Single cash payments from the petty cash fund are limited to a maximum of the local currency equivalent of £150. Amounts exceeding this should be paid through online payment system. There are rare exceptions where

an amount greater than £150 needs to be paid from petty cash; this should always be approved in advance by the Executive Director.

Staff members requiring reimbursement (payment in arrears) should complete a petty cash voucher and submit it to the budget holder, along with the relevant supporting documentation, for approval and then to the petty cash holder for repayment. In the US, this process is managed using Payment Requisition Forms. If the staff member is requesting reimbursement of travel expenses totalling less than £150, they must complete an Expenses Claim form instead. Regardless of which form is used, it must be completed with the relevant dimension codes and approved by the budget holder.

Staff requiring funds in advance of incurring expenditure should submit a budget or supporting documentation, such as a quote, as evidence for the amount requested along with a completed petty cash voucher. This should be completed with the relevant dimension codes and approved by the budget holder. The funds will then be given to the member of staff and they will sign the Float Issue section of the Acknowledgment of receipt of funds form (Appendix 15). Once the expenditure has taken place, the member of staff should provide the petty cash administrator with the receipt and any unused funds. The Float Clearance section of the Acknowledgment of receipt of funds form will be completed and signed by the petty cash administrator and the recipient.

After paying, the holder shall place the petty cash voucher and accompanying documentation in the file. The holder updates the petty cash spreadsheet. Petty Cash Vouchers should not be filed until receipts have been provided.

### **3.9.3 Replenishing Petty Cash**

To replenish Petty Cash, reconcile the account:

- a) Total the petty cash vouchers.
- b) Subtract the total petty cash expenses from the original amount of petty cash.
- c) Compare the result with the actual cash in the box. The amounts should be the same.
- d) Prepare a PRF for the amount of cash needed to return the fund to its original amount – this should be the same as the total of petty cash vouchers.
- e) Once the PRF is approved, a cheque can be raised. The cheque should be made payable to the person who will be taking it to the bank for encashment
- f) 'Top-up' the cash balance when it drops to 25% of the total petty cash amount, e.g., total amount = £750, 'top-up' shall be done when cash on hand is about £187.

### **3.9.4 Petty Cash spot checks**

Once a week, and on a different day and time each week, the petty cash should be counted by a member of staff other than the petty cash administrator. Due to the low volume of petty cash transactions in the US, the petty cash spot check is only carried out quarterly. The individual denominations of notes and coins should be counted and entered into the Petty Cash Spot Check form and the total compared against the petty cash spreadsheet. The amounts should be the same. If there are any differences, they should be investigated and explained. Once the count reconciles to the Petty Cash record, it should be signed by the person who has carried out the count, approved by a Manager and authorised by a Director.

### **3.10 Other Cash held in the office**

At times cash is withdrawn in advance of it being required for an activity, for example if it starts at a weekend when the bank is shut or funds have been returned pending full retirement of an advance. It will be stored in

the office safe in the intervening period and should be recorded in a schedule of “other cash” or “bulk cash” and a weekly count of this should take place. The total should not exceed the amount insured in each office.

There is an additional provision of USD in cash in each office to be used to cover expenses for members of staff travelling to other countries. The maximum for each office in Africa is \$2500 and \$5000 for the UK (due to regular travel). As with petty cash, the dollars should be managed on an imprest system and also counted on a weekly basis.

### **3.11 Bank Reconciliation**

Bank reconciliation is the process of comparing the cash balance as reported by the bank with the cash balance on the organisation’s books and explaining any differences.

#### **3.11.1 Timing**

There is a timing difference between entering data in FACE finance system and when the bank statement shows this. Reconciliation is to show the reason for any differences.

Normal timing differences are due to:

- a) Cheques written have not been presented at the bank at the time the bank statement is issued;
- b) Deposits recorded in FACE records that have not been included in the bank statement (standing orders recorded in Sales Force are not credited at statement date);
- c) Deposits recorded by the bank and not recorded in FACE’s records (donations by supporters made directly to FACE bank account);
- d) Bank charges not yet processed in FACE’s system;
- e) Possible processing errors either by bank or in FACE’s system (e.g., transposition of figures, or mis-posting by bank).

Bank reconciliations must be produced at the end of each month for all bank accounts held by each FACE office using the standard template (Refer to Appendix 6).

#### **3.11.2 Procedures**

- a) Retain presented cheques in numerical order. If the local bank does not provide presented cheques to a FACE office, ensure that copies are made for all signed cheques before dispatch and are attached to the cheque vouchers.
- b) Bank reconciliation forms (see Appendix 5) are reviewed, signed and dated by the Finance Manager/ Head of Finance and finally approved by Executive Director.
- c) If material discrepancies are noted, immediate investigation and corrective action should be taken after notifying Head of Audit & Compliance at FACE International.
- d) Cheques which were written more than six months before the relevant month end date may not be accepted and exchanged for money by the bank any more. These are known as stale cheques. If a cheque written more than six months ago is still showing as unpresented on the bank reconciliation, it should be cancelled with the bank, a replacement cheque issued (after first verifying that the original recipient details are correct), and the original cheque reversed in the ledger and removed from the bank reconciliation.

### **3.12 FACE Credit Card**

Before the credit card is used, the Payment Requisition Forms are completed with the details of the intended expenditure. In addition, the form must be checked and approved in line with the Authorisation Matrix. Each named credit card holder is fully responsible for the use of his/her respective credit card.

The following applies to credit card payment records:

- a) Keep an invoice and receipt for all expenses.
- b) The Finance Officer shall forward a copy of the credit card statement when received and the credit card holder needs to:
- c) check all charges shown on the statements for accuracy
- d) Code the various expenditure including description of activity (for Account no. purpose).
- e) Attach all relevant receipts and invoices; and cross reference them to the statement.

## **4.0 Disposal and Write-off of Fixed Assets**

Asset disposal policy

### **1. Overview**

The best value outcome to FACE must be a major consideration when disposing of an asset. Asset disposal decisions, and the reasons for taking them, should be documented. Not only does this assist in audit and other examinations, it also highlights successes and problems for future reference.

Non-disposal of obsolete or excess equipment only takes up space and deprives FACE of income without any offsetting benefit. FACE offices are therefore encouraged to dispose of such equipment but the assets should only be disposed of after checks have been made to ensure that the item could not be utilised by other areas, partners or offices of FACE.

Disposal should be based on a fair market value for each item. The price established will be based on current market value and condition of the equipment. Many decisions in this policy require an assessment of the market value of an item. Such assessments should be done by a professional external evaluation service in the case of significant asset item like a vehicle, or by Administration or IT (in the case of IT equipment) departments in the case of low value items, and in both cases the market value should be signed off by the Executive Director. Consideration should be taken of the original purchase price, the age of the equipment, an assessment of the usefulness of the equipment and of its possible market value. All data storage devices must be reformatted prior to disposal to delete any data they may contain.

### **2. Definitions**

'Assets' applies to the terms 'asset(s)', 'stores', 'item(s)', 'equipment', 'furnishings' and 'goods' as used throughout this policy. It does not include buildings or other forms of fixed assets but may include building fittings. 'Market value' means the value of an item in the market place and is regardless of its initial purchase price or residual value.

### **3. Reasons for disposal**

Items can be available for disposal because they are:

- a) required to be disposed of under a particular policy e.g., motor vehicles
- b) no longer required due to changed procedures, functions or usage patterns;



- c) occupying storage space and not being needed in the foreseeable future;
- d) reaching their optimum selling time to maximise returns;
- e) no longer complying with occupational health and safety standards;
- f) found to contain hazardous materials
- g) as part of contract compliance requirements (note, where the asset to be disposed was purchased from restricted funds, compliance with the grant asset disposal guidance should be followed)
- h) beyond repair but able to be sold for scrap.

#### **4. Responsibilities of the Executive Director**

The FACE Executive Director in each office should be aware that:

- a) each office is responsible for managing the disposal of its surplus assets
- b) they are accountable for all decisions they take in the disposal process
- c) they should take into account the costs of undertaking disposal activities
- d) proper accounting and audit procedures should be observed and all decisions documented
- e) agents engaged to undertake selling activities need clear instructions
- f) special consideration should be given to items of potentially hazardous and pollutant stores likely to have an impact on the environment.

#### **5. Options for the Disposal of Assets**

Assets identified for disposal may be dispensed with using the procedures listed below:

- a) Sale by public tender
- b) Sale to staff
- c) Donated to a community service or organisation
- d) Transfer of the asset to another FACE office
- e) Scrap

Choice of the most appropriate disposal option will normally be influenced by the nature of the goods for disposal and by their location and market value. In all cases, assets disposed of should be reported on an 'Asset Disposal' form to ensure they are removed from FACE's central asset register.

