



**COMMUNITY LINKS AND HUMAN
EMPOWERMENT INITIATIVE**

**Finance and Account
Procedures Manual**

Finance Department

This report contains **979769** pages
Finance Function Procedures Manual

COMMUNITY LINKS AND HUMAN EMPOWERMENT INITIATIVE

Finance and Account Procedures Manual

Finance Department

This report contains 101 pages

Finance Function Procedures Manual

Document review and approval

Revision history

Version Author

Date

Revision

Ch~~HEI~~

2010

Finance Policy Document

Ch~~HEI~~

2012

Finance Policy Document

SMILE Accountant

2017

Finance & account Procedure M

Finance Department

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3 This report contains 101 pages

4 Finance Function Procedures Manual

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1.0 Purchasing

Purchasing covers all activities involved in the selection of vendors, evaluation and monitoring of selected vendors and procurement of goods and services from vendors. Purchasing processes include:

- 1 Vendor Selection
- 2 Vendor Monitoring and Evaluation
- 3 Purchase Requisitioning
- 4 Purchase Ordering
- 5 Receiving of Goods
- 6 Receiving of Services

1.1 Vendor Selection/Registration

This process covers activities relating to the assessment, evaluation, selection, approval and registration of suitably qualified vendors for the supply of goods and services.

Procedures

Step	Responsibility	Task	Job Aid
1.1.1	Procurement Committee	Identify and categorize items routinely procured by the Company	MS Word
1.1.2	Procurement Committee	<p>Define the Vendor Selection Criteria for each category of items and develop the Vendor Selection Criteria document</p> <p><u>Note:</u></p> <p>Vendor selection criteria shall include but not be limited to:</p> <ol style="list-style-type: none"> 1. Vendor's reputation and credibility 2. Quality of vendors product 3. Availability of credit/ discount facilities, 4. Vendor's ability to meet CSO's demand on short notice 5. Location of vendor and accessibility to CSO 	MS Word

Step	Responsibility	Task	Job Aid
		6. Size of vendor's business	Purchasing covers all activities involved in the procurement of goods and services including vendor selection, vendor monitoring and evaluation.
	Procurement Committee	Submit the Vendor Selection Criteria to the Executive Director for review	Procurement Committee
1.1.3	Executive Director	Review the Vendor Selection Criteria for reasonableness and completeness and approve where there are no amendments required	Procurement Committee, Monitoring and Evaluation
1.1.4	Procurement officer	Conduct market survey to identify reputable vendors for each category of items routinely procured by the Company	Purchase Ordering
1.1.5	Procurement officer	Invite vendors to apply for registration as CLHEI supplier <u>Note:</u> Invitation of vendors can be by either paid advertisement or direct invitation letter	Receiving of Goods and Services
1.1.6	Procurement officer	Collate and analyse the vendor applications received, including supporting documents and forward to the Finance and Administration Manager for review <u>Note:</u> Vendors are required to attach supporting documents to their application.	1.1 Vendor Selection/Registration of Vendors
		<i>Incorporated company</i>	Step 1.1.6
		1 Certificate of Incorporation	Procurement Committee
		2 Current Tax Clearance Certificate	Procurement Committee
		3 Memorandum & Article of Association	Procurement Committee
		<i>Registered businesses</i>	Procurement Committee
		1 Certificate of Registration of Business Name	Procurement Committee
		2 Current Tax Clearance Certificate	Procurement Committee
1.1.7	Finance and Administration Manager	Review vendors applications based on set Vendor Selection Criteria	Procurement Committee
1.1.8	Procurement officer	<u>Where vendors do not meet selection criteria</u>	Procurement Committee

Step	Responsibility	Task	Job Aid
		Send rejection letters to vendor indicating reason for rejection	
		End	
1.1.9	Procurement officer	<p><u>Where vendors meet vendor selection criteria</u></p> <p>Compile and forward list of short listed proposed vendors and the supporting vendor applications to the Procurement Committee for approval</p>	
1.1.10	Procurement Committee	<p>Review list of recommended vendors, including supporting documents and assess vendor's capability to meet CLHEI's requirements</p> <p>Note:</p> <p>Procurement Committee will be comprised of:</p> <ol style="list-style-type: none"> 1. Program Manager 2. Procurement officer 3. M&E Officer <i>+ Financial officer</i> 	
1.1.11	Procurement Committee	<p><u>Where vendors are deemed as not capable of meeting CLHEI's requirements</u></p> <p>Advice Procurement Officer to send rejection letter to vendor</p> <p>Go to 1.1.15</p>	
1.1.12	Procurement Committee	<p><u>Where vendors are deemed as capable of meeting CSO's requirements</u></p> <p>Approve the inclusion of qualified vendors in the Approved Vendor List</p>	MS Word
1.1.13	Procurement Officer	Receive information on vendor's approval from Procurement Committee, set-up/ update approved vendor list and inform successful vendors	
1.1.14	Procurement officer	Advise vendor of registration as supplier to CLHEI	
1.1.15	Procurement officer	Regularly review new vendor applications and recommend to Procurement Committee as required	
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Vendor Registration Form (VRF)	A form that captures the details of the vendor and the nature of items to be supplied by the vendor.	Procurement Officer	Vendor

Output Documents

Document Description	Purpose	Source	Recipient
Approved Vendor List	A schedule that contains the listing of all the approved vendor of CSO	Procurement Officer	Procurement Committee

1.2 Vendor Monitoring and Evaluation

This process covers activities relating to the monitoring/ evaluation of the Company's vendors, to ensure only competent and reputable vendors who meet CLHEI's criteria are retained and that the approved vendor list is up-to-date and provides accurate information on qualified and approved vendor

Procedures

Step	Responsibility	Task	Job Aid
1.2.1	M&E Officer	<p>At predetermined periods (i.e. annually), commence review/evaluation of the performance of existing vendors based on set evaluation criteria</p> <p>Note:</p> <p>The review shall access the activity level and responsiveness of each vendor as well as level of performance of each vendor over the period with respect to quality of service, timeliness of delivery, cost - discount, charges, etc, value added, etc.</p>	
1.2.2	M&E Officer	<p>Evaluate vendor's performance and relationship with CSO over the last period and prepare the Vendor Performance Evaluation Report</p> <p>Note:</p> <ul style="list-style-type: none"> ▪ The M&E Officer can obtain a listing of Purchasing Orders issued to a given vendor and consult with the primary recipient of the goods/services supplied ▪ Based on comments from staff and the Finance Department, a performance evaluation is performed 	
1.2.3	M&E Officer	Identify non-performing vendors and prepare a report proposing de-listing of such vendors from the input document (clearly stating the justification)	MS Word
1.2.4	M&E Officer	Forward the Vendor Performance Evaluation Report to the Finance Manager for review	
1.2.5	Finance and Administrative Manager	Review the Vendor Performance Evaluation Report and determine the need to remove and/ or add new vendors to the Approved Vendor List	
1.2.6	Finance and Administrative Manager	Compile list of proposed vendors to be de-listed based on their performance, attach Vendor Performance Evaluation Report, including recommendation for vendor additions and forward to Procurement Committee for review and approval	
1.2.7	Procurement Committee	Review Vendor Performance Evaluation Report including recommendation for addition or de-listing of vendors	
1.2.8	Procurement Committee	Approve update/ amendment to Approved Vendor List, ensuring reasonableness and justification of the propositions	

Step	Responsibility	Task	Job Aid
1.2.9	Procurement Officer	Receive Tender Committee's approval of amendments (additions/deletions) to the Approved Vendor List, and commence implementation	
1.2.10	Procurement Officer	Send out letters as appropriate to vendors to communicate the new position.	
1.2.11	Procurement Officer	<u>Where there is need to remove vendors</u> Delete vendors from the approved vendor list as approved and generate an updated vendor list	MS Word

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Approved Vendor List	A schedule that contains the listing of all the approved vendors of CSO	Procurement Officer	Procurement Committee

Output Documents

Document Description	Purpose	Source	Recipient
Vendor Performance Evaluation Report	A report that details the performance evaluation of registered vendors stating vendors to be de-listed and motivation for such.	M&E Officer	Finance and Administrative Manager
Updated Vendor List	A schedule that contains the listing of all the approved vendor of CSO after the evaluation process	Finance and Admin Manager	Procurement Committee

1.3 Request for Quotation (RFQ)

This process covers activities relating to the request for quotations for purchases from duly registered vendors, to ensure the Company gets the best price at the best quality.

Procedures

Step	Responsibility	Task	Job Aid
1.3.1	Staff	<u>Where there is need to make a purchase</u> Complete a Request for Quotation and forward to Unit Head for review and approval.	
1.3.2	Unit Head	Review RFQ for accuracy, reasonableness and compliance. Approve and forward RFQ to the Procurement Officer.	
1.3.3	Procurement Officer	Receive RFQ, query Approved Vendor List to identify vendors registered in the category	
1.3.4	Procurement Officer	<u>Where there isn't enough vendors registered in that category</u> To Vendor Selection Registration	
1.3.5	Procurement Officer	<u>Where there are enough registered vendors registered in that category</u> Contact vendor and request that they come and pick up RFQ or mail RFQ to the respective vendors	
1.3.6	Procurement Officer	Receive a Minimum of three (3) quotes and pro-forma invoices, review and comment on them as appropriate	
1.3.7	Procurement Officer	Forward the three reviewed quotes to the Procurement Committee for Vendor Selection Approval	
1.3.8	Procurement Committee	Review and Select vendor and send the remaining quotes to the Procurement Officer for Filing To Purchase Requisitioning	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Approved Vendor List	A schedule that contains the listing of all the approved vendors of CSO	Procurement Officer	M&E Officer

Output Documents

Document Description	Purpose	Source	Recipient
Vendor Performance Evaluation Report	A report that details the performance evaluation of registered vendors stating vendors to be de-listed and motivation for such.	M&E Officer	Finance and Admin Manager

1.4 Purchase Requisitioning

This process covers the activities performed in initiating and processing purchase requisitions (PR) for the procurement of goods and services for CSO.

Procedures

Step	Responsibility	Task	IT/Job Aid
		From Vendor Selection/Registration	
1.4.1	Staff	Receive an approved pro-forma invoice quotation or contract document from the Manager, as a basis for initiating a PR.	Input Documents Contract Description Approved Vendor List
1.4.2	Staff	Review the pro-forma invoice quotation/proposal document to ascertain the purchase amount and the nature of the transaction.	Pur... A sch... of all...
1.4.3	Staff	Complete the preprinted PR form and forward to the line Manager for review and ratification	Description Purpose A rep... de... ruct...
		<u>Note</u>	
		The PR will be updated with the following details:	
		<ul style="list-style-type: none"> ▪ Name of purchase requisitioner ▪ Department ▪ Region code ▪ VAT account number ▪ Account code ▪ Vendor ID and name ▪ VAT amount payable ▪ Delivery Location ▪ Description of purchase ▪ Quantity of purchase ▪ PR authoriser name ▪ Purchase amount 	
1.4.4	Unit Head)	Review completed PR and supporting documents for completeness and accuracy, ratify by appending signature and forward to the Finance Department for processing	
1.4.5	Finance Officer	Calculate the applicable WHT rate based on the description of services to be rendered and specified in the PR.	
		<u>Note</u>	

Payment	Corporate Beneficiary (%)	Individual Beneficiary (%)
Rent	10	10
Dividend	10	10
Interest	10	10
Royalty	10	5
Commission, consultancy, technical and management fees	10	5
Construction fees (professional)	5	5
Contracts and agency arrangements	5	5
Directors' fees	N/A	10
Professional fees	10	5

1.4.6 Finance Officer

Perform budgetary control by comparing the PR amount to the budget allocation for the department specified in the PR.