A more detailed description of each disposal option is set out below:

##### **Sale by Tender:**

Tenders can be done in two ways, either by internal tender to staff or by external tender. External tenders should be advertised (i.e., in the local newspaper) and sealed bids sought. Assets should be sold as seen and no warranty should be given or implied. In both cases, the procurement committee should be present to witness the opening, scrutiny and acceptance of the offers made. In all cases, the payment should be received in full prior to the equipment being released.

##### **Sale to FACE Staff**

Adequate notice should be given to all staff of the assets for sale. Tenders should be sought for the item and the process followed should be the same as that outlined in the Sale by Tender.

## **Donations**

Where an office has determined that goods have no residual value, and where their disposal is therefore unlikely to produce sufficient revenue, it may authorise the donation of the goods to another organisation. Organisations with a community service role are recommended. This includes schools, charities and volunteer organisations. Donations must be approved by the Executive Director and there must be confirmation by the Regional Executive Director/CFO that the goods have no residual value and no significant market value.

## **Using disposal agents/Auctions**

In some circumstances an office may decide to engage an agent to undertake the disposal by sale of goods or an auction. Where an agent is to undertake sales on behalf of a FACE office, it is important to advise the agent, in writing, of FACE's instructions relating to the sale. Information might include timeframe for sale, target revenue, condition and location of assets, reserve price, and end-user restrictions. This advice is the formal agreement or contract with the agent and constitutes the authority for the agent to undertake the sale in accordance with the institution's requirements. The advice should be signed by the Executive Director.

## **Transfer to another FACE office**

In some cases, an asset may have no use for one FACE office but may be of value to another office within the FACE family. In such cases, the asset may, with the agreement of both offices be transferred. Such transfer will be at no cost to either office and entail no fee or price save for asset relocation costs. Both offices (transferring and receiving offices) must update their office asset registers.

## **Scrap**

Where items have negligible value or where the cost and time involved in managing the sale process would exceed the financial benefit, the equipment may be scrapped. Please consider the environmental impact when scrapping the asset and choose the most appropriate option.

## **6. Asset Disposal Forms & the Asset Register**

It is important that any asset disposals are correctly handled to ensure transparency and accountability. Asset disposal forms should be used to record the authorisation of the disposal by the appropriate staff within every office and the value or values achieved by it.

The office's asset register will require updating to remove the asset following the receipt of the appropriately authorised Asset Disposal Request.

### **4.1 Transfer of Fixed Assets**

The transfer of an asset from its original defined location must be in accordance with set procedures which ensure the change of location is updated on the relevant Fixed Asset Register(s).

### **4.2 Depreciation of Fixed Assets**

Depreciation of tangible fixed assets is provided at rates calculate to write off the cost of each asset systematically over its expected useful life as follows:

Office equipment	-	33% of original cost
Furniture & fittings	-	33% of original cost
Vehicles	-	25% of original cost

### **4.3 Non-capital Office Tools**

Non-capital office tools are purchases of a capital nature but below the capitalisation threshold of £250. Such expenditures shall be charged to “non-capital office tools”, account 86180.

### **4.4 Exchange Rates**

FACE International establishes the exchange rates for the periods for input into the Financial Systems by the following process:

- a) the current exchange rates used for each currency are determined based on the last international transfer made to the relevant country, and will be updated when another transfer is made.
- b) In the event if no international transfers have taken place during the month, the previous month’s exchange rate is carried forward.

## **5.0 RISK MANAGEMENT**

FACE Board of Trustees and management are responsible for identifying and managing the main risks facing the organisation. Possible risks include:

- a) Fraud or misuse of resources
- b) Inappropriate authorisation and approval processes
- c) Poor financial planning
- d) Assets not adequately safeguarded e.g., by inadequate insurance
- e) Inability to meet financial obligations as they fall due
- f) Insufficient long-term committed funding
- g) Failure to implement auditors’ management report recommendations
- h) Inadequate internal audit function
- i) Inadequate reserves policy
- j) Reputation e.g., from bad publicity or poor financial systems
- k) Change in legislation or government
- l) Natural disasters

### **5.1 Risk Management Procedures**

FACE takes the following approach to risk management:

- a) Analyse and identify all possible risks
- b) Manage risks by:
  - a. Understanding the frequency and or/severity of the risk
  - b. Avoiding or eliminating the risk if possible, by following set procedures e.g., separation of duties, authorisation limits, and security of assets
  - c. Transferring the financial consequences to third parties or sharing it, e.g., insuring or outsourcing the activity
  - d. Avoiding the activity giving rise to the risk completely, e.g., a potential grant from a donor whose background is unknown
  - e. Accepting the risk and absorbing it, e.g., an assessed risk taken so that essential work can continue.

In each office, a risk register needs to be maintained which categorises risks including FACE risk issues and country-specific operational risks. This should be updated on a quarterly basis to ensure that any new risks arising from changes in the political climate, for example, are captured. Some example of key risks is shown in Figure below.

## Risk Register

Risk	Possible impact	How to avoid	GUIDELINES
Fraud / misuse of cash resources	<ul style="list-style-type: none"> <li>• Financial loss</li> <li>• Reputational risk</li> <li>• Regulatory action</li> <li>• Impact on future funding</li> </ul>	Strict application of set financial procedures	In each office keep detailed record of: <ul style="list-style-type: none"> <li>• Segregation of duties – who does what (refer internal controls – note that finance staff should not be bank signatories)</li> <li>• Authorisation limits – define the level for each officer who has been delegated authority (refer authorisation table)               <ul style="list-style-type: none"> <li>• Security of financial resources, e.g., bank accounts, cash, cheque books (use of safe and other lockable units)</li> </ul> </li> </ul> Practice to be tested during internal audit
Misuse of fixed Assets	<ul style="list-style-type: none"> <li>• Financial loss</li> <li>• Reputational risk</li> <li>• Regulatory action</li> <li>• Impact on future funding</li> </ul>	Strict application of set fixed assets management procedures	<ul style="list-style-type: none"> <li>• Control on use of vehicles e.g. vehicle log book (refer administration section)</li> <li>• Use of photocopying machine – designate an officer responsible for overseeing photocopying.</li> <li>• Use of telephone – request itemised bill from service provider. Analyse bill when received and take action where misuse is observed.</li> <li>• Use of computers and printers – office computers cannot be used to download internet paraphernalia, printers cannot be used for personal</li> </ul>

			<p>use.</p> <ul style="list-style-type: none"> <li>• Security of all fixed assets – ensure all assets (vehicles, computers printers etc.) are adequately insured, that they are always stored in safe designated places, that they cannot be relocated or moved without prior authorisation.</li> </ul> <p>Practice to be tested during internal Audit</p>
Operational risk – donor funds applied outside them defined restriction, under and over expenditure and achievement of objectives	<ul style="list-style-type: none"> <li>• Repayment of grant.</li> <li>• Reputational risk - future relationship with donor and beneficiaries.</li> <li>• Regulatory action</li> <li>• Impact on future funding</li> </ul>	Systems to Identify restricted & unrestricted funds and budgetary control, monitoring and reporting	<ul style="list-style-type: none"> <li>• Maintenance of accurate up-to-date financial records including correct coding of expenditures, e.g., the correct use of T2 and T6 codes to align transactions to a correct donor and correct activity line.</li> <li>• Up to date management reports</li> <li>• Regular review of narrative and financial management reports by budget holders and the Executive Team to ensure that donor funds are correctly applied, under or over expenditures are observed and action taken and project objectives are achieved.</li> <li>• Review of donor financial reports ensuring correctness and consistency with narrative reports</li> <li>• Timely submission of donor reports</li> </ul> <p>Management Accounting reports to be tested during internal audit</p>

Foreign exchange risk	<ul style="list-style-type: none"> <li>• Currency exchange losses.</li> <li>• Uncertainty over project costs.</li> <li>• Cash flow impact on operational activity</li> </ul>	<ul style="list-style-type: none"> <li>• Cash flow management and reserves policy.</li> <li>• Currency matching.</li> <li>• Forward contracts for operational needs</li> </ul>	<ul style="list-style-type: none"> <li>• Every country to prepare cash flow forecast.</li> <li>• In countries with hyperinflation, ensure that cash request is to cover shortest possible period e.g., two weeks or one month's needs only</li> <li>• Maintain donor funds in the currency of the donor, and avoid translation losses through banks' bid-ask-spread.</li> <li>• Use of hedging instruments e.g. forward contracts, options and futures <u>only</u> when this has been approved by FACE's Board of Trustees.</li> </ul>
Disaster Recovery	<ul style="list-style-type: none"> <li>• Computer system failures or loss of data.</li> <li>• Destruction of property, equipment, records through fire, flood or similar damage.</li> </ul>	<ul style="list-style-type: none"> <li>• Information systems recovery plan.</li> <li>• Data back up procedures.</li> <li>• Insurance cover.</li> <li>• Disaster recovery plan for alternative accommodation in case of fire or flooding.</li> </ul>	<ul style="list-style-type: none"> <li>• Data backup – refer data management system (refer administration section)</li> <li>• Adequate insurance cover – insurance for office assets</li> <li>• Contingency plans in case of a natural disaster</li> </ul> <p>Procedures to be tested during internal audit</p>

## 6.0 GRANT MAKING AND MANAGEMENT (contracts with third parties)

Written agreements between FACE and local partners should be drawn up where FACE is delivering a project through a third party.