Note

Expenditure budget is prepared and approved at the beginning of the financial period. The approved budget is managed by the Finance department, and the department allocation is drawn down at the point where the PR is approved to a PO.

1.4.7 Finance Officer

Where the purchase amount is within budget

Go to 1.1.16

1.4.8

Finance Officer

Where the amount is not within budget

Review the current Expenditure Budget for the department to determine how expense could be funded.

1.4.9

Finance Officer

Notify the Unit Head of budget constraints, and possible options of funding the expense.

			<u>Note</u>	
1.4.10	Unit Head		The PR may be processed by budget offset or by motivating for extra-budgetary expenditure.	
1.4.11	Unit Head		Decide if to proceed or discontinue with the PR. <u>Where the purchase is to be discontinued</u>	
			Discontinue PR by informing Accountant via email to terminate PR processing.	MS Outlook
1.4.12	Unit Head		End <u>Where the purchase is to be continued</u>	
1.4.13	Unit Head		Decide on how to fund the expense based on options provided by Finance Officer <u>Where the expense is to be funded by motivating for extra-budgetary expense</u>	MS Outlook
1.4.14	ED		Forward the Purchase Requisition to the ED through the Finance Officer for approval Review, approve and return to Manager	MS Outlook
1.4.15	Unit Head		<u>Where the expense is to be funded by budget offset</u> Request Accountant to perform budget offset on appropriate budget item.	
1.4.16	Finance Officer		<u>Note:</u> Budget can only be offset within budget category. Update the Budget Tracker with requested budget offset information.	MS Excel
			<u>Note:</u> This activity does not change the account to which the expense would be charged, but rather depletes the budget for the selected line item.	

1.4.17 Finance Officer Indicate on the PR that the budget check has been done and sign in the space provided

1.4.18 **To Purchase Ordering**

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Pro-forma Invoice/quotation Proposals	A document showing the nature and value of goods to be procured. It serves as an input in raising PRs.	Vendor	Staff

Output Documents

Document Description	Purpose	Source	Recipient
Purchase requisition	A document proposing an expense for a given cost centre.	Staff	Accountant

1.5 Purchase Ordering

This process covers the activities involved in the preparation and despatch of request for purchase order for the supply of goods and services to vendors on CSO's approved vendors list.

Procedures

Step	Responsibility	Task	Job Aid
1.5.1		From Purchase Requisitioning	
	Procurement Officer	Access the accounting system and complete a Purchase Order (PO) form based on the information contained on the approved PR.	
1.5.2	Procurement Officer	Compile documents and forward to the Finance Manager for review of documentation	
1.5.3	Finance Officer	Receive and review PR, PO and supporting documentation to ensure compliance to established policies and procedures forward to the Executive Director.	
1.5.4	Executive Director	Receive and review PO based on delegation of authority (DOA)	
1.5.5	Executive Director	<u>Where PO amount is within DOA</u> Approve PO by appending signature in the required space and forward to the Procurement Officer for processing	
		Go to 1.5.8	
1.5.6	Executive Director	<u>Where PO amount is above DOA</u> Forward approved PO to the relevant authority for counter approval as defined in the DOA	
1.5.7	Finance Manager	Receive approved PO and forward to Procurement Officer for dispatch to the vendors	
1.5.8	Procurement Officer	Receive approved PO and supporting documentation and dispatch to the appropriate vendor and follow up with vendor to ensure timely delivery of items/ service	
		<u>Note:</u> Purchase order to be distributed as follows after approval:	

Step	Responsibility	Task	Job Aid
		<ul style="list-style-type: none"> (i) Vendor (Original copy) (ii) Admin Officer File (with supporting documentation, motivation and requisition attached) (iii) User department 	
1.5.9		<u>Where an advance payment is required</u>	To Invoice Processing
1.5.10		<u>Where an advance payment is not required</u>	Receiving of Goods Receiving of Services

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Purchase Requisition	A document proposing an expense for a given cost centre.	Staff	Finance Officer
Purchase Order	A document authorising a vendor to provide goods/services to CLHEI. It is required to confirm propriety of goods delivered by a vendor	Procurement Officer	Unit Head and Vendor

1.6 Receiving of Goods

This process includes the activities involved in taking possession of goods purchased by CLHEI through vendors. Goods are received in the location specified in the purchase order.

Procedures

Step	Responsibility	Task	IT/Job Aid
		From Purchase Ordering	
1.6.1	User Department Staff/ Security	Obtain a copy of the PO from the vendor upon delivery of goods to CLHEI premises or project location.	
1.6.2	User Department Staff/ Security	Review the PO and confirm that the goods are being delivered to the appropriate delivery location specified on the PO.	
1.6.3	User Department Staff/ Security	<u>Where goods delivery is not to the appropriate location</u> Refer the vendor to the specified delivery location.	
1.6.4	User Department Staff/ Logistics Supervisor	<u>Where goods are delivered to the appropriate location</u> Retrieve filed PO using the PO number and confirm the nature, specifications and quantity of the goods ordered on the PO.	
1.6.5		<u>Where goods are not of a technical nature</u> Go to 1.5.7	
1.6.6	User Department Staff/ Logistics Supervisor	<u>Where goods are of a technical nature</u> Request a technical staff to inspect goods and confirm the nature of goods being delivered by the vendor.	
1.6.7	User Department Staff/Technical Staff/ Logistics Supervisor	Verify the nature, quality and quantity of goods against PO specifications. <u>Note:</u> The Receiving Staff should physically count the goods to verify the exact quantity supplied	
1.6.8	User Department Staff/ Technical Staff/ Logistics Supervisor	<u>Where the quality of the goods are not in line with PO specifications</u> Reject goods not up to the required quality. <u>Note</u> If some part of the goods delivered meet the required quality and this acceptable part is considered useful, it should be received. However if the acceptable part is not useful except complete delivery is received, the entire delivery shall be rejected.	
1.6.9	User Department	<u>Where goods delivery is not to the required quantity</u> Receive goods delivered into CLHEI custody, but reject goods that	

	Staff/ Logistics Supervisor	are unusable without complete delivery of all relevant parts.
1.6.10		<u>Where goods are in line with PO specifications</u>
	User Department Staff/ Logistics Supervisor	Complete a Goods Received Note (GRN), sign off and issue original to the vendor.
		<u>Note</u> <ul style="list-style-type: none">■ The GRN signifies that the goods delivered by the vendor have been inspected by user department staff and certified OK.■ Multiple GRNs can be raised for a PO. To Invoice Registration
1.6.11		<u>Where item received is a fixed asset</u> Forward duplicate copy of GRN to the Finance Manager

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Purchase order	A document authorising a vendor to provide goods/services to CLHEI. It is required to confirm propriety of goods delivered by a vendor.	Vendor	User Department Staff/ Logistics Supervisor

Output Documents

Document Description	Purpose	Source	Recipient
Goods received note (GRN)	A document issued to a vendor affirming CSO has taken custody of goods. It is issued per goods delivery.	User Department Staff/ Logistics Supervisor	Vendor

1.7 Receiving of Services

This process includes the activities involved in receiving services against the PO to evidence receipt from vendor.

Procedures

Step	Responsibility	Task	IT/Job Aid
		From Purchase Ordering	
1.6.1	User Department Staff	<p>Receive documents evidencing work done from the vendor.</p> <p><u>Note</u></p> <p>Documents evidencing work done include:</p> <ul style="list-style-type: none"> ▪ Timesheets (e.g. security services, professional services). ▪ Certificate of work done (e.g. construction work) 	
1.6.2	User Department Staff	Review the evidence of work done against the relevant PO and contract document, ensuring propriety of claims, rates and total value of services indicated.	
1.6.3	User Department Staff	<p><u>Where there are issues identified</u></p> <p>Resolve issues with the vendor, requesting amendments to the evidence of work done where appropriate.</p> <p><u>Note</u></p> <p>Issues that may be identified include:</p> <ul style="list-style-type: none"> ▪ Rates indicated not in line with the PO or contract document. ▪ The total value on the evidence of work done exceeds actual work done or PO value. 	
1.6.4	User Department Staff	<p><u>Where issues have been resolved</u></p> <p>Forward the evidence of work done to the Manager/ Project Sponsor for review and approval, attaching a printout of the PO and/or contract document.</p>	
1.6.5	Manager/Project Sponsor	Review the evidence of work done against the supporting documents and validate status of service receipt by CLHEI.	
1.6.6	Manager/Project Sponsor	<p><u>Where there are issues identified by the Manager</u></p> <p>Resolve issues with the vendors and request an amendment of the evidence of work done as appropriate.</p> <p><u>Note</u></p> <p>Issues that may be identified include that actual receipt of services</p>	

1.6.7	Manager	by CLHEI not in line with the evidence of work done document.
<u>Where issues identified have been resolved</u>		
1.6.8	User Department Staff	Approve the evidence of work done document and forward to the staff to issue Service Received Note (SRN).
1.6.9	User Department Staff	Receive approved evidence of work done; make photocopy and hand over the original copy to the vendor.

Note

- Multiple SRNs can be raised for a PO

To Invoice Registration

Input/Output Documents

Input Documents

Document Description	Purpose and Frequency	Source	Recipient
Purchase order	A document authorising a vendor to provide goods/services to CLHEI. It is required to confirm propriety of service delivered by a vendor/service provider.	Vendor	User Department Staff
Time sheet	A third party document that serves as an evidence for time charged for the services.	Vendor/service provider	User Department Staff
Certificate of work done	A third party document that evidences work done, e.g. for construction services.	Vendor/service provider	User Department Staff

Output Documents

Document Description	Purpose and Frequency	Source	Recipient
Service received note (SRN)	A document issued to a vendor affirming CLHEI has received the stated service. It is issued per service received.	User Department Staff	Vendor

2.0 Accounts Payable

Accounts payable covers the activities involved from receiving to obtaining approval for vendor invoices payment. The sub-processes under Accounts Payable include:

- 1 Invoice Registration
- 2 Payment Approval

2.1 Invoice Registration

This process describes all activities involved in receiving and recording details of invoices received from vendors. Invoices are received from vendors through the Procurement Officer. Invoice registration is the initial capture of invoice details into the company's financial system.

Procedures

Step	Responsibility	Task	IT/Job Aid
		Start	
2.1.1	Vendor	Visit CLHEI's office and drop invoice with the Procurement Officer <u>Note:</u> The GRN/SRN should be attached to the invoice.	
2.1.2	Procurement Officer	Review invoice and confirm if PO number is indicated and invoice is on a letter head.	
2.1.3	Procurement Officer	<u>Where PO number is not indicated on invoice/or invoice not on letter head</u>	

			Output Documents	Document Description	Purpose
		Set aside as invoice to be returned to vendor.			
		Go to 2.1.11			
2.1.4	Procurement Officer	Acknowledge receipt of invoice by date-stamping invoices with CLHEI official receipt stamp.			
2.1.5	Procurement Officer	Register the invoices in the invoice log spreadsheet by capturing the following details:		MS Excel	
		<ul style="list-style-type: none"> ▪ PO number ▪ Invoice number ▪ Receipt date ▪ Supplier details 			
		<u>Note:</u>			
		<ul style="list-style-type: none"> ▪ The invoice status in the Financial Accounting System (FAS) at this stage is 'Received'. 			
2.1.6	Procurement Officer	Confirm if the invoice is on letterhead, or alternatively, signed-off by the vendor.			
2.1.7	Finance Officer	<u>Where invoice is not on letter head or endorsed</u>		MS Excel	
		Update the invoice status in the log to 'Returned' and set aside the invoice.			
		Go to 2.1.11			
2.1.8	Procurement Officer	<u>Where invoice is on letter head or endorsed</u>			
		Retrieve filed PO using the PO number indicated on the invoice and compare invoice amount with value of the 'received' portion of the PO.			
		<u>Note:</u>			
		POs may be received in part as is the case in partial delivery.			
2.1.9	Procurement Officer	<u>Where invoice amount is less than or equal to PO amount</u>			
		Access the FAS and enter the invoice into the system, and set the due date for payment			
		<u>Note:</u>			

The payment due date should be inputted into the Invoice Log for easy of tracking

To Payment Approval

2.1.10

Where the invoice amount is greater than the PO amount

User Department Head

Update the invoice status in the log to 'Returned' and set aside the invoice.

2.1.11

User Department Head

Notify vendors via phone, e-mail or sms of issues identified with invoices that have been set aside, and request to pick up invoice(s) for correction and re-presentation.

End

Input Document

Document Description	Purpose	Source	Recipient
Invoices	Payment request for goods delivered or services rendered to CLHEI.	Vendor	User Department Head
Goods/Service received note (G/SRN)	A document issued to a vendor affirming CSO has received the stated Goods/service. It is issued per Good/service received.	Vendor	Finance Officer

2.2 Payment Approval

The payment approval process describes the activities involved in authorizing invoices for payment.

Procedures

Step	Responsibility	Task	IT/Job Aid
		From Invoice Registration	
2.2.1	Procurement Officer	Review PO and GRN to ensure that goods/services have been certified as received. <u>Note</u> Ensure that the receiving staffs counter signs on the GRN to indicate receipt of goods.	
2.2.2	Procurement Officer	<u>Where the goods/services have not been received</u> Contact Vendor by phone/e-mail and notify of invoice for which goods/services are yet to be received.	Phone/ MS Outlook
2.2.3	Procurement Officer	Log invoice(s) in manual register and forward to Manager to aid investigations.	
2.2.4	Procurement Officer	Receive notification of issue resolution and invoice from User Department staff and make internal inquiries to confirm status of goods/service receipt.	
2.2.5	Procurement Officer	<u>Where goods/services have been received</u> Manually match details contained in the invoice to relevant PO and GRN or SRN. <u>Note</u> The matching task is 3-way (Invoice – PO – GRN/SRN).	
2.2.6	Procurement Officer	Determine and enter appropriate account codes and cost centre (s) for the invoiced transactions based on the type of item supplied/service provided. <u>Note:</u> The accounting entries generated by this activity are:	Accounting System

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Service provider/staff	User Department Unit Head
Invoice	Payment request for goods delivered or services rendered to CSO.	Vendor	User Department Unit Head

Output Document

Document Description	Purpose and Frequency	Source	Recipient
Payment Requisition Form	A form that contains the details of the breakdown of amounts due to the vendors.	Finance Officer	User Department Unit Head

3.0 Expense Management

Expense Management covers the activities involved in managing business advances (staff advances) and petty cash for business purposes. Expense Management processes include:

- 1 Business Advance Request
- 2 Business Advance Retirement
- 3 Increase in Petty Cash Float
- 4 Petty Cash Request
- 5 Petty Cash Replenishment

3.1. Business Advance Request

This process covers the activities involved in requesting for a business advance. These are advances requested by staff to accomplish assigned company tasks.

Procedures

Step	Responsibility	Task	Job Aid
3.1.1	User Department Staff	<p>Print out and complete the Advance Request Form (ARF) and forward to line approver.</p> <p><u>Note:</u></p> <ul style="list-style-type: none">• Details to be completed in the ARF include<ol style="list-style-type: none">1 Staff Name2 Staff Number3 Department4 Required amount5 Justification for advance6 Current staff advance account balance, etc.• Requisitioner should confirm the current staff advance balance on his account with Accountant via phone or email before forwarding the ARF for approval.	
3.2.1	User Department Head	<p>Review ARF to ensure validity and appropriateness of advance request as well as accuracy of computation.</p> <p><u>Note:</u></p> <ul style="list-style-type: none">• The line manager of the requisitioner would act as the approver of the business advance request.• Where staff has an unretired advance outstanding, a new advance shall normally not be granted.	
3.3.1	User Department	<p><u>Where advance request is not okay</u></p> <p>Reject ARF.</p>	

Step	Responsibility	Task	Job Aid
	Head	End	Advance Request Form
3.4.1	User Department Head	<u>Where advance request is okay</u> Approve ARF and return to requisitioner.	process covers the activities involved in starting to accomplish assigned responsibilities.
3.5.1	User Department Staff	Forward ARF to Finance Officer for verification of the staff current advance account balance and endorsement.	Responsibility
3.6.1	Finance Officer	Receive ARF from requisitioner and verify the staff's current advance account balance.	Process
3.7.1	Finance Officer	Access the accounting system and post the necessary entries to recognise cash disbursement. Dr: Staff Advance Account Cr: Cash Account	Notes
3.8.1	Finance Officer	Endorse ARF and forward to the Cashier for further processing. Funds Disbursement – Cash Funds Disbursement – Cheque	Decision

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Advance Request Form	Used to raise request for a business advance.	Finance Officer	User Department Staff

3.2. Business Advance Retirement

This process covers the activities involved in accounting for business advance. These are advances requested by staff to accomplish assigned company tasks.

Procedures

Step	Responsibility	Task	Job Aid
3.2.1	Requisitioner (User Department Staff)	Print out and complete the Expense Retirement Form (ERF) filling in the relevant expense details.	
3.2.2		<u>Where requisitioner has unexpended cash balance</u> Return unexpended cash to the cashier and obtain a receipt of payment. Go to 4.2.3	
3.2.3	Requisitioner (User Department Staff)	<u>Where requisitioner does not have unexpended cash balance</u> Attach relevant supporting documents (receipts, ticket, etc.) and forward to relevant Unit Head for approval. <u>Note:</u> If the Requisitioner is the Unit, a higher level management staff will have to approve the retirement.	
3.2.4	Unit Head	Review ERF and documents for propriety, ensuring advance was utilised in line with approved expenditure.	
3.2.5	Unit Head	Approve ERF and return to Requisitioner.	
3.2.6	Requisitioner (User Department Staff)	Submit approved ERF with copy of payment receipt to Accountant for processing.	
3.2.7	Finance Officer	Receive approved ERF and supporting documents and review for proper authorisation.	
3.2.8	Finance Officer	Update the staff advance account on the system.	

Note:

For unexpended advance

Dr: Cash Account

Cr: Staff Account

For expended Advance

Dr: Expense Account

Cr: Staff Advance Account

3.2.9 Finance Officer Stamp "posted" on processed documents to evidence posting and file accordingly.

End

Input/Output Documents**Input Documents**

Document Description	Purpose	Source	Recipient
Expense Retirement Form	A form used to document the staff's business related expenses.	Requisitioner (User Department Staff)	Finance Officer
Receipt	A third party document showing evidence of cash spent by CSO staff.	Requisitioner	Finance Officer

3.3. Increase in Petty Cash Float Request

This process describes the activities involved in increasing the petty cash float of a department or CSO in line with the prevailing business needs.

Procedures

Step	Responsibility	Task	IT/Job Aid						
		Start							
3.3.1	Cash Custodian (Office Assistant)	<p>Prepare a justification for increase in petty cash float and forward to the approver for review.</p> <p><u>Note</u></p> <ul style="list-style-type: none"> • The justification should provide a business case for the request to increase petty cash float. • The Cash Custodian and approver role will be assigned to the following <table> <tr> <td>Location</td> <td>Cash Custodian</td> <td>Approver</td> </tr> <tr> <td>Head Office (All Departments within the head office location)</td> <td>Cashier</td> <td>Finance Officer</td> </tr> </table>	Location	Cash Custodian	Approver	Head Office (All Departments within the head office location)	Cashier	Finance Officer	MS Word
Location	Cash Custodian	Approver							
Head Office (All Departments within the head office location)	Cashier	Finance Officer							
3.3.2	Approver (Finance Policy)	Review and agree the justification for float increase to transaction history and changes to business operations.							
3.3.3	Approver (Finance Officer)	<p><u>Where the request for float increase cannot be justified</u></p> <p>Discontinue request for petty cash float increase.</p> <p>End</p>							
3.3.4	Approver (Finance Officer)	<u>Where the request for float increase is justified</u>							
3.3.5	Cash Custodian (Office Assistant)	Request Cash Custodian to complete the Petty Cash Float Request form.							
		Print out and complete the Petty Cash Float Request form based on agreement with the Approver.	FIDO						

Note

The details required on the form include:

- Cost centre code
- Location code
- Petty cash account number
- Name of Cash Custodian
- Current float amount
- Additional float amount required

3.3.6	Cash Custodian (Officer Assistant)	Attach justification document to Petty Cash Float Request form and forward to the Approver for approval.
3.3.7	Approver (Finance Officer)	Receive and review Petty Cash Float Request form and justification document, ensuring accuracy of request details.
3.3.8	Approver (Finance Officer)	Forward Petty Cash Float Request form and justification document to Finance and Admin Manager for review and approval.
3.3.9	Finance and Admin Manager	Receive Petty Cash Float Request form and justification document, sign on the request form and forward to the Executive Director
3.3.10	Executive Director	Receive and review Petty Cash Float Request form and justification document for propriety.

Note

The form is reviewed for:

- Justification for increase
- Reasonableness of amount requested

3.3.11		<u>Where there are no issues with the request</u> Go to 5.1.14	
3.3.12	Finance and Administrative Manager	<u>Where there are issues with the request</u> Contact the Finance Manager and resolve issues as appropriate.	
3.3.13	Finance and Admin Manager	<u>Where the request for float increase is to be discontinued</u> Discontinue petty cash request processing. End	
3.3.14	Finance and Admin Manager	<u>Where the request for float increase is to be continued</u> Sign off Petty Cash Float Request form and forward to the Executive Director for processing.	
3.3.15	Finance Officer	Receive authorised Petty Cash Float Request form, and update the Petty Cash Float Tracker to reflect the new float.	MS Excel

To Petty Cash Reconciliation & Reimbursement

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Justification document	A document that outlines the business case to justify an increase in petty cash float.	Cash Custodian	Approver (Finance Officer)
Petty cash Float Request form	A form to communicate details of the increase in float request.	Cash Custodian	Approver (Finance Officer)

Output Document

Document Description	Purpose	Source	Recipient
Petty Cash Float Request form (approved)	A form to communicate details of the increase in float request.	Executive Director	Finance Manager
Petty Cash Float Tracker	A log in MS Excel that details the maximum float for each CSO Location.	Accountant	Finance Manager

3.4. Petty Cash Expense & Disbursement

This process includes the activities involved in obtaining cash from the petty cash account to fund the procurement of minor goods and services for business purpose.