### 6.1 Agreement Provisions

At a minimum, funding agreement with partners should include the following provisions:

- a) Purpose of the project
- b) Amount of the grant and the schedule of payment

- c) Start and end dates of the projects covered by the grant
- d) Obligations and contractual details, including signatories for bank accounts
- e) Method of financial record-keeping
- f) Budgets and work-plans
- g) Financial reporting requirements and deadlines
- h) Programme reporting requirements and deadlines
- i) Monitoring, reporting, accounting and audit requirements
- j) Donor restrictions on the use of the grant, and how to adhere to these
- k) Modifications
- l) Termination
- m) Liabilities

Agreements, which are provided on a grant basis need to include a provision regarding the scope and nature of requirements. The project proposal, budget and reporting formats should be included as attachments to the agreement.

### III. ADMINISTRATION

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## 7.0 TRAVEL AND TRANSPORTATION

### 7.1 Vehicles

#### 7.1.1 Ground Rules for the use of Office Vehicle

- a) Each FACE office should designate a transportation manager who will manage logistics and ensure policies and procedures are adhered to. This person is usually the office manager, administrator or a programme officer. To ensure segregation of duties and risk control, the transportation manager should not be the finance manager.
- b) Only authorized FACE drivers may operate FACE vehicles. FACE vehicles are for official use only unless specifically approved by the Country Director. The transportation manager shall keep a vehicle register to keep track of the movements and service history of the office vehicle.
- c) The manager shall plan future maintenance and make budgets for consideration.
- d) Officers whose duty schedules require the use of a vehicle shall request use of the vehicle, giving reasonable advance notice to the transport manager. Where it is more convenient and cost-effective, alternative means of transport shall be used rather than the office vehicle.
- e) An officer may not authorise the driver to move the office vehicle until due clearance has been obtained from the manager in charge of transportation.
- f) The vehicle shall run according to the following speed limits: 50kmph in town; 80kmph on un-tarred roads outside town and 100kmph on tarred roads outside town. Every kilometre counts. Therefore, the vehicle shall only move after the trip record form has been properly completed and delivered.
- g) All passengers, including the driver, should wear the safety belts that are fitted as standard.

#### 7.1.2 Personal use of Office Vehicle

- a) In general, personal use of office vehicle is not permitted.
- b) In special circumstances, the Executive Director may approve personal use on a limited basis. This must be authorized in writing.
- c) Staff are not allowed to use official company vehicle for personal and unofficial purposes.
- d) At the end of each month, the finance officer will calculate all non-official trips taken and prepare the billings for conveyance charges. S/he will prepare a cash receipt form and give it to each person billed as the money is collected. Funds collected should be deposited immediately.

#### 7.1.3 Overnight Security of Vehicles

- a) No vehicle shall stay outside the premises overnight unless it is being used for a multi-day district visit. The driver must make arrangements to travel to and from home to the office to pick up and return the vehicle.
- b) The vehicles must be locked in the garage (where possible) and the keys kept by the Office manager.
- c) The driver will obtain keys from the Manager every morning.

#### 7.1.4 Fuel Purchase

- a) Control measures should be put in place in every national office to track fuel usage and reduce the possibility of theft or resale of fuel. Fuel consumption is monitored in a log book. Every time there is refuelling, there is need to indicate that in the logbook. The amount of fuel should be recorded in the logbook by the driver, and signed for by the Office manager. The amount of fuel in the car and mileage



should be recorded before the vehicle goes for refuelling. The driver who will be going for trip is responsible for refuelling of a vehicle even if he is a contract driver.

- b) The transportation manager issues all coupons for fuel. This needs a signature from the Finance Manager before it is authorized.
- c) The Finance Manger or his/her designate will review the fuel log twice a month and sign off on it.
- d) The Finance Manager will perform the fuel consumption analysis on a monthly basis

#### **7.1.5 Logging in by Officers for Trips Taken**

- a) The driver must log in mileage before starting the car in the morning and at the end of the day.
- b) All trips must be logged in each time the trip is undertaken.
- c) All Officers should sign the logbook before disembarking from the vehicle for trips taken. The transportation manager should sign against the mileage recorded before and after work.

#### **7.1.6 Vehicle Maintenance and Servicing**

- a) Adequate procedures must be implemented to keep vehicles in good condition and to avoid costly downtime, breakdowns and repairs.
- b) The FACE office is responsible for keeping the manufacturer-recommended maintenance schedule and other preventative maintenance. Every time the vehicle goes for servicing, mileage must be recorded.
- c) The driver shall report all problems relating to the vehicle to the Transportation Manager. The Manager should discuss problems identified by the servicing garage or company and with the company and the driver before approval for repairs are made.
- d) The vehicle shall only be serviced at official dealer garages unless directed otherwise by the Director.

#### **7.2 Trips to Districts**

- a) During a field trip, a float amount for the running of the vehicle shall be in the custody of the Officer undertaking the trip. (See Float Sheet Form Appendix 11).
- b) The Officer who is undertaking the trip will be responsible for monitoring the movements of the vehicle.
- c) The vehicle shall not be found in any garage except with the authorisation of the Officer undertaking the trip.

#### **7.3 Accidents**

Any driver involved in an accident should report it immediately to the FACE Office. Failure to do so may incur a warning or salary deduction. Decisions about repair will be made by the Finance Manager.

#### **7.4 Travel Insurance**

It is the responsibility of the Executive Director to obtain adequate liability and collision insurance to ensure adequate protection of FACE property and to comply with applicable local laws.

Each vehicle must carry a sign that is clearly displayed and advises passengers that only FACE staff are covered by travel insurance.

## 8.0 INVENTORY AND PROCUREMENT

Procurement is the purchase of assets, goods and services for FACE's work. The Procurement Cycle begins with the identification of a need and ends with the award of a contract and purchase. FACE's guiding principles of ethical behaviour in procurement are:

- a) that the conduct of staff and partners should not foster the suspicion of any conflict between their official duty and their private interest;
- b) that the action of staff and partners should not give the impression to any member of the public, to any organisation with whom they deal or their colleagues that they have been or may have been influenced by a gift or a consideration to show favour or disfavour to any person or organisation;
- c) that dealings with suppliers/contractors must at all times be honest, fair and even-handed, and comply with the provisions and requirements of the Anti-corruption legislation and any relevant legislation within the jurisdiction of the location of the relevant FACE office;
- d) that ethical behaviour must be promoted and supported by appropriate systems and procedures;
- e) that a common-sense approach will be taken.

The objective of the FACE procurement policy is to ensure:

- a) that best value for money is achieved;
- b) that correct goods or services are purchased, in terms of correct quality and specification;
- c) that goods are received and in good condition;
- d) promotion of transparency and integrity, combating bribery, fraud and corruption by maintaining a clear separation of duties and addressing conflicts of interest;
- e) that the process is fast enough to meet programme needs;
- f) grant compliance conditions are observed.

Best value for money in procurement is achieved by:

- a) driving a hard bargain from suppliers to get an increased level of quality of service at the same cost;
- b) purchase only what is needed, i.e., reducing the level of stock held;
- c) aggregating purchases across various projects to obtain volume discounts;
- d) where possible, collaborating with other NGOs/agencies to obtain the best prices and secure better discounts from bulk buying;
- e) cultivating and maintaining a more effective working relationship with key suppliers to allow both FACE and suppliers to get maximum value from the assignment by identifying opportunities to reduce costs and adopt innovative approaches.