Procedures

Step	Responsibility	Task	IT/Job Aid
		Start	
3.4.1	Staff	<p>Obtain Petty Cash Voucher (PCV) from Cash Custodian, complete required sections and forward to the Approver for approval.</p> <p><u>Note</u></p> <ul style="list-style-type: none"> ▪ The PCV is a pre-printed form with a serialized numbering system. ▪ The details required include: <p>Name of the staff</p> <p>Amount required</p> <p>Justification for expense</p>	
3.4.2	Approver (Office Assistant)	Review PCV ensuring the expense is in line with policy and approve as appropriate.	
3.4.3	Cash Custodian (Office Assisnt)	Receive PCV and review for propriety, ensuring accuracy of computation.	
3.4.4		<u>Where issues are identified with PCV</u>	
	Cash Custodian (Office Assistant)	Notify staff of issues identified with PCV and request the staff to retrieve form and make necessary adjustments.	
3.4.5	Staff	Receive notification of issues identified with PCV and retrieve PCV from Cash Custodian.	
3.4.6	Staff	<p>Make required adjustments to PCV and return to the Approver.</p> <p>Go to 4.2.2</p>	
3.4.7		<u>Where there are no issues with PCV</u>	
	Cash Custodian (Office Assistant)	Approve PCV by signing off and disburse cash to staff as appropriate.	
3.4.8	Cash Custodian (Office Assistant)	Register details of approved PCV in logbook and file in Outstanding PCV file.	
		<u>Note</u>	
		The PCV is filed temporarily in the Outstanding PCV file pending retirement by staff.	

		Step	Responsibility
3.4.9	Staff	Purchases items/services using petty cash and obtain receipt from vendor.	
		<u>Note</u>	
		Some expenses may not be receipted e.g. local transport.	
3.4.10	Cash Custodian (Office Assistant)	<u>Where expense is not retired within twenty four (24) hours</u> Forward the PCV to the Finance Officer to notify him of outstanding petty cash and request update of the staff's advance account.	
3.4.11		Receive PCV from the Cash Custodian and update staff advance account.	
		<u>Note</u>	
		<ul style="list-style-type: none"> • The accounting entries are: <p>Dr Staff's advance account</p> <p>Cr Petty Cash account</p>	
		<ul style="list-style-type: none"> • For Cash Custodians outside the Head Office, requests for conversion of outstanding petty cash to staff advance and PCVs are forwarded to the Finance Officer at the end of week along with the petty cash retirement and reconciliation documents. 	
		To Business Advance Retirement & Reimbursement	
3.4.12	Cash Custodian (Office Assistant)	<u>Where expense is retired within twenty four (24) hours</u> Indicate actual amount spent by staff on PCV and obtain staff's sign-off on the PCV.	
3.4.13	Cash Custodian (Office Assistant)	<u>Where expenses are without receipts</u> Notify Vendor via e-mail and request confirmation of expense.	MS Outlook
		<u>Note</u>	
		Expense claims without receipts must be supported by an e-mail from Vendor confirming the expense.	
3.4.14	Vendor	Receive notification for expense support, confirm actual expenditure by staff and send e-mail confirming expense to Cash	MS Outlook

		Custodian as an evidence of expense.	
3.4.15	Cash Custodian (Office Assistant)	Receive confirmation e-mail for expense support from Vendor.	MS Outlook
3.4.16	Cash Custodian (Office Assistant)	Update the petty cash schedule with the relevant details.	
3.4.17	Cash Custodian (Office Assistant)	Stamp PCV as processed.	
3.4.18	Cash Custodian (Office Assistant)	File stamped PCV, receipts and print out of confirmation e-mail appropriately.	

To Petty Cash Reconciliation & Reimbursement

Input/Output Documents

Output Document

Document Description	Purpose	Source	Recipient
Expense confirmation e-mail	E-mail sent to confirm un-receipted petty expense incurred by staff.	Vendor	Cash Custodian (Office Assistant)
Receipt	A third party document showing evidence of cash spent by CSO staff.	Staff	Cash Custodian (Office Assistant)

3.5. Petty Cash Reconciliation & Reimbursement

This process covers the activities involved in accounting for cash disbursed through petty cash and requesting for replenishment of petty cash float.

Procedures

Community Links

Step	Responsibility	Task	IT/Job Aid
		<p>From Increase in Petty Cash Float Request</p> <p>From Petty Cash Expense & Disbursement</p> <p>From Business Advance Request</p>	
3.5.1	Cash Custodian (Office Assistant)	<p>At the beginning of each week prepare a report of petty cash transactions for the relevant petty cash account.</p> <p><u>Note</u></p> <p>The petty cash accounts shall be reconciled and reimbursed weekly.</p>	
3.5.2	Cash Custodian (Office Assistant)	Prepare a reconciliation statement for the petty cash account.	
3.5.3	Cash Custodian (Office Assistant)	<p>Count cash in hand (if any) in the presence of a CSO staff and obtain the observer's signature on the reconciliation statement against the cash count.</p> <p><u>Note</u></p> <p>The staff that witnessed the cash count must sign in the appropriate section of the reconciliation statement as evidence that the cash was accurately counted.</p>	
3.5.4	Cash Custodian (Office Assistant)	<p>Forward the reconciliation statement with supporting documents to the Approver for review.</p> <p><u>Note</u></p> <p>The supporting documents include:</p> <ul style="list-style-type: none"> ▪ Petty cash transaction listing ▪ Receipts/ confirmation e-mails (for expenses) 	

Step	Responsibility	Task	IT/Job Aid
		without receipts)	<ul style="list-style-type: none"> Petty Cash Voucher (PCV)
3.5.5	Approver (Finance Officer)	Receive and review reconciliation statement against the PCV, receipts and confirmation e-mails to ascertain accuracy of reconciliation statement.	
3.5.6		<u>Where there are issues identified with the reconciliation</u>	
	Approver (Finance Officer)	Return reconciliation statement and supporting documents to the Cash Custodian and request a resolution of the identified issues.	
3.5.7	Cash Custodian (Office Assistant)	Resolve issues identified with the reconciliation, make required adjustments and return to the Approver.	
		Go to 4.3.4	
3.5.8		<u>Where the reconciliation is accurate</u>	
	Approver (Finance Officer)	Forward reconciliation statement and supporting documents to the Accountant for approval.	
3.5.9	Accountant	Review and approve reconciliation statement for reimbursement by signing off.	
3.5.10	Accountant	Forward reconciliation statement and supporting documents to the Accountant.	
3.5.11	Accountant	Review and authorise cash reimbursement by endorsing the reconciliation statement.	
3.5.12	Accountant	Return the reconciliation statement with supporting documents to the Accountant.	
		To Fund Disbursement – Cash	
		To Fund Disbursement – Cheque	
		To Fund Disbursement – Direct Transfer	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Petty Cash Voucher form	A form to be used in requesting funds for petty expenses.	Staff	Cash Custodian (Office Assistant)
Expense confirmation e-mail	E-mail sent to confirm un-receipted petty expense incurred by staff.	Vendor	Cash Custodian (Office Assistant)
Receipt	A third party document showing evidence of cash spent by CSO staff.	Staff	Cash Custodian (Office Assistant)

Output Document

Document Description	Purpose	Source	Recipient
Petty Cash Transaction Listing	Shows details of transactions posted into each petty cash account.	Cash Custodian (Office Assistant)	Finance Officer
Petty Cash Reconciliation Statement	Checks that cash received has been properly accounted for and agreed to ending cash balance.	Cash Custodian (Office Assistant)	Finance Officer

4.0 Treasury Management

This process covers activities involved in managing CLHEI's funds. It covers activities involved in establishing cash position and requirements to enable CLHEI to meet its cash obligations, receipt of fund and settlement of payment claims/obligation.

Treasury Management processes include:

- 1 Cash Forecasting
- 2 Funds Receipt
- 3 Fund Disbursement
- 4 Fund Disbursement – Cash Disbursement
- 5 Fund Disbursement – Cheque Disbursement
- 6 Fund Disbursement – Direct Transfer
- 7 Bank Reconciliation

4.1 Cash Forecasting

This process covers the activities involved in providing a realistic projection of the company's future cash inflows and outflows and proactively determine the periods in the future when the Company will have surplus or insufficient funds to meet its future obligations

Procedures

Step	Responsibility	Task	IT/Job Aid
		Start	
4.1.1	Finance Officer	Obtain the cash balance for each of the CLHEI bank accounts from the latest bank reconciliation statement. <u>Note</u> The cash forecast is a weekly forecast of expenditure for four (4) weeks. It is prepared at the beginning of each week.	
4.1.2	Finance Officer	Input total cash available from the bank accounts in the relevant field of the cash forecast template.	

Step	Responsibility	Task	IT/Job Aid
4.1.3	Finance Officer	<p>Obtain the estimated receipts from grants and donations for the period being forecasted from the Resource Mobilization Officer.</p> <p>Note:</p> <ul style="list-style-type: none"> • The Receipts estimate will be based on the following: <p>The prior period income figures</p> <p>Planned Resource mobilization activities</p> <p>Other environmental and social factors that could have a direct impact on sales.</p>	
4.1.4	Finance Officer	Obtain data (actual and estimate) for all expenditure items in the cash forecast template.	
4.1.5	Finance Officer	<p><u>For payments to suppliers (local and foreign) including prepayments and accrual</u></p> <p>Request the Procurement Officer to prepare a schedule of all payment that falls due within the period of the forecast, stating the total amount.</p>	
4.1.6	Finance Officer	<p><u>For business expenses</u></p> <p>Review trend in business advance, travels, per diem and petty cash expenditure, and compute to obtain an average of actual expense over the previous three (3) months.</p>	
4.1.7	Finance Officer	<p><u>For long and medium term loans</u></p> <p>Obtain the value of loan repayment (long and medium term) due during the period of the forecast from the schedule.</p>	
4.1.8	Finance Officer	<p><u>For staff salaries</u></p> <p>Request and obtain salary estimates for the month from the HR Manager .</p>	
4.1.9	Finance Officer	<p><u>For banking fees and charges</u></p> <p>Retrieve latest bank statements and obtain monthly bank fees and charges.</p>	
4.1.10		<p><u>For statutory payments</u></p>	

Step	Responsibility	Task	IT/Job Aid
	Finance Officer	Liaise with the Statutory Institution Officer and obtain the value of VAT and WHT to be remitted during the period covered by the forecast.	
4.1.11	Finance Officer	Populate the cash forecast template with the figures obtained and compute the net cash position for the period.	
4.1.12	Finance Officer	Prepare cash forecast schedule based on details of projection of expenditure.	
		<u>Note</u>	
		<ul style="list-style-type: none"> ▪ The cash forecast is to be ready by 10am every Monday. 	
4.1.13	Finance Officer	Print out and forward the cash forecast schedules and supporting documents to the Finance and Admin Manager.	
4.1.14	Finance and Admin Manager	Receive and review the cash forecast schedules against the expenditure data for data accuracy and reasonableness of projections.	
4.1.15	Finance and Admin Manager	Approve the cash forecast schedule where there are no issues identified.	
4.1.16	Finance and Admin Manager	Forward copy of cash forecast schedules to the relevant personnel.	
		<u>Note:</u>	
		The distribution list of the cash forecast include:	
		<ol style="list-style-type: none"> 1 Executive Director 2 Program Manager 3 Accountant 	
4.1.17	Finance and Admin Manager	Discuss the cash forecast with the Program Manager and make appropriate cash management decision.	
4.1.18		<u>Where there is a cash surplus</u>	
	Management Team	Decide on how to invest excess fund on CLHEI's behalf in line with DOA.	
4.1.19	Management Team	<u>Where there is a cash deficit</u>	

Step	Responsibility	Task	IT/Job Aid
		<p>Decide on how to source/manage funds for obligations that fall due.</p> <p><u>Note:</u></p> <p>Several options are available to fund the cash deficits, some of which include:</p> <ul style="list-style-type: none"> Short term borrowings (from sister companies) A revolving credit facility from banks Renegotiation of due interest payments on loans Delayed supplier payment, etc. 	
4.1.20	Finance and Admin Manager	<p>Implement cash management decision taken with the Management Team</p> <p>End</p>	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Bank reconciliation statement	A reconciliation of the Accounting system bank account to bank statement.	Finance Officer	Finance and Admin Manager
Due payment report	A report of due payments in the accounting system.	Finance Officer	Finance and Admin Manager
Loan repayment schedule	A schedule showing existing loans and their repayment timetable.	Finance Officer	Finance and Admin Manager
Bank statement	A statement of CSO's bank	Bank	Finance Officer

	account with a bank.		
VAT&WHT analysis report	A report of CLHEI's outstanding liability on VAT&WHT.	Statutory Institution (eg NHIS)	Finance Officer

Output Documents

Document Description	Purpose	Source	Recipient
Cash forecast	A schedule showing estimates of cash needs per expenditure head on a weekly basis.	Accountant	Finance and Finance Manager

4.2 Funds Receipt

This process describes the steps involved in ensuring that company funds are received and effectively captured in the banks books on a timely basis and that adequate controls and safeguards are in place to avoid misappropriation or theft of funds.