### 8.1 Definitions

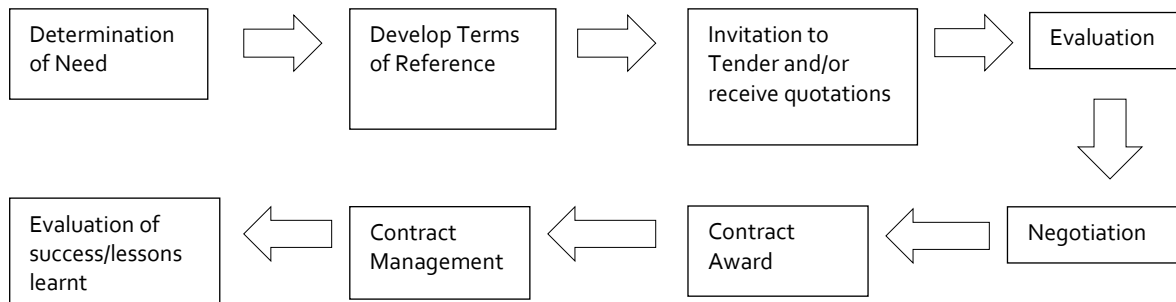
- a) Non-expendable property (assets) refers to all purchases of automobiles, equipment and furniture having a useful life of more than one year and a cost of more than £250.
- b) Inventory refers to goods/materials held in the office for distribution e.g., school uniforms, toiletries, school stationery, t-shirts, books, films etc (i.e., material support for girls' education).
- c) Consumables refers to office stationery, computer toners books, teas and beverages etc
- d) Services refer to a various type of work performed by a company or agency or individual such as a consultancy or training.

## 8.2 Principles

- a) Non-expendable property shall be recorded in the asset register by the Finance team, inventory shall be recorded in the inventory register by the programme officer/manager responsible for the project.
- b) Consumables shall be recorded in a control register by the Administration Officer.

### Procurement cycle

A typical procurement cycle includes the following eight stages: -



## 8.3 Procurement Committee

### 8.2.3.1 Establishment & Composition of the Procurement Committee

The Procurement Committee shall be established by the Regional Executive Director, the CFO and the Executive Director working together and shall be composed of between four and six people, and should include a mixture of staff from different levels and departments, depending on the size and structure of the FACE office. In order to minimise the possibility that members of the committee feel pressure to follow the recommendations of a more senior colleague or their manager, it is good practice to select a Chairperson from among the more junior members of the committee. This appointment can be made by someone outside the office in question to avoid any potential bias.

Where potential conflict of interest may arise (, the member should disclose the interest and withdraw from evaluating the transaction. The process of verifying if a conflict of interest exists should be noted in the minutes of the Procurement Committee meeting, even if none arises.

### 8.3.2 Responsibilities of the Procurement Committee

The Procurement Committee is a group of designated staff with delegated authority to review and evaluate purchasing documentation and to recommend the most appropriate supplier of goods or service provider based on price, quality, stock availability (speed of delivery), references etc. The Procurement Committee leads in the prequalification / establishment of preferred suppliers' list.

### 8.3.3 Procurement Committee meetings

The Committee shall meet at the beginning of the year to prequalify / establish a preferred suppliers' list. The Committee shall meet again each time actual procurement/purchase of goods and/or services is requested. In every instance the Committee should compile detailed minutes of the proceedings of its meetings.

### 8.3.4 Procurement approval process

The process of prequalifying / establishing a preferred suppliers list is detailed in 8.3.5 below.

The process in 8.3.5 results in a draft list or prequalified / preferred suppliers list that is agreed by the Committee to be submitted to the Executive Director for review, comment and if appropriate, approval. The draft should include detailed minutes of the selection process. Once any clarifications/ questions arising from the review by the Executive Director are resolved, the draft shall be submitted to Internal Audit for further review. Once any clarifications/ questions arising from the review by Internal Audit have been resolved, the draft shall be submitted to the Executive Director for final sign off.

Being prequalified / added to FACE's preferred suppliers' list does not automatically constitute award of contract to a supplier of goods or services, but rather qualifies the supplier to be one of the few who will be contacted when procurement/purchase happens.

At the time of procurement/ purchase, the budget holder shall originate the process through the quarterly EA. The budget holder communicates their procurement needs to the Procurement Committee through their line manager. Based on the prequalified /preferred suppliers' list, the Procurement Committee meets to consider the procurement needs by requesting quotations from suppliers listed on the approved prequalified / preferred suppliers per each category of goods or services. The Committee shall make their recommendation of the supplier to Executive Director for review, comment and if appropriate, approval. The recommendation should include detailed minutes of the selection process / competitive bidding and reasons why supplier is selected ahead of others. Once any clarifications/ questions arising from the review by the Executive Director are resolved, the Committee shall submit their recommendations to Internal Audit for further review. Once any clarifications/ questions arising from the review by Internal Audit have been resolved,

#### **8.4 Record keeping for procurement**

- a) Non-expendable property shall be recorded in the asset register by the Finance Officer / Manager, inventory shall be recorded in the inventory register by the programme officer/manager responsible for the project.
- b) Inventory and Consumables shall be recorded in a control register by the Administration Officer.
- c) Service contracts and supporting documentation shall be maintained in a lockable locker.

##### **8.4.1 Recording non-expendable items**

Maintain accurate records of all nonexpendable property showing:

- a) date of purchase;
- b) purchase value base and local currency;
- c) a complete description of the item, including colour, size, model, and serial number, specific location;
- d) comment on the physical condition or status of property, e.g., serviceable or unserviceable; and
- e) FACE project property number.
- f) Physical inventory of property must be taken at least once every quarter and the results reconciled with the property log. The Field Office must adopt an appropriate control system to ensure adequate safeguards to prevent loss, damage and theft of property. Adequate maintenance procedures should be implemented to keep equipment in good condition and to avoid costly downtime, breakdowns and repairs.
- g) A maintenance schedule of each piece of equipment should be developed for all equipment and staffs designated for ensuring this schedule are adhered to.
- h) A list of pre-approved maintenance vendors should also be compiled.

#### 8.4.2 Consumables

- a) Office Administrator can issue consumables without consulting line manager
- b) When consumables are low, the Office Administrator should put in a request for approval by the line manager for replenishment of supplies.
- c) Line manager to check and sign control register as authorisation for replenishment

As a member of the FACE Procurement Committee, I will:

1. Enhance and protect the standing of FACE and the Procurement Committee, by:
  - a) never engaging in conduct, either professional or personal, which would bring FACE into disrepute
  - b) not accepting inducements or gifts (other than any declared gifts of nominal value which have been sanctioned by FACE)
  - c) not allowing offers of hospitality or those with vested interests to influence, or be perceived to influence, your decisions
  - d) being aware that your behaviour may have an effect on how FACE is perceived
2. Maintain the highest standard of integrity in all procurement relationships, by:
  - a) rejecting any practice which might reasonably be deemed improper
  - b) never using your position in the FACE Procurement Committee for personal financial gain
  - c) declaring to FACE any personal interest that might affect, or be seen by others to affect, your impartiality in decision making
  - d) ensuring that the information you give is accurate and not misleading
  - e) never breaching the confidentiality of information, you receive in my procurement capacity
  - f) striving for genuine, fair and transparent competition
3. Ensure full compliance with FACE's policies, procedures, and the country laws and regulations, by:
  - a) strictly adhering to all of FACE's policies and procedures
  - b) strictly adhering to the laws of the country
  - c) fulfilling agreed contractual obligations

#### 8.5.2 Supplier Code of Conduct

##### Introduction

FACE has a zero-tolerance approach to corrupt, fraudulent, collusive, anti-competitive or coercive practices of any kind involving its resources. The FACE Supplier Code of Conduct ("Code") describes FACE's expectations of how its Suppliers conduct business. All Suppliers engaged in providing products and services to FACE are strongly urged to familiarize themselves with this Code of Conduct and are expected to act in accordance with the Code, including aligning guidelines, policies and practices, and communicating and enforcing the Code provisions throughout their entities and across their supply chain, including to subcontractors.

Suppliers must act with integrity and are expected to demonstrate a commitment to legal, ethical, safe, fair, transparent and responsible business practices. We require that our Suppliers understand the requirements of this Code, operate in accordance with the expectations outlined in this Code and comply, at a minimum

with all applicable laws, rules, regulations and standards within the geographies in which they operate. In instances where standards outlined in the Code differ from local laws, suppliers must respect these standards within the framework of the applicable local laws. Suppliers must be open and cooperative with the regulators and comply with the local jurisdictional requirements. This document summarizes FACE's expectations from suppliers, subcontractors and their employees.

#### Ethical Practices

FACE is committed to conducting itself in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. We expect our suppliers to share our principles and uphold our standards and for each to develop policies and programs as appropriate to ensure that they understand and adhere to these standards.

Suppliers and Supplier Representatives will not, directly or indirectly, including through an agent or other intermediary, engage in corrupt, fraudulent, collusive, anti-competitive or coercive practices in bidding for, or performing agreed tasks: For these purposes:

- a) "corrupt practice" means the offering, promising, giving, receiving, or soliciting, directly or indirectly, anything of value or any other advantage to influence improperly the actions of another person or entity;
- b) "fraudulent practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a person or entity to obtain a financial or other benefit or to avoid an obligation;
- c) "coercive practice" means any act or attempt to influence improperly the decisions or actions of a person or entity by impairing or harming, or threatening to impair or harm, directly or indirectly, such person or entity or their property;
- d) "collusive practice" means an arrangement between two or more persons or entities designed to achieve an improper purpose, including influencing improperly the actions of another person or entity;
- e) "anti-competitive practice" means any agreement, decision or practice which has as its object or effect the restriction or distortion of competition in any market.