Procedures

Step	Responsibility	Task	Job Aid
4.2.1	Office Assistant	Receive cash from staff or cheque from staff.	
4.2.2		<p><u>For cash receipts</u></p> <p>Office Assistant Count and confirm the cash amount in the presence of the payer and lodge cash collected in a safe.</p> <p><u>Note:</u></p> <p>Cash Should be passed under the mercury light provided to detect fake notes.</p> <p>Go to 5.2.4</p>	Mercury light
4.2.3		<u>For cheque receipts</u>	
4.2.4	Office Assistant	Make photocopy of cheque and file.	
4.2.5	Office Assistant	Prepare Official Receipt in duplicate, endorse and stamp.	
4.2.6	Office Assistant	Detach and issue original copy of Official Receipt to the payer by hand or mail.	
4.2.7	Office Assistant	Record details of cash/cheque collected in the Cash or Cheque Register.	
4.2.8	Office Assistant	Before close of business, collate all collections for the day and liaise with the Finance Officer to determine which bank to lodge funds based on cash balance of each bank account and the projected cash forecast.	
4.2.9	Office Assistant	Deposit all cash and cheques collected at the identified lodgement bank.	
4.2.10	Office Assistant	Collect endorsed copy of deposit slips from bank and forward to the Finance Officer	
	Receivable Accountant	<p>Receive cash/cheque details and deposit slip from the Cashier and update the relevant accounts.</p> <p>Dr: Bank Account</p> <p>Cr: Staff Advance Account</p>	

Output Documents

Document Description	Purpose	Source	Recipient
Bank Deposit Slip	A document that evidences the receipt of cash deposits by the bank. It is obtain each time cash/cheque is deposited into the bank.	Bank	Office Assistant

4.3 Fund Disbursement

This process covers activities involved in the settlement of staff and third party claims/obligations. It also ensures that approved payments are disbursed accurately as and when due

Procedures

Step	Responsibility	Task	Job Aid						
4.3.1	Finance Officer	<p>From:</p> <ul style="list-style-type: none"> - Business Advance Requisitioning - Petty Cash Requisitioning - Payment Approval - Payroll Processing <p>Receive approved payment request documents (Fund Requisition form, advance request, etc.) from Requisitioner or Requisitioning dept.</p> <p>Note:</p> <p>The payment documentation required for the processes above include:</p> <table border="1"> <thead> <tr> <th>Process</th><th>Payment Request Documents</th></tr> </thead> <tbody> <tr> <td>Activity Advance Requisitioning</td><td> <ul style="list-style-type: none"> • Completed Advance Request Form </td></tr> <tr> <td>Petty Cash Request</td><td></td></tr> </tbody> </table>	Process	Payment Request Documents	Activity Advance Requisitioning	<ul style="list-style-type: none"> • Completed Advance Request Form 	Petty Cash Request		
Process	Payment Request Documents								
Activity Advance Requisitioning	<ul style="list-style-type: none"> • Completed Advance Request Form 								
Petty Cash Request									

Step	Responsibility	Task	Job Aid

Step	Responsibility	Task	Job Aid
	Payment Approval		<ul style="list-style-type: none">• Petty Cash Voucher (PCV) <ul style="list-style-type: none">• Vendor Invoice• PO• GRN• Other contract documentation

Step	Responsibility	Task	Job Aid
		Payroll Processing	Staff payroll, salary payment schedule, staff timesheets
4.3.2	Finance Officer	Review payment request documents to ensure arithmetic accuracy of computations and proper authorisation of the request in line with the DOA.	
4.3.3	Finance Officer	Sort payment requests into internal (activity advances, staff loans, etc.) and third party (vendor/supplier, etc.) payments.	
4.3.4	Finance Officer	Prioritise and batch invoices to be settled based on payment due date, and availability of funds.	
4.3.5	Finance Officer	<p><u>Where a payment is not to be settled immediately</u></p> <p>Identify and file the payment requests document(s) to be deferred and processed with the next batch.</p> <p>Go to 5.3.3</p>	
4.3.6		<p><u>For internal payment requests to be settled immediately</u></p> <p>Go to 5.3.10</p>	
4.3.7	Finance Officer	<p><u>For third party payments to be settled immediately</u></p> <p>Log on to Accounts Payable Module of the Accounting System and call up payments details for each transaction.</p>	Accounting System
4.3.8	Finance Officer	Match payment details with supporting documents to ensure there are no discrepancies.	Accounting System
4.3.9	Finance Officer	<p><u>Where there are discrepancies</u></p> <p>Return Payment request documents to Requisitioner for amendment.</p> <p>Go to 5.3.1</p>	
4.3.10		<p><u>Where there are no discrepancies</u></p> <p>Accountant</p> <p>Determine mode of payment, in accordance with approved payment policies.</p>	Accounting System
4.3.11		<p><u>Where disbursement is by cheque</u></p> <p>To Fund Disbursement – Cheque</p>	

Step	Responsibility	Task	Job Aid
4.3.12		<u>Where disbursement is by cash</u> To Fund Disbursement – Cash	
4.3.13		<u>Where disbursement is by direct transfer into beneficiary's account</u> To Fund Disbursement – Direct Transfer	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Petty Cash Transaction Listing	Shows details of transactions posted into each petty cash account.	Office Assistant	Finance Officer
Petty Cash Reconciliation Statement	Checks that cash received has been properly accounted for and agreed to ending cash balance.	Office Assistant	Finance Officer
Advance Request Form	Used to raise request for activity advance.	Staff	Finance Officer
Purchase order	A document authorising a vendor to provide goods/services to CSO. It is required to confirm propriety of service delivered by a vendor/service provider.	Procurement Officer	Vendor
Invoices	Payment request for goods delivered or services rendered to CSO.	Vendor	Procurement Officer
Payment Requisition Form	A form that contains the details of the breakdown of amounts due to the vendors.	Finance Officer	Finance and Admin Manager
Goods/Service received note (G/SRN)	A document issued to a vendor affirming CSO has received the stated Goods/service. It is issued per Good/service received.	Procurement Officer	Vendor

4.4 Fund Disbursement – Cash Disbursement

This process covers activities involved in the settlement of staff and third party claims/obligations via cash disbursement.

Procedures

Step	Responsibility	Task	Job Aid
4.4.1		From Fund Disbursement	
	Finance Officer	Complete Payment Voucher (PV) in duplicate stating all relevant payment details and particulars.	
4.4.2	Finance Officer	Forward the PV to Cashier for cash disbursement.	
4.4.3		<u>Where Requisitioner comes to pick up cash</u>	
	Office Assistant	Disburse cash to requisitioner at approved payment time and obtain signature of the recipient on the Payment Voucher to evidence payment.	
		Note:	
		Cash disbursement to be made between 10:00AM – 3.00 PM on a daily basis.	
4.4.4	Office Assistant	Cross out all supporting documents, stamp Payment Voucher as “paid” and file accordingly.	
4.4.5	Finance Officer	At the end of the day, collate all processed Payment Voucher and post payment details into the Accounting System to update the relevant accounts.	Accounting System
4.4.6	Finance Officer	File PV and supporting documentation appropriately.	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Office Assistant	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Payment Voucher	A document that contains the details of payment to be made to the recipient.	Accountant	Finance and Admin Manager

4.5 Fund Disbursement – Cheque Disbursement

This process covers activities involved in the settlement of staff and third party claims/obligations via cheque disbursement.

Procedures

Step	Responsibility	Task	Job Aid
4.5.1	Finance Officer	From Fund Disbursement Prepare the Payment Voucher for cheque disbursement, retrieve cheque book from the Finance Manager and write-out payment instruction in favour of Payee on cheque leaflets.	
4.5.2	Finance Officer	Prepare bank confirmation covering letter for cheques with amounts greater than the amount stipulated in the finance polices.	
4.5.3	Finance Officer	Attach relevant supporting payment documents to the cheque.	
4.5.4	Finance Officer	Forward cheque (including the cheque book), Payment Voucher and other supporting documents to authorised signatories for approval in accordance with the approved DOA.	
4.5.5	Authorised Signatories	Review and approve cheques, ensuring accuracy and agreement of details with relevant supporting documents.	
4.5.6	Authorised Signatories	Endorse cheque stub and Payment Voucher to evidence payment and return to the Accountant for further processing.	
4.5.7	Accountant	Receive approved cheques and Payment Voucher and update Cheque Register with details of cheque (date, cheque number, recipient and amount).	
4.5.8	Finance Officer	<u>Where approved cheque is in respect of petty cash replenishment</u> Request petty cash custodian to pick up cheque. Go to 5.5.14	
4.5.9	Finance Officer	<u>Where approved cheque is in respect of payroll disbursement</u> Forward cheques, payment schedule and covering letters to the various salary paying banks for processing.	
4.5.10	Finance Officer	Advice Payroll Officer of deposit into Staff Salary Account.	
4.5.11	Finance Officer	Advise beneficiary to pick up cheque.	
4.5.12	Finance Officer	Detach cheque leaf from cheque book, release cheque to beneficiary and obtain beneficiary's acknowledgement on the Cheque Register.	

Step	Responsibility	Task	Job Aid
4.5.13	Finance Officer	<p>Post payment details into the Accounting System and update bank position.</p> <p>Dr: Liability Account</p> <p>Cr: Bank Account</p>	Accounting System
4.5.14	Finance Officer	<p>Cross out all supporting documents, stamp Payment Voucher as "paid" and file accordingly.</p> <p>End</p>	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Accountant	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Payment Voucher	A document that contains the details of payment to be made to the recipient.	Accountant	Finance Manager

4.6 Fund Disbursement – Direct Transfer

This process covers activities involved in the settlement of staff and third party claims/obligations via direct transfer to recipients account.

Procedures

Step	Responsibility	Task	Job Aid
4.6.1	Finance Officer	From Funds Disbursement Prepare Payment Voucher and Payment Transfer Instruction Letter, authorising a direct transfer of due payments/ amounts to beneficiary's bank accounts.	
4.6.2	Finance Officer	Forward Payment Vouchers, Transfer Instruction Letter, supporting documents (invoices, etc.) to authorised signatories (ED) for approval in line with approved DOA.	
4.6.3	Authorised Signatories (ED)	Review and approve Payment Voucher and Transfer Instruction Letter, ensuring accuracy and agreement of details with supporting documents.	
4.6.4	Finance Officer	Receive approved Payment Voucher and Transfer Instruction Letter from authorised signatories, and dispatch Transfer Instruction Letter with acknowledgement copy to selected bank.	
4.6.5	Finance Officer	Obtain bank officer's signature on acknowledgment copy of Transfer Instruction Letter to acknowledge receipt of transfer instruction.	
4.6.6	Finance Officer	Generate and dispatch a payment advice to beneficiaries. <u>Note:</u> The payment advice can be an email or official letter.	
4.6.7	Finance Officer	Post the payment details per the payment voucher into the Accounting System. Dr: Liability Account Cr: Bank Account	Accounting System
4.6.8	Finance Officer	Cross out and stamp all supporting documents (invoices, payment voucher, etc.) with "Paid" and file documents accordingly.	

Step	Responsibility	Task	Job Aid
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Accountant	Finance and Admin Manager

Output Documents

Document Description	Purpose	Source	Recipient
Payment Voucher	A document that contains the details of payment to be made to the recipient.	Accountant	Finance and Admin Manager

4.7 Bank Reconciliation

This process covers activities aimed at ensuring the accuracy of the Organization's bank's position or records at any point in time.

Procedures

Step	Responsibility	Task	Job Aid
4.7.1	Finance Officer	Obtain Bank Statement from various banks at month end for bank reconciliation.	
4.7.2	Finance Officer	Print out General Ledger-(GL) bank transaction report for the month from the Accounting System.	Accounting System
4.7.3	Finance Officer	Reconcile balance per bank statement to balance per GL.	
4.7.4	Finance Officer	Identify reconciling items such as un-presented cheques, un-credited lodgements, etc.	
4.7.5	Finance Officer	Identify interest income and charges, and other bank charges (e.g. COT) on the bank statement.	
4.7.6	Finance Officer	Recover / re-compute these items to confirm their reasonableness/accuracy.	
4.7.7	Finance Officer	Identify other unmatched items in the bank statement (e.g. direct credit and direct debits), and confirm that they relate to bonafide transactions.	
4.7.8	Finance Officer	Prepare Bank Reconciliation Statement (BRS).	
4.7.9	Finance Officer	Raise a journal/voucher to book the unmatched, bonafide items in the bank statement.	
4.7.10	Finance Officer	Forward BRS, Journal/ Voucher, Bank Statement and GL Bank Transaction Report to Finance Manager for review.	
4.7.11	Finance and Admin Manager	Review the BRS, Journal/Voucher and supporting documents by checking accuracy of computations, validity of reconciliation and validity of reconciling items and forward the BRS to the Program Manager.	
4.7.12	Program and	Review, approve and sign the BRS, Journal Voucher and return to	

Step	Responsibility	Task	Job Aid
	Admin Manager	Accountant for booking.	4.7 Bank Reconciliation
4.7.13	Accountant and Admin	Post adjusting entries into the Accounting System.	4.7.13 Process Overview
4.7.14	Accountant	File all documentation and contact bank to resolve any unusual or unexplained items.	4.7.14 Accounting System
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Bank Statement	A document issued by the bank that details movement on the CSO's account.	Bank	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Bank Reconciliation Statement	This document specifies the reconciling items and the appropriate treatment for each.	Accountant	Finance and Admin Manager

5.0 Financial Reporting

This process covers the various activities involved in the recording, classification and analysis of financial transactions, including the preparation, generation and presentation of key management and financial reports. It comprises the following sub-processes:

- 1 Accounts Reconciliation
- 2 Prepayment Processing
- 3 Period-end Closing
- 4 Amendment to Chart of Accounts

5.1 Accounts Reconciliation

This process is designed to ensure that the General Ledger account balances are accurate.

Procedures

Step	Responsibility	Task	Job Aid
5.1.1	Finance Officer	Generate trial balance from the Accounting System on the defined cut-off date on a monthly basis.	Accounting System
5.1.2	Finance Officer	Review trial balance, isolate unusual items and identify accounts to be reconciled. <u>Note:</u> This includes negative balances, unusually low/ high balances and/or balances with high variances when compared to prior period.	
5.1.3	Finance Officer	Print out General Ledger Transaction Listing of the accounts to be reconciled.	Accounting System
5.1.4	Finance Officer	Reconcile GL transaction listing to sub ledger records and supporting documents.	
5.1.5		<u>Where there no discrepancies</u> Forward documentation to the Finance and Admin Manager for review and approval. Go to 7.1.7	

Step	Responsibility	Task	Job Aid
5.1.6	Finance Officer	<u>Where there are discrepancies</u> Prepare a statement reconciling the GL balance to subsidiary ledger balances, raise appropriate adjusting journal entries and forward to the Finance Finance and Admin Manager for approval.	
5.1.7	Finance and Manager	Review reconciliation statements, sign off adjusting entries and return to Finance Officer for posting.	
5.1.8	Finance Officer	Post journal entries.	Accounting System
5.1.9	Finance Officer	File all documentation (Reconciliation Statements, Journal, etc.).	
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Trial Balance	A schedule that states the stock remaining in the warehouse based on the accounting system information.	Finance Officer	Finance and Admin Manager

Output Documents

Document Description	Purpose	Source	Recipient
Reconciliation Statement	This document specifies the reconciling items and the appropriate treatment for each.	Finance Officer	Finance and Admin Manager
Journal Adjustments Form	This form is used to update entries made into the accounting system.	Finance Officer	Finance and Admin Manager

5.2 Prepayment Processing

This process is designed to ensure complete and accurate capture, recording and amortisation of prepaid expenses over the period for which the benefit will be enjoyed.

Procedures

Step	Responsibility	Task	Job Aid
5.2.1	Finance Officer	Access Accounting System and print-out transaction listing of all Prepayment Accounts in the GL.	Accounting System
5.2.2	Finance Officer	Print out the Prepayment Amortisation Schedule and reconcile to prepayment account details.	MS Excel
		<u>Note:</u> A Prepayment Amortisation Schedule should be maintained by the Finance Officer	
5.2.3	Finance Officer	Identify reconciling items such as new prepayments and unmatched amortisation.	
5.2.4	Finance Officer	Update amortisation schedule with new entries (prepayments) per GL prepayment account and compute amortisation, for the month.	MS Excel
5.2.5	Finance Officer	Raise appropriate journal entries to adjust the GL balance and book amortisation, for the month.	
5.2.6	Finance Officer	Forward journal voucher, updated Prepayment Schedule and other relevant support to Finance and Admin Manager for review and approval.	
5.2.7	Finance and Admin Manager	Review Prepayment Adjusting Journal Voucher along with supporting documents and approve accordingly.	
5.2.8	Finance Officer	Post journal entries to effect adjustments to prepayment GL account.	Accounting System
		To Period-end Closing	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Prepayment Amortisation Schedule	A schedule that contains all the ongoing prepayment amortisation.	Finance Officer	Finance and Admin Manager
Prepayment Account Transaction Listing	This contains a listing of transactions posted into the prepayment account in the accounting system.	Finance Officer	Finance and Admin Manager

Output Documents

Document Description	Purpose	Source	Recipient
Journal Adjustments Form	This form is used to update entries made into the accounting system.	Accountant	Finance Manager

5.3 Period Closing

This process covers the activities involved in preparing period-end financial reports and statements. It ensures accurate and timely capture, recording and classification of CLHEI's activities and financial activities

Procedures

Step	Responsibility	Task	Job Aid
5.3.1	Finance Officer	Obtain all relevant month-end reports from process operators on agreed period-end cut-off date and commence period-end closing procedure.	
5.3.2	Finance Officer	Update all other relevant month-end accounts and schedule (fixed asset register and depreciation schedules, inter-company payables and receivables, interest expenses, etc.).	
5.3.3	Finance Officer	Raise journal vouchers to book all necessary transactions i.e. depreciation, interest expense, inter-company transactions, etc.	
5.3.4	Finance Officer	Collate all journal vouchers and supporting documents/ schedule and forward to Finance and Admin Manager for review and approval.	
5.3.5	Finance and Admin Manager	Review journal vouchers and supporting documents, make appropriate corrections if required, and approve for posting into the Accounting System.	
5.3.6	Finance Officer	Post transactions into the Accounting System and print out draft transaction listing for the period.	Accounting System
5.3.7	Finance Officer	Forward draft transaction listing and supporting documents to Finance and Admin Manager for review.	
5.3.8	Finance and Admin Manager	Review transaction listing and reconcile to journal vouchers and other source documents to ensure completeness and accuracy of financial report.	
5.3.9	Finance and Manager	Update transactions on Accounting System if required and generate period-end financial reports.	Accounting System
5.3.10	Finance and Manager	Forward draft financial reports to Executive Director for review	
5.3.11	Executive Director	Review draft financial reports and recommend amendments as	

Step	Responsibility	Task	Job Aid
		required.	
5.3.12	Finance and Manager	Update transactions on Accounting System as required and generate period-end financial reports.	Accounting System
5.3.13	Executive Director	Approve Period-end Financial Reports.	
5.3.14	Finance and Admin Manager	Back up all data files.	
5.3.15	Finance and Manager	Request the Finance Officer print copies of final reports and distribute accordingly.	
<p>Note:</p> <p>Final reports (monthly and year-end) to be distributed as follows:</p> <ul style="list-style-type: none"> – Board of Directors – CEO – Program Managers – Department Heads 			

5.4 Chart of Account Maintenance

This process covers activities involved in the maintenance and update of the CLHEI's chart of accounts.

This process is designed to ensure:

- Availability of complete and relevant chart of accounts for the recording of the CLHEI's financial activities
- Timely and accurate update of the charts-of-accounts on an on-going basis
- Proper authorisation of amendments to the Chart of Accounts

Procedures

Step	Responsibility	Task	
5.4.1	Finance Officer	Identify need for new account headings/ cost centers based on newly identified transaction types or in response to need for improved/ different classification and reporting of transactions.	
5.4.2	Finance Officer	Prepare a memo informing the Finance and Admin Manager of the need for amendment to the chart of accounts, including justification for amendment.	
5.4.3	Finance and Admin Manager	Review Chart of Account amendment request and review justification for recommended amendment.	
5.4.4	Finance and Admin Manager	<u>Where amendment is not justified</u> Reject amendment and notify Finance Officer accordingly.	
5.4.5	Finance and Admin Manager	<u>Where amendment is justified</u> Approve amendment, modifying the recommendation as required and return to the Finance Officer for implementation.	Accounting System
5.4.6	Finance Officer	Access chart of account modification utility on the Accounting System and amend/ update chart of accounts as approved.	Accounting System
5.4.7	Finance Officer	Print out and review copy of amended Chart of Accounts and forward to Finance and Admin Manager for approval.	Accounting System
5.4.8	Finance and Admin Manager	Approve amended Chart of Accounts and return to Finance Officer.	
5.4.9	Finance Officer	File approved Chart of Accounts, and circulates copies of amended Chart of Accounts to all relevant staff.	
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Chart of Accounts	A schedule that contains a listing of accounts their descriptions and the account code they are mapped to in the system.	Finance Officer	Finance and Admin Manager

6.0 Budgeting

This process covers activities involved in CLHEI budgeting from budget development to budget implementation and monitoring.