Hence suppliers are expected to observe the following:

- a) Shall not, directly or indirectly, offer to any FACE Staff /representative money, goods or a service as a consideration or in expectation of a favourable decision, information, opinion, recommendation, vote or any other form of favouritism which qualifies as a corruption;
- b) Shall not directly or indirectly, offer, give or agree or promise to give to any FACE staff/ representative any gratuity for the benefit of/or at the direction or request of any Staff/ representative of FACE
- c) Shall not solicit, offer, give or receive, or promise or represent to offer, give or receive, fees, gratuities, rebates, gifts, commissions, or other payments, except as disclosed in full and in writing to FACE, in connection with the procurement process or in contract execution.
- d) To immediately inform the FACE Office in the event that any Staff/ Representative of FACE solicits or obtained or has made an attempt to obtain gratification for himself/herself or for any other persons
- e) To immediately declare if any of the Company's staff and/or officers had or have any relative/s employed by FACE. Failure to make such declaration shall be construed as a conflict of interest and might result in the exclusion of the supplier from present and future procurement activities and/or other legal action as deemed fit by the Organization.

## Privacy and Data Protection

Suppliers and Suppliers Representatives are expected to maintain accurate and complete duplicate records in appropriate books of account of all financial and business transactions with FACE for a minimum period of xxx years after the date of last payment.

Suppliers commit to:

- a) Provide FACE's representatives with access to relevant records, upon request
- b) Allow visits by FACE and its representatives.
- c) Respond promptly to reasonable inquiries from FACE and its representatives in relation to the implementation of the Code of Conduct

### Breach of Code of conduct

Breach of the Code of Conduct may result in actions being invoked against that supplier, in addition to any contractual or legal remedies. The actions applied will depend on the nature and seriousness of the breach and on the degree of commitment shown by the supplier in breach to its obligations under the Code of Conduct. The range of actions available to be imposed on the supplier includes but is not restricted to the following:

- a) Formal warnings – that the continued non-compliance will lead to more severe actions;
- b) Disclosure of nature of breach to FACE partners, stakeholders and as appropriate to regulatory authorities
- c) Immediate termination of contract/ relationship with FACE, without recourse;

FACE is committed to continuously reviewing and updating this Code. Therefore, this Code is subject to modification from time to time. Such changes will be communicated to suppliers at the beginning of the year during the annual prequalification of suppliers.

The contents of this Code are additional to and do not in any way affect or prejudice any of FACE's rights and remedies under the relevant contracts with each supplier, if any. In the event of any non-compliance to the requirements of this Code or breach of contract, FACE reserves its rights and retains the sole discretion to exercise any rights under this Code, any relevant contract and/or local laws and regulations.

The failure or omission by FACE to insist upon strict performance and compliance with any of the provisions of this Code at any time shall in no way constitute a waiver of its rights.

In the event of any conflict or ambiguity between any provision of this Code and the provisions of any relevant contract with any supplier, the provisions of that contract will prevail.

### Secure Communication/ Reporting/ Whistleblowing Channels

FACE has established a secure communication channel to enable suppliers to raise their concerns confidentially and responsibly. If the supplier has questions about the Code of Conduct or wishes to report a questionable behaviour or possible violation of the Code of Conduct, the Supplier is encouraged and should contact FACE Ghana at email address XXXXX or phone: writing to

### Certification and signature

This is to certify that I have fully read the FACE Supplier's Code of Conduct. Having fully read and understood the completed requirement of this Supplier's Code of Conduct, I hereby commit myself and my company to fully comply with all of its principles, provisions, terms and conditions. I also certify that I am authorized by my company to sign and accept this document on its behalf.

By signing this document, I agree with provisions and the terms and conditions of FACE's Supplier Code of conduct.

For and on behalf of Supplier,  
Authorized Signature: \_\_\_\_\_  
Full Name and Title of Signatory: \_\_\_\_\_  
Name of Company: \_\_\_\_\_  
Contact Details: \_\_\_\_\_  
Date \_\_\_\_\_

Corporate seal: \_\_\_\_\_  
[please mark this part with your corporate seal]

For and on behalf of FACE,  
Authorized Signature: \_\_\_\_\_  
Name and Title of Signatory: \_\_\_\_\_  
Date: \_\_\_\_\_

## 8.6 Conflict of interest Policy

### 8.6.1 Statement of Policy

A possible conflict of interest exists when a Trustee or Executive / staff has a material personal interest, either direct or indirect, in a proposed transaction involving FACE. When a Trustee or Executive / staff has an interest in a transaction being considered by FACE, the Trustee or Executive / staff should disclose that conflict before the board of Trustee or Executive / staff takes action on the matter. Any Trustee or Executive / staff having a conflict of interest will not vote or use his or her personal influence on the matter and will not be present when the matter is discussed. The minutes of the meeting will reflect that a disclosure was made, and the abstention from voting.

This policy also will apply to immediate family members, FACE's committees, and its field partners. Trustees, Executives / staff and field partners will be required to attest annually to their familiarity with this policy and to provide information concerning any possible conflict of interest so that disclosure, if necessary, is made.

Executive and staff members and their immediate families will not benefit materially from FACE beyond receipt of salaries, fringe benefits, and reimbursement for authorized expenses.

### 8.6.2 Definition of Material Personal Interest

A material personal interest is:

- a. an ownership or investment interest in any entity with which this organization has a transaction or arrangement;



- b. a compensation arrangement with FACE or with any entity or individual with which FACE has a transaction or arrangement; or
- c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which FACE is negotiating a transaction or arrangement.
- d. Compensation includes direct and indirect remuneration as well as gifts, favours, and non-financial benefits that are not insubstantial.

### **8.6.3 Procedures:**

- a. The interested Trustee or Executive / staff will disclose to the Board, by completing the conflict of interest form, the material facts as to his or her material personal interest in the transaction and in any corporation, partnership, association or other organization involved in the transaction prior to the meeting at which the Board acts upon the transaction.
- b. The interested Trustee or Executive / staff will absent himself or herself from the meeting while the transaction is discussed and acted upon.
- c. A disinterested Trustee or Executive / staff, or other disinterested party familiar with the transaction, will present to the Chair of FACE's Board of Trustees, evidence of the fairness of the proposed transaction, such as competitive bids or comparable price quotations.
- d. The vote of a majority of the disinterested Trustee or Executive / staff participating in the meeting and constituting a quorum, after reaching a decision regarding whether the proposed transaction is fair to FACE, will be required for approval of the transaction.
- e. The minutes for the meeting will reflect that a disclosure of interest was made and that the interested Trustee or Executive / staff abstained from voting and was not present during the Board's consideration of the transaction.
- f. These procedures:
- g. will apply to transactions approved after the date of adoption of this policy;
- h. will not apply to reimbursement of expenses actually incurred by any Trustee or Executive / staff in the course of performing his or her duties as such; and
- i. may be waived or altered in any particular case by vote of a majority of FACE's full Board of Trustees for good cause shown.

### **8.6.4 Potential Conflict Report**

To assist in implementing this Policy, each proposed new Board member will file a Potential Conflict form in connection with the selection process. Existing Board members, FACE Executive and staff will file a Potential Conflict of interest form annually, to be signed by the Chair of FACE's Board of Trustees whose responsibility it is to oversee the conflict-of-interest policy.

## **3.0 FACE IT POLICY**

FACE communications facilities are provided by FACE and made available to users for the purposes of the business. A certain amount of limited and responsible personal use by users is also permitted. All use of our communications facilities is governed by the terms of this policy, and if our rules and procedures are not adhered to, then use of our facilities may be curtailed or withdrawn and disciplinary action may thereafter follow. Any breach of this policy may lead to disciplinary action being taken against you and serious breaches may lead to summary dismissal.

At FACE, communication plays an essential role in the conduct of our business. How you communicate with people not only reflects on you as an individual but also on us as an organisation. We value your ability to communicate with colleagues, clients/customers and business contacts, and we invest substantially in information technology and communications systems which enable you to work more efficiently. We trust you to use them responsibly.

This policy applies to all individuals working for FACE who use our communications facilities, whether directors, departmental heads or consultants, full-time, part-time or fixed-term employees, trainees, contract staff, temporary staff, agency or home workers.

Although the detailed discussion is limited to use of email and internet facilities, the general principles underlying all parts of this policy also apply to telephone communications, fax machines, copiers and scanners.