The budgeting processes include:

1. Budget Development
2. Budget Monitoring and Reporting

6.1 Budget Development

This process covers the activities involved in developing a realistic annual budget for CLHEI

Procedures

Step	Responsibility	Task	IT/Job Aid
		Start	
6.1.1	Management Team	Develop Strategic Plan and Goals for CLHEI at the beginning of the Financial Year (FY) and send to Finance and Admin Manager for Review	MS Word, Email
6.1.2	Finance and Admin Manager	Develop/Review budget guideline for the FY	MS Excel, Accounting System
6.1.4	Finance and Admin Manager	Send budget guideline to project Executive Director for Approval for approval	
6.1.5	Finance and Admin Manager	<u>Where guideline is not approved</u> Return it develop and review the budget guideline for the FY	
6.1.6	Finance and Admin Manager	<u>Where guideline is approved</u> Send approved Strategic plan and Budget guideline to Programme Manager and Programme Officers on the budget for the FY	
6.1.7	Programme Manager	Receive Strategic plan and review with other programme officers	
6.1.8	Programme Manager	Develop draft budget and with programme officers and other team members	
6.1.9	Programme Manager	Send Draft budget proposal to the Finance and Admin Manager for review	
6.1.10	Finance and Admin Manager	Receive and review draft budget proposals from project/programme Manager	
6.1.11	Finance and Admin Manager	<u>Where draft budget does not align with the budget guideline</u> Return to Programme Manager to develop draft budget with programme officers and other team members.	
6.1.12	Finance and Admin Manager	<u>Where draft budget aligns with the budget guideline</u> Send to the Executive Director for Approval.	

Step	Responsibility	Task	IT/Job Aid
6.1.13	Executive Director	Review draft budget proposals for completeness and alignment with year plan, strategic plan and budget guidelines.	
6.1.14	Executive Director	<u>Where draft proposal in line with Strategic Plan and Budget guideline</u> Approve for Finance and Admin Manager to harmonize all draft budget in one document or accounting system	
6.1.15	Executive Director	<u>Where draft proposal is not in line with Strategic Plan and Budget guideline</u> Send comments and list of issues to the Finance and Admin Manager for resolution within 72 hours	
6.1.16	Finance and Admin Manager	Work with the programme manager to resolve all issues and comments raised by the Executive Director	
6.1.17	Finance and Admin Manager	<u>Where all issues and comments are resolve</u> Send to the Executive director review draft budget proposals for completeness and alignment with year plan, Strategic plan and budget guideline	
6.1.18	Finance and Admin Manager	<u>Where all issues and comments are not resolve</u> Notify the Executive Director on the reasons why all the issues cannot be resolved	
6.1.19	Finance and Admin Manager	Notify the Executive Director on the reasons why all the issues cannot be resolved	
6.1.20	Finance Manager	Harmonize all draft budgets from the program manager and send to the Executive Director for Final Approval.	
6.1.21	Executive Director	Approve budget and send to the Finance and Admin Manager and Programme Manager End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Draft Budget	A draft of document showing a list of projects/programme activities to be implemented within a year together with the estimated costs for implementing them.	Programme Manager and officers	Finance and Admin Manager
Strategic Plan	A relatively long term plan showing targets to be achieved within 3 to 5 years.	Management Team	Programme Notify the Executive Director on the reasons why all the issues cannot be resolved Manager

Output Documents

Document Description	Purpose	Source	Recipient
Budget	An approved document showing a list of projects/programme activities to be implemented within a year together with the estimated costs for implementing them	Executive Director	Finance and Admin Manager
Work plan	A list of activities to be implemented within a year alongside the necessary resources needed in executing them	Programme Manager/Officers	Finance and Admin Manager/Executive Manager

6.2 Monitoring and Reporting

This process describes the steps involved in ensuring that CLHEI's budget implementation is adequately tracked and reported appropriately.

Procedures

Step	Responsibility	Task	Job Aid
6.2.1	Office Assistant	Receive cash from staff or cheque from staff.	
6.2.2	Office Assistant	<p><u>For cash receipts</u></p> <p>Count and confirm the cash amount in the presence of the payer and lodge cash collected in a safe.</p> <p><u>Note:</u></p> <p>Cash Should be passed under the mercury light provided to detect fake notes.</p> <p>Go to 5.2.4</p>	
6.2.3	Office Assistant	<p><u>For cheque receipts</u></p> <p>Make photocopy of cheque and file.</p>	
6.2.4	Office Assistant	Prepare Official Receipt in duplicate, endorse and stamp.	
6.2.5	Office Assistant	Detach and issue original copy of Official Receipt to the payer by hand or mail.	
4.2.11	Office Assistant	Record details of cash/cheque collected in the Cash or Cheque Register.	
4.2.12	Office Assistant	At close of business, collate all collections for the day and liaise with the Finance and Admin Manager to determine which bank to lodge funds based on cash balance of each bank account and the projected cash forecast.	
4.2.13	Office Assistant	Deposit all cash and cheques collected at the identified lodgement bank.	
4.2.14	Office Assistant	Collect endorsed copy of deposit slips from bank and forward to the Finance Officer	
4.2.15	Finance Officer	Receive cash/cheque details and deposit slip from the Cashier and	

Step	Responsibility	Task	Job Aid
		<p>update the relevant accounts.</p> <p>Dr: Bank Account</p> <p>Cr: Staff Advance Account</p>	

Output Documents

Document Description	Purpose	Source	Recipient
Bank Deposit Slip	A document that evidences the receipt of cash deposits by the bank. It is obtained each time cash/cheque is deposited into the bank.	Bank	Officer Assistant

4.8 Fund Disbursement

This process covers activities involved in the settlement of staff and third party claims/obligations. It also ensures that approved payments are disbursed accurately as and when due

Procedures

Step	Responsibility	Task	Job Aid
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4.3.14

From:

- **Business Advance Requisitioning**

Accountant

- **Petty Cash Requisitioning**
- **Payment Approval**
- **Payroll Processing**

Receive approved payment request documents (payment vouchers, advance request, etc.) from Requisitioner or Requisitioning dept.

Note:

The payment documentation required for the processes above include:

Process	Payment Request Documents
Business Advance Requisitioning	<ul style="list-style-type: none"> • Completed Advance Request Form
Petty Cash Request	

Step	Responsibility	Task	Job Aid

Step	Responsibility	Task	Job Aid
		<ul style="list-style-type: none"> • Petty Cash Voucher (PCV) 	
	Payment Approval	<ul style="list-style-type: none"> • Vendor Invoice • PO • GRN • Other contract documentation 	
	Payroll Processing	???	

Step	Responsibility	Task	Job Aid
4.3.15	Accountant	Review payment request documents to ensure arithmetic accuracy of computations and proper authorisation of the request in line with the DOA.	
4.3.16	Accountant	Sort payment requests into internal (business advances, staff loans, etc.) and third party (vendor/supplier, etc.) payments.	
4.3.17	Accountant	Prioritise and batch invoices to be settled based on payment due date, and availability of funds.	
4.3.18	Accountant	<p><u>Where a payment is not to be settled immediately</u></p> <p>Identify and file the payment requests document(s) to be deferred and processed with the next batch.</p> <p>Go to 5.3.3</p>	
4.3.19		<p><u>For internal payment requests to be settled immediately</u></p> <p>Go to 5.3.10</p>	
4.3.20		<p><u>For third party payments to be settled immediately</u></p> <p>Accountant</p> <p>Log on to Accounts Payable Module of the Accounting System and call up payments details for each transaction.</p>	Accounting System
4.3.21	Accountant	Match payment details with supporting documents to ensure there are no discrepancies.	Accounting System
4.3.22	Accountant	<p><u>Where there are discrepancies</u></p> <p>Return Payment request documents to Accountant or Requisitioner for amendment.</p> <p>Go to 5.3.1</p>	
4.3.23	Accountant	<p><u>Where there are no discrepancies</u></p> <p>Determine mode of payment, in accordance with approved payment policies.</p>	Accounting System
4.3.24		<p><u>Where disbursement is by cheque</u></p> <p>To Fund Disbursement – Cheque</p>	
4.3.25		<p><u>Where disbursement is by cash</u></p>	

Step	Responsibility	Task	Job Aid
		To Fund Disbursement – Cash	
4.3.26		<u>Where disbursement is by direct transfer into beneficiary's account</u>	
		To Fund Disbursement – Direct Transfer	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Petty Cash Transaction Listing	Shows details of transactions posted into each petty cash account.	Cash Custodian	Accountant
Petty Cash Reconciliation Statement	Checks that cash received has been properly accounted for and agreed to ending cash balance.	Cash Custodian	Accountant
Advance Request Form	Used to raise request for a business advance.	Staff	Approver/Manager
Purchase order	A document authorising a vendor to provide goods/services to CSO. It is required to confirm propriety of service delivered by a vendor/service provider.	Vendor	User Department Staff
Invoices	Payment request for goods delivered or services rendered to CSO.	Vendor	User Department Administrator
Payment Requisition Form	A form that contains the details of the breakdown of amounts due to the vendors.	Payable Accountant	Accountant
Goods/Service received note (G/SRN)	A document issued to a vendor affirming CSO has received the stated Goods/service. It is issued per Good/service received.	User Department Staff	Vendor

4.9 Fund Disbursement – Cash Disbursement

This process covers activities involved in the settlement of staff and third party claims/obligations via cash disbursement.

Procedures

Step	Responsibility	Task	Job Aid
4.4.7		From Fund Disbursement	
	Accountant	Complete Payment Voucher (PV) in duplicate stating all relevant payment details and particulars.	
4.4.8	Accountant	Forward the PV to Cashier for cash disbursement.	
4.4.9		<u>Where Requisitioner comes to pick up cash</u>	
	Accountant	Disburse cash to requisitioner at approved payment time and obtain signature of the recipient on the Payment Voucher to evidence payment.	
		Note:	
		Cash disbursement to be made between 4:00 – 5:00 pm on a daily basis.	
4.4.10	Cashier	Cross out all supporting documents, stamp Payment Voucher as "paid " and file accordingly.	
4.4.11	Accountant	At the end of the day, collate all processed Payment Voucher and post payment details into the Accounting System to update the relevant accounts.	Accounting System
4.4.12	Accountant	File PV and supporting documentation appropriately.	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Accountant	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Payment Voucher	A document that contains the details of payment to be made to the recipient.	Accountant	Finance Manager

4.10 Fund Disbursement – Cheque Disbursement

This process covers activities involved in the settlement of staff and third party claims/obligations via cheque disbursement.

Procedures

Step	Responsibility	Task	Job Aid
4.5.15	Accountant	From Fund Disbursement Prepare the Payment Voucher for cheque disbursement, retrieve cheque book from the Finance Manager and write-out payment instruction in favour of Payee on cheque leaflets.	
4.5.16	Accountant	Prepare bank confirmation covering letter for cheques with amounts greater than the amount stipulated in the finance polices.	
4.5.17	Accountant	Attach relevant supporting payment documents to the cheque.	
4.5.18	Accountant	Forward cheque (including the cheque book), Payment Voucher and other supporting documents to authorised signatories for approval in accordance with the approved DOA.	
4.5.19	Authorised Signatories	Review and approve cheques, ensuring accuracy and agreement of details with relevant supporting documents.	
4.5.20	Authorised Signatories	Endorse cheque stub and Payment Voucher to evidence payment and return to the Accountant for further processing.	
4.5.21	Accountant	Receive approved cheques and Payment Voucher and update Cheque Register with details of cheque (date, cheque number, recipient and amount).	
4.5.22	Accountant	<u>Where approved cheque is in respect of petty cash replenishment</u> Request petty cash custodian to pick up cheque. Go to 5.5.14	
4.5.23	Accountant	<u>Where approved cheque is in respect of payroll disbursement</u> Forward cheques, payment schedule and covering letters to the various salary paying banks for processing.	
4.5.24	Accountant	Advice Payroll Officer of deposit into Staff Salary Account.	
4.5.25	Accountant	Advise beneficiary to pick up cheque.	
4.5.26	Accountant	Detach cheque leaf from cheque book, release cheque to beneficiary and obtain beneficiary's acknowledgement on the Cheque Register.	
4.5.27	Accountant	Post payment details into the Accounting System and update bank	Accounting

Step	Responsibility	Task	Job Aid
		position. Dr: Liability Account Cr: Bank Account	System
4.5.28	Accountant	Cross out all supporting documents, stamp Payment Voucher as "paid" and file accordingly.	
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Accountant	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Payment Voucher	A document that contains the details of payment to be made to the recipient.	Accountant	Finance Manager

4.11 Fund Disbursement – Direct Transfer

This process covers activities involved in the settlement of staff and third party claims/obligations via direct transfer to recipients account.