## **9.1 General Principles**

You must use FACE information technology and communications facilities sensibly, professionally, lawfully, and consistently with your duties, with respect for your colleagues and for FACE and in accordance with this policy and FACE other rules and procedures. All information relating to our business operations is confidential. You must treat our paper-based and electronic information with utmost care.

Many aspects of communication are protected by intellectual property rights which are infringed by copying. Downloading, uploading, posting, copying, possessing, processing and distributing material from the internet may be an infringement of copyright or of other intellectual property rights. Particular care must be taken when using email, FACE company blog or internal message boards as a means of communication because all expressions of fact, intention and opinion in an email may bind you and/or FACE and can be produced in court in the same way as other kinds of written statements.

The advantage of the internet and email is that they are extremely easy and informal ways of accessing and disseminating information, but this means that it is also easy to send out ill-considered statements. All messages sent on email systems or via the internet should demonstrate the same professionalism as that which would be taken when writing a letter or a fax. You must not use these media to do or say anything which would be subject to disciplinary or legal action in any other context such as sending any discriminatory (on the grounds of a person's sex, race, disability, age, sexual orientation, religion or belief), defamatory, or other unlawful material (for example, any material that is designed to be, or could be construed as, bullying or harassment by the recipient). If you are in doubt about a course of action, take advice from your supervising line manager.

## **9.2 Use of Electronic Mail**

Generally

- a) Always use the email signature which contains the appropriate disclaimer notice from FACE and do not amend this notice in any way.
- b) Do not amend any messages received and, except where specifically authorized by the other person, do not access any other person's inbox or other email folders nor send any email purporting to come from another person.

- c) It is good practice to re-read and check an email before sending.
- d) If you copy an email to others, it may breach the Data Protection Act if it reveals all the recipients' email addresses to each recipient (e.g., in the case of marketing and mailing lists). It can also breach duties of confidentiality (e.g., in the case of internal emails to members of a staff benefit scheme). Accordingly, it may be appropriate to use the 'Bcc' (blind carbon copy) field instead of the 'Cc' (carbon copy) field when addressing an email to more than one recipient. If in doubt, seek advice from your line manager.

### **9.2.1 Business use**

- a) Each business email should include the appropriate FACE business reference.
- b) If the email message or attachment contains information which is time-critical, bear in mind that an email is not necessarily an instant communication and consider whether it is the most appropriate means of communication.
- c) If you have sent an important document, always telephone to confirm that the email has been received and read.
- d) In light of the security risks inherent in some web-based email accounts, you must not email business documents to your personal web-based accounts. Under no circumstances should you send price sensitive or highly confidential documents to a partner/provider/donor's personal web-based email account, even if the partner/provider/donor asks you to do so. If in doubt, seek advice from your line manager.
- e) When you need to work on documents remotely, they can be retrieved over the internet using FACE VPN.

### **9.2.2 Personal Use**

Although FACE email facilities are provided for the purposes of our business, we accept that you may occasionally want to use them for your own personal purposes. This is permitted on the condition that all the procedures and rules set out in this policy are complied with. Be aware, however, that if you choose to make use of our facilities for personal correspondence, you can expect very little privacy because FACE may need to monitor communications for the reasons given below.

You will greatly increase the privacy of any personal email by complying with the procedures set out in the below.

- a) Under no circumstances may FACE facilities be used in connection with the operation or management of any business other than that of FACE unless express permission has been obtained from your line manager.
- b) All personal email you send from FACE facilities must be marked PERSONAL in the subject heading, and all personal email sent or received must be filed in a separate folder marked "Personal" in your inbox should you wish to retain it after reading. Contact IT Support if you need guidance on how to set up and use a personal folder. All email contained in your inbox and your sent items box are deemed to be business communications for the purposes of monitoring

You must ensure that your personal email use:

- a) does not interfere with the performance of your duties;
- b) does not take priority over your work responsibilities;
- c) is minimal and limited to taking place substantially outside of normal working hours (i.e., during any breaks which you are entitled to or before or after your normal hours of work);
- d) does not cause unwarranted expense or liability to be incurred by FACE;
- e) does not have a negative impact on FACE in any way; and
- f) is lawful and complies with this policy.

As with any correspondence made using FACE electronic facilities, you can delete personal email from the live system, but they will have been copied (perhaps many times) onto the backup tapes and in that form will be retained indefinitely. It would be a very difficult, costly and time-consuming exercise to sift all those tapes in order to delete an individual's personal email, and if we were to agree to attempt this, it would be at our convenience, and only on the basis that all the very considerable costs involved were paid in advance by the person making the request.

By making personal use of our facilities for sending and receiving email you signify your agreement to abide by the conditions imposed for their use, and signify your consent to FACE monitoring your personal email in accordance with this policy.

### **9.3 Use of Internet and Intranet**

We trust you to use the internet sensibly. Bear in mind at all times that, when visiting a website, information identifying your PC may be logged. Therefore, any activity you engage in via the internet may affect FACE.

We recognise the need for individuals to have to carry out some personal tasks during working hours, e.g., for internet banking or online shopping, and this is permitted subject to the same rules as are set out for personal email use in this policy. If these activities require additional software to be installed onto your PC then you should submit a request to IT Support who may be able to arrange this for you. Whenever you need to download software to enable you to access an online service you must obtain the express permission of the Head of IT who will consider the request in line with FACE's policy.

You are strongly discouraged from providing your FACE email address when using public websites for non-business purposes, such as online shopping. This must be kept to a minimum and done only where necessary, as it results in you and FACE receiving substantial amounts of unwanted email.

You must not:

- a) introduce packet-sniffing or password-detecting software;
- b) seek to gain access to restricted areas of FACE network;
- c) access or try to access data which you know or ought to know is confidential;
- d) intentionally or recklessly introduce any form of spyware, computer virus or other potentially malicious software; nor
- e) carry out any hacking activities
- f) use FACE systems to participate in any internet chat room or post messages on any external website, including any message board, unless expressly permitted in writing to do so by FACE

For your information, breach of items above, would not only contravene the terms of this policy but could in some circumstances also amount to the commission of an offence under the Computer Misuse Act 1990, which creates the following offences:

- a) unauthorized access to computer material i.e., hacking;
- b) unauthorized modification of computer material; and
- c) unauthorized access with intent to commit or facilitate the commission of further offences.

#### **9.4 Misuse of FACE Facilities and Systems**

Misuse of FACE facilities and systems, including its telephone, email and internet systems, in breach of this policy will be treated seriously and dealt with in accordance with FACE's disciplinary procedure. In particular, viewing, accessing, transmitting, posting, downloading or uploading any of the following materials in the following ways, or using any of FACE's facilities, will amount to gross misconduct capable of resulting in summary dismissal (this list is not exhaustive):

- a) material which is sexist, racist, homophobic, xenophobic, pornographic, paedophilic or similarly discriminatory and/or offensive;
- b) offensive, obscene, derogatory or criminal material or material which is liable to cause embarrassment to FACE and any of its staff or bring the reputation of FACE and any of its staff into disrepute;
- c) any defamatory material about any person or organisation or material which includes statements which are untrue or of a deceptive nature;
- d) any material which, by intent or otherwise, harasses the recipient;
- e) any other statement which is designed to cause annoyance, inconvenience or anxiety to anyone;
- f) any material which violates the privacy of others or unfairly criticises or misrepresents others;
- g) confidential information about FACE and any of its staff;
- h) any other statement which is likely to create any liability (whether criminal or civil, and whether for you or FACE);
- i) material in breach of copyright and/or other intellectual property rights;
- j) online gambling; or
- k) unsolicited commercial or advertising material, chain letters or other junk mail of any kind.

If FACE has evidence of the examples of misuse set out above it reserves the right to undertake a more detailed investigation in accordance with its disciplinary procedures.

#### **9.5 System Security**

Security of our IT systems is of paramount importance. We owe a duty to all of our donors to ensure that all of our business transactions are kept confidential. If at any time we need to rely in court on any information which has been stored or processed using our IT systems it is essential that we are able to demonstrate the integrity of those systems. Every time you use the system you take responsibility for the security implications of what you are doing.

FACE's system or equipment must not be used in any way which may cause damage, or overloading or which may affect its performance or that of the internal or external network.

Keep all confidential information secure, use it only for the purposes intended and do not disclose it to any unauthorised third party.

Keep your system passwords safe. Do not disclose them to anyone. Those who have a legitimate reason to access other users' inboxes must be given permission from that other user. IT Support will provide guidance on how to do this. If you have disclosed your password to anyone else (e.g., in response to a request from the IT staff) ensure that you change your password once the IT staff no longer need it. Contact IT Support for guidance on how to do this.

If a document is highly confidential or price sensitive, you should mark it as "private and confidential" and password-protect the document itself. Bear in mind that documents which are NOT marked "private and confidential" can be accessed by all users of the network.

Copies of confidential information should be printed out only as necessary, retrieved from the printer immediately, and stored or destroyed in an appropriate manner.

You should not download or install software from external sources without having first received the necessary authorisation from the IT department.

No external device or equipment, including discs and other data storage devices, should be run on or connected to FACE systems without the prior notification to and approval of the IT department.

You should always exercise caution when opening emails from unknown external sources or where, for any reason, an email appears suspicious. The IT department should be informed immediately in such circumstances.

## **9.6 Working Remotely**

This part of the policy and the procedures in it apply to your use of our systems, to your use of our laptops, and also to your use of your own computer equipment or other computer equipment whenever you are working on FACE business away from FACE premises (working remotely).

When you are working remotely you must:

- a) password protect any work which relates to FACE business so that no other person can access your work;
- b) position yourself so that your work cannot be seen by any other person;
- c) take reasonable precautions to safeguard the security of our equipment, and keep your passwords secret;
- d) inform the police and our IT department (as appropriate) as soon as possible if either a FACE laptop in your possession or any computer equipment on which you do FACE work, even if this is personal IT equipment, has been lost or stolen; and
- e) ensure that any work which you do remotely is saved on FACE system or is transferred to our system as soon as reasonably practicable.

Pocket computers, mobile phones and similar hand-held devices are easily lost or stolen so you must password-protect access to any such devices used by you on which is stored any personal data of which FACE is a data controller or any information relating our business, our clients or their business.

## **9.7 Personal Blogs and Websites**

This part of the policy and procedures in it apply to content that you publish on the internet (e.g., your contributions to blogs, message boards and social networking or content-sharing sites) even if created, updated, modified or contributed to outside of working hours or when using personal IT systems. FACE recognise that in your own private time you may wish to publish content on the internet. For the avoidance of doubt, such activities are expressly prohibited during work time or using FACE systems.

If you post any content to the internet, written, vocal or visual, which identifies, or could identify, you as a member of FACE staff and/or you discuss your work or anything related to FACE or its business, customers or staff, FACE expects you, at all times, to conduct yourself appropriately and in a manner, which is consistent with your contract of employment and with FACE's policies and procedures. It should be noted that simply revealing your name or a visual image of yourself could be sufficient to identify you as an individual who works for FACE. If you already have a personal blog or website which indicates in any way that you work for FACE you should report this to your line manager. If you intend to create a personal blog or website that will say that you work for FACE, or in any way could identify you as someone who works for FACE then you should report this to your line manager.

If a blog posting clearly identifies that you work for FACE and you express any idea or opinion then you should add a disclaimer such as "these are my own personal views and not those of FACE". The following matters will be treated as gross misconduct capable of resulting in summary dismissal (this list is not exhaustive):

- a) Revealing confidential information about FACE in a personal online posting. This might include revealing information relating to FACE business plans, policies, staff, financial information or internal discussions. Consult your manager if you are unclear about what might be confidential.
- b) Criticising or embarrassing FACE, its clients or its staff in a public forum (including any website). You should respect the reputation of FACE and the privacy and feelings of others at all times. If you have a genuine complaint to make about a colleague or workplace matter the correct procedure is to raise a grievance using FACE's grievance procedure.

If you think that something on a blog or a website could give rise to a conflict of interest and in particular concerns issues of impartiality or confidentiality required by your role then this must be discussed with your line manager. If someone from the media or press contacts you about your online publications that relate to FACE you should talk to your line manager before responding and FACE press office must be consulted.

Online publications which do not identify the author as a member of FACE staff and do not mention FACE and are purely concerned with personal matters will normally fall outside the scope of FACE communications policy.

## **9.8 Monitoring of Communications by FACE**

FACE is ultimately responsible for all business communications but subject to that will, so far as possible and appropriate, respect your privacy and autonomy while working. FACE may monitor your business communications for reasons which include:

- a) providing evidence of business transactions;
- b) ensuring that FACE business procedures, policies and contracts with staff are adhered to;

- c) complying with any legal obligations;
  - d) monitoring standards of service, staff performance, and for staff training;
  - e) preventing or detecting unauthorized use of FACE communications systems or criminal activities; and
- maintaining the effective operation of FACE communications systems.

FACE can monitor telephone, email and internet traffic data (i.e., sender, receiver, subject; non-business attachments to email, numbers called and duration of calls; domain names of websites visited, duration of visits, and files downloaded from the internet) at a network level (but covering both personal and business communications) for the purposes specified. For the purposes of your maintenance of your own personal privacy, you need to be aware that such monitoring might reveal sensitive personal data about you. For example, if you regularly visit websites which detail the activities of a particular political party or religious group, then those visits might indicate your political opinions or religious beliefs. By carrying out such activities using FACE facilities you consent to our processing any sensitive personal data about you which may be revealed by such monitoring.

Sometimes it is necessary for FACE to access your business communications during your absence, such as when you are away because you are ill or while you are on holiday. Unless your mailbox settings are such that the individuals who need to do this already have permission to view your inbox, access will be granted only with the permission of one of the persons authorized to grant such access.

Any emails which are not stored in your "Personal" folder in your mailbox and which are not marked PERSONAL in the subject heading will be treated, for the purpose of availability for monitoring, as business communications since we will have no way of knowing that they were intended to be personal. Therefore, you must set up a rule to automate the routing of personal email to your personal folder – ask IT Support for guidance on how to do this. Furthermore, there is a risk that any person authorized to access your mailbox may have their own preview pane option as a default setting, which would reveal the content of any of your personal email not filed in your "Personal" folder, whether or not such email is marked PERSONAL. It is up to you to prevent the inadvertent disclosure of the content of personal email by filing your personal email in accordance with this policy. In particular, you are responsible to anybody outside FACE who sends to you, or receives from you, a personal email, for the consequences of any breach of their privacy which may be caused by your failure to file your personal email.

In certain very limited circumstances we may, subject to compliance with any legal requirements, access email marked PERSONAL. Examples are when we have reasonable suspicion that they may reveal evidence of unlawful activity, including instances where there may be a breach of a contract with FACE.

All incoming emails are scanned by MX Logic, Symantec and AVG on behalf of FACE, using virus-checking software. The software will also block unsolicited marketing email (spam) and email which have potentially inappropriate attachments. If there is a suspected virus in an email which has been sent to you, the sender will automatically be notified and you will receive notice that the email is not going to be delivered to you because it may contain a virus.

## **9.9 Data Protection**

As a member of FACE who uses our communications facilities, you will inevitably be involved in processing personal data for FACE as part of your job. Data protection is about the privacy of individuals, and is governed by the Data Protection Act 1998. This Act defines, among others, terms as follows:



- a) "data" generally means information which is computerised or in a structured hard copy form;
- b) "personal data" is data which can identify someone, such as a name, a job title, a photograph;
- c) "processing" is anything you do with data – just having data amounts to processing; and
- d) "data controller" is the person who controls the purposes and manner of processing of personal data – this will be FACE, in the case of personal data processed for the business.

Whenever and wherever you are processing personal data for FACE you must keep it secret, confidential and secure, and you must take particular care not to disclose them to any other person (whether inside or outside FACE) unless authorized to do so. Do not use any such personal data except as authorized by FACE for the purposes of your job. If in doubt get help from our Data Protection Officer or your line manager.

The Data Protection Act gives every individual the right to see all the information which any data controller holds about them. Bear this in mind when recording personal opinions about someone, whether in an email or otherwise. It is another reason why personal remarks and opinions must be made or given responsibly, and they must be relevant and appropriate as well as accurate and justifiable.

For your information, section 55 of the Data Protection Act provides that it is a criminal offence to obtain or disclose personal data without the consent of the data controller. "Obtaining" here includes the gathering of personal data by employees at work without the authorisation of the employer. You may be committing this offence if without authority of FACE: you exceed your authority in collecting personal data; you access personal data held by FACE; to control it or you pass them on to someone else (whether inside or outside FACE).

While FACE is a data controller of all personal data processed for the purposes of our business, you will be a data controller of all personal data processed in any personal email which you send or receive. Use for social, recreational or domestic purposes attracts a wide exemption under the Data Protection Act, but if, in breach of this policy, you are using our communications facilities for the purpose of a business which is not FACE business, then you will take on extensive personal liability under the Data Protection Act.

To help you understand and comply with FACE's obligations as a data controller under the Data Protection Act you may be offered, and you may also request, training. Whenever you are unsure of what is required or you otherwise need guidance in data protection, you should consult our Data Protection Officer [or any member of the data protection team]. FACE's privacy statements and information about our data protection policies can be found on the FACE intranet.

### **9.10 Compliance with this Policy**

Failure to comply with this policy may result in disciplinary action being taken against you under FACE disciplinary procedures, which may include summary dismissal, and/or in the withdrawal of permission to use the firm's equipment for personal purposes. If there is anything in this policy that you do not understand, please discuss it with your line manager.

Please note that the procedures and policies outlined in this policy, and in any related policy, may be reviewed or changed at any time. You will be alerted to important changes and updates will be published on our intranet.

Computers should be backed up each night, and the discs stored off site. To safeguard FACE's data, when dispersing of computer equipment, the hard disc needs to be removed.

Each National Office is responsible for planning and designing a computer disaster recovery plan in the event of a system failure, fire, evacuation or other emergency. The plan should be submitted to FACE Headquarters within 90 days of arrival in the field office.

### **9.11 Computer Disaster Recovery Procedure**

The preparation of disaster recovery procedures can mean the difference between being down for ½ a day vs. a week. The disaster recovery procedures ensure that the networks and computers are protected from both data loss and machine failure. This effort encompasses both routine procedures performed on an on-going basis and non-routine steps taken to prevent or recover from unexpected disasters. To prepare an appropriate disaster recovery procedure, it is important to assess all potential causes of failures, so that the recovery strategies are appropriate for each one. These include hard disk subsystem failure, power failures or surges, system software failure, accidental or malicious use of deletion or modification commands, destructive viruses, natural disasters, and theft or sabotage.

## **10.0 MAINTENANCE POLICY**

The purpose of the Maintenance Policy is to set out specific guidelines to enable FACE to:

- a) be assured that the electrical safety of all portable electrical equipment is inspected and maintained at appropriate frequencies to minimise risk of injury, to set out specific guidelines
- b) to be assured that the electrical safety of fixed electrical installations is inspected, and maintained, at appropriate frequencies to minimise risk of injury and
- c) to set out specific guidelines to enable FACE to be assured that generator-sets, owned by the Organisation, are inspected, and maintained, at regular intervals to minimise risk of injury and increase their lifespan.

Please refer to the full Maintenance Policy document for detailed policy and guidelines.

## **11.0 ENVIRONMENTAL POLICY STATEMENT**

FACE's Investment in girls' education is cited for being ethical and effective in tackling environmental degradation and climate change because of its impact on population growth. Given the benefits of investments in female education for lower fertility and population, Wheeler and Hammer (2010)<sup>1</sup> have estimated that investments in female education could be a more cost-effective carbon emissions abatement strategies than more direct strategies including low-carbon energy development and carbon capture and storage. Blank spoor et al (2010)<sup>2</sup> have also noted that countries that have made the greatest improvements in female education have suffered far fewer losses from extreme weather events than less-progressive countries with similar income and weather conditions.

The Trustees and Executive Team of FACE recognise the need to minimise the environmental impact of the organisation's business. FACE will therefore strive to adopt the highest available environmental standards in all its areas of operation. To achieve that, FACE involves staff in all countries we work in, our field partners, the Board and other partners to raise awareness and disseminate information about its environmental standards and practices.

In particular, where practical and financially possible, FACE will:

- i. Include environmental considerations in all decisions in order to minimise consumption, pollution and waste.
- ii. Raise awareness within FACE's staff and members of the responsibilities entailed by an environmental policy, through co-operation and consultation with the Board, all staff, management and field partners.
- iii. Instigate regular environmental audits or reviews of progress in improving FACE's environmental performance. FACE commits to continuous improvement.
- iv. Review purchasing policy to reduce consumption. Purchase and use products and processes that have the least possible impact on the environment.
- v. Minimise the use of energy and water, and increase energy efficiency in FACE premises.
- vi. Reduce the need to travel and then opt for the most environmental modes of transport. Encourage the use of public transport and minimise the use of motor vehicles used on FACE business by staff and suppliers in line with expenses policy. Encourage the use of technology in communication, e.g., the use of video conferencing to replace international travel whenever possible.
- vii. Use of technology in programme management e.g., application of technology for data gathering to eliminate the use of paper, save the environment, save staff time and increase speed and accuracy of data, improving quality and cutting cost significantly.
- viii. Ensure that suppliers, members, contractors and all other bodies and individuals that relate to FACE are aware of FACE's environmental policy.

## **11.1 Guidelines**

### **1.1.1 Office practice, products and services.**

FACE will reduce consumption, and encourage staff to re-use products e.g., re-use of scrap paper and envelopes. FACE will review its purchasing policy to ensure that environmental impact is taken into account on all purchases (as well as price, quality, availability etc.). FACE will purchase environmentally friendly products wherever possible. 'Environmentally friendly' mean that products are made of recycled, recyclable or renewable materials, last longer, are repairable and re-usable rather than throwaway, made with less hazardous materials and are more energy efficient. All things being equal, use local products whenever possible. FACE will reduce, and where possible cease, purchase of throwaway and disposable items.

In particular FACE will aim to:

#### **Paper**

- a) Only buy recycled and non-bleached paper, envelopes, writing pads etc.
- b) Provide re-use labels for used but still serviceable envelopes.
- c) Encourage staff to use scrap paper (e.g., used on one side) for drafting, notes etc.
- d) Continue use of email for communications both internally and externally and avoid printing

### Stationery

- a) Buy refillable pens.
- b) Avoid solvent-based marker pens – use water-based colours instead.
- c) Buy refillable toner cartridges for laser printers and photocopiers – and get them refilled.

### Catering

- a) Encourage staff to use cups/glasses.
- b) Recycle glass bottle
- c) Recycle aluminium cans (e.g., cans from vending machines).
- d) Use of Fair Trade and Organic foods.

### Cleaning

- a) Use cleaning products and materials which are environmentally friendly, particularly those in reusable containers. Replace all non-biodegradable, chlorine and phosphate based cleaning and other materials. Avoid aerosols wherever possible.
- b) Clear litter on or near the premises.

### Greening

- a) Continue to encourage pot plants in the office to improve air quality and the visual appearance of working areas.
- b) Continue to provide and maintain planters outside the office to improve external visual appearance. Only use wood preservatives in timber treatments, which have minimal harmful effects on insect and other life. Avoid peat-based material for all planters and pot plants.
- c) Investigate biodiversity option

### Building Maintenance and updating

- a) Only use, and encourage suppliers and contractors to only use, wood from sustainable sources in the UK and elsewhere. Check with Friends of the Earth Good Wood Guide.
- b) Only use, and encourage contractors to only use, water-based paints
- c) Investigate solutions that have minimal environmental impact.

## **11.1.2 Energy Use**

In particular, FACE will aim to:

### Heating and ventilation

- a) Bear in mind the needs of individual staff members with different preferences on temperature and light levels when reviewing current system, and link any recommendations to FACE's positive health policy. In the meantime, staff will continue to be encouraged to report any problems with the heating and ventilation system and improvements will be introduced as soon as possible. Consider investigating alternative forms of energy production such as solar panels etc.

### Lighting

- a) Fit low energy bulbs. Clean light fittings regularly and check diffusers for discoloration.
- b) Consider the use of sensors in toilets

## Power

- a) Check the energy efficiency on all new equipment, especially machines (such as photocopiers) which have standby switches which turn off when not in use.
- b) Ensure all equipment is maintained regularly.
- c) Use mains electricity rather than batteries wherever possible. Up to 50 times as much energy is used to make a battery as it provides. When batteries are used, use rechargeable ones and avoid mercury and cadmium-based batteries.
- d) Use timers on electrical products where practical i.e., vending machines etc.

### 11.1.3 Transport

- a) Look to reduce the need to travel for both staff and suppliers - FACE will aim to encourage its staff and suppliers to use environmentally sound forms of transport as much as possible, including measures such as:
  - a) Review car mileage allowances so that incentives are not given to people to buy cars with larger engines or to do more miles.
  - b) Encourage whenever possible use for public transport, taxis and bicycles.
  - c) Whenever possible, offer season ticket loans and bicycle loans (bicycle loans as part of tax efficient purchase for transport)
  - d) Use bicycle courier services in addition to motorbike and van deliveries.

### 11.1.4 Water

FACE will aim to adopt the three principles of water efficiency: efficient equipment, fitting controls, and improving operating practices, including:

- a) The use of a dual flush system on lavatories.
- b) Consider fitting taps that turn off automatically.

### 11.1.5 Waste

FACE will aim to minimise the amount of waste it produces, re-use as much waste as possible (or find someone who will), recycle what cannot be re-used and dispose of the remainder of the waste safely. In particular, FACE will continue with the following initiatives:

- a) Paper recycling scheme both white and other.
- b) Bottle, both glass and plastic recycling
- c) Aluminium can recycle (investigate other vending options)
- d) Plastic cup recycling
- e) Toner cartridge recycling
- f) Cardboard recycling
- g) Ask suppliers to reduce packaging, complain about over-packaging where it exists and return such packaging to the supplier wherever possible.