Procedures

Step	Responsibility	Task	Job Aid
4.6.9	Accountant	From Funds Disbursement Prepare Payment Voucher and Payment Transfer Instruction Letter, authorising a direct transfer of due payments/ amounts to beneficiary's bank accounts.	
4.6.10	Accountant	Forward Payment Vouchers, Transfer Instruction Letter, supporting documents (invoices, etc.) to authorised signatories for approval in line with approved DOA.	
4.6.11	Authorised Signatories	Review and approve Payment Voucher and Transfer Instruction Letter, ensuring accuracy and agreement of details with supporting documents.	
4.6.12	Accountant	Receive approved Payment Voucher and Transfer Instruction Letter from authorised signatories, and dispatch Transfer Instruction Letter with acknowledgement copy to selected bank.	
4.6.13	Accountant	Obtain bank officer's signature on acknowledgment copy of Transfer Instruction Letter to acknowledge receipt of transfer instruction.	
4.6.14	Accountant	Advise the Accountant to generate and dispatch a payment advice to beneficiaries. <u>Note:</u> The payment advice can be an email or official letter.	
4.6.15	Accountant	Post the payment details per the payment voucher into the Accounting System. Dr: Liability Account Cr: Bank Account	Accounting System
4.6.16	Accountant	Cross out and stamp all supporting documents (invoices, payment voucher, etc.) with "Paid" and file documents accordingly.	

Step	Responsibility	Task	Job Aid
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Payment Pack	Documents requesting/supporting a payment.	Accountant	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Payment Voucher	A document that contains the details of payment to be made to the recipient.	Accountant	Finance Manager

4.12 Bank Reconciliation

This process covers activities aimed at ensuring the accuracy of the Company's bank's position or records at any point in time.

Procedures

Step	Responsibility	Task	Job Aid
4.7.15	Accountant	Obtain Bank Statement from various banks at month end for bank reconciliation.	
4.7.16	Accountant	Print out General Ledger-(GL) bank transaction report for the month from the Accounting System.	Accounting System
4.7.17	Accountant	Reconcile balance per bank statement to balance per GL.	
4.7.18	Accountant	Identify reconciling items such as un-presented cheques, un-credited lodgements, etc.	
4.7.19	Accountant	Identify interest income and charges, and other bank charges (e.g. COT) on the bank statement.	
4.7.20	Accountant	Recover / re-compute these items to confirm their reasonableness/accuracy.	
4.7.21	Accountant	Identify other unmatched items in the bank statement (e.g. direct credit and direct debits), and confirm that they relate to bonafide transactions.	
4.7.22	Accountant	Prepare Bank Reconciliation Statement (BRS).	
4.7.23	Accountant	Raise a journal/voucher to book the unmatched, bonafide items in the bank statement.	
4.7.24	Accountant	Forward BRS, Journal/ Voucher, Bank Statement and GL Bank Transaction Report to Finance Manager for review.	
4.7.25	Finance Manager	Review the BRS, Journal/Voucher and supporting documents by checking accuracy of computations, validity of reconciliation and validity of reconciling items and forward the BRS to the Program Manager.	
4.7.26	Program Manager	Review, approve and sign the BRS, Journal Voucher and return to Accountant for booking.	
4.7.27	Accountant	Post adjusting entries into the Accounting System.	Accounting System

Step	Responsibility	Task	Job Aid
4.7.28	Accountant	File all documentation and contact bank to resolve any unusual or unexplained items. End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Bank Statement	A document issued by the bank that details movement on the CSO's account.	Bank	Accountant

Output Documents

Document Description	Purpose	Source	Recipient
Bank Reconciliation Statement	This document specifies the reconciling items and the appropriate treatment for each.	Accountant	Finance Manager

5.0 Financial Reporting

This process covers the various activities involved in the recording, classification and analysis of financial transactions, including the preparation, generation and presentation of key management and financial reports. It comprises the following sub-processes:

1. Accounts Reconciliation
2. Prepayment Processing
3. Period-end Closing
4. Amendment to Chart of Accounts

5.5 Accounts Reconciliation

This process is designed to ensure that the General Ledger account balances are accurate.

Procedures

Step	Responsibility	Task	Job Aid
5.1.10	Accountant	Generate trial balance from the Accounting System on the defined cut-off date on a monthly basis.	Accounting System
5.1.11	Accountant	Review trial balance, isolate unusual items and identify accounts to be reconciled. <u>Note:</u> This includes negative balances, unusually low/ high balances and/or balances with high variances when compared to prior period.	
5.1.12	Accountant	Print out General Ledger Transaction Listing of the accounts to be reconciled.	Accounting System
5.1.13	Accountant	Reconcile GL transaction listing to sub ledger records and supporting documents.	
5.1.14		<u>Where there no discrepancies</u> Forward documentation to the Finance Manager for review and approval. Go to 7.1.7	
5.1.15	Accountant	<u>Where there are discrepancies</u> Prepare a statement reconciling the GL balance to subsidiary ledger balances, raise appropriate adjusting journal entries and forward to the Finance Manager for approval.	
5.1.16	Finance Manager	Review reconciliation statements, sign off adjusting entries and return to Accountant for posting.	
5.1.17	Accountant	Post journal entries.	Accounting System
5.1.18	Accountant	File all documentation (Reconciliation Statements, Journal, etc.).	
		End	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Trial Balance	A schedule that states the stock remaining in the warehouse based on the accounting system information.	Finance Department	Operations Manager

Output Documents

Document Description	Purpose	Source	Recipient
Reconciliation Statement	This document specifies the reconciling items and the appropriate treatment for each.	Accountant	Finance Manager
Journal Adjustments Form	This form is used to update entries made into the accounting system.	Accountant	Finance Manager

5.6 Prepayment Processing

This process is designed to ensure complete and accurate capture, recording and amortisation of prepaid expenses over the period for which the benefit will be enjoyed.

Procedures

Step	Responsibility	Task	Job Aid
5.2.9	Accountant	Access Accounting System and print-out transaction listing of all Prepayment Accounts in the GL.	Accounting System
5.2.10	Accountant	Print out the Prepayment Amortisation Schedule and reconcile to prepayment account details.	MS Excel
		<u>Note:</u> A Prepayment Amortisation Schedule should be maintained by the Accountant.	
5.2.11	Accountant	Identify reconciling items such as new prepayments and unmatched amortisation.	
5.2.12	Accountant	Update amortisation schedule with new entries (prepayments) per GL prepayment account and compute amortisation, for the month.	MS Excel
5.2.13	Accountant	Raise appropriate journal entries to adjust the GL balance and book amortisation, for the month.	
5.2.14	Accountant	Forward journal voucher, updated Prepayment Schedule and other relevant support to Chief Accountant for review and approval.	
5.2.15	Finance Manager	Review Prepayment Adjusting Journal Voucher along with supporting documents and approve accordingly.	
5.2.16	Accountant	Post journal entries to effect adjustments to prepayment GL account.	Accounting System
		To Period-end Closing	

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Prepayment Amortisation Schedule	A schedule that contains all the ongoing prepayment amortisation.	Accountant	Finance Manager
Prepayment Account Transaction Listing	This contains a listing of transactions posted into the prepayment account in the accounting system.	Accountant	Finance Manager

Output Documents

Document Description	Purpose	Source	Recipient
Journal Adjustments Form	This form is used to update entries made into the accounting system.	Accountant	Finance Manager

5.7 Period Closing

This process covers the activities involved in preparing period-end financial reports and statements. It ensures accurate and timely capture, recording and classification of the Company's business and financial activities

Procedures

Step	Responsibility	Task	Job Aid
5.3.16	Accountant	Obtain all relevant month-end reports from process operators on agreed period-end cut-off date and commence period-end closing procedure.	
5.3.17	Accountant	Update all other relevant month-end accounts and schedule (fixed asset register and depreciation schedules, inter-company payables and receivables, interest expenses, etc.).	
5.3.18	Accountant	Raise journal vouchers to book all necessary transactions i.e. depreciation, interest expense, inter-company transactions, etc.	
5.3.19	Accountant	Collate all journal vouchers and supporting documents/ schedule and forward to Finance Manager for review and approval.	
5.3.20	Finance Manager	Review journal vouchers and supporting documents, make appropriate corrections if required, and approve for posting into the Accounting System.	
5.3.21	Accountant	Post transactions into the Accounting System and print out draft transaction listing for the period.	Accounting System
5.3.22	Accountant	Forward draft transaction listing and supporting documents to Finance Manager for review.	
5.3.23	Finance Manager	Review transaction listing and reconcile to journal vouchers and other source documents to ensure completeness and accuracy of financial report.	
5.3.24	Finance Manager	Update transactions on Accounting System if required and generate period-end financial reports.	Accounting System
5.3.25	Finance Manager	Forward draft financial reports to Program Manager for review	
5.3.26	Program Manager	Review draft financial reports and recommend amendments as required.	

Step	Responsibility	Task	Job Aid
5.3.27	Finance Manager	Update transactions on Accounting System as required and generate period-end financial reports.	Accounting System
5.3.28	Program Manager	Approve Period-end Financial Reports.	
5.3.29	Finance Manager	Back up all data files.	
5.3.30	Finance Manager	Request the Accountant print copies of final reports and distribute accordingly.	
		Note: Final reports (monthly and year-end) to be distributed as follows: <ul style="list-style-type: none">– Board of Directors– CEO– Program Managers– Department Heads	

5.8 Chart of Account Maintenance

This process covers activities involved in the maintenance and update of the Company's chart of accounts.

This process is designed to ensure:

- Availability of complete and relevant chart of accounts for the recording of the Company's business/financial activities
- Timely and accurate update of the charts-of-accounts on an on-going basis
- Proper authorisation of amendments to the Chart of Accounts

Procedures

Step	Responsibility	Task	Job Aid
5.4.10	Finance Manager	Identify need for new account headings/ cost centers based on newly identified transaction types or in response to need for improved/ different classification and reporting of transactions.	
5.4.11	Finance Manager	Prepare a memo informing the Program Manager of the need for amendment to the chart of accounts, including justification for amendment.	
5.4.12	Program Manager	Review Chart of Account amendment request and review justification for recommended amendment.	
5.4.13	Program Manager	<u>Where amendment is not justified</u> Reject amendment and notify Finance Manager accordingly. End	
5.4.14	General Manager	<u>Where amendment is justified</u> Approve amendment, modifying the recommendation as required and return to the Finance Manager for implementation.	
5.4.15	Finance Manager	Access chart of account modification utility on the Accounting System and amend/ update chart of accounts as approved.	Accounting System
5.4.16	Finance Manager	Print out and review copy of amended Chart of Accounts and forward to Program Manager for approval.	Accounting System

Step	Responsibility	Task	Job Aid
5.4.17	Program Manager	Approve amended Chart of Accounts and return to Finance Manager.	
5.4.18	Finance Manager	File approved Chart of Accounts, and circulates copies of amended Chart of Accounts to all relevant staff.	
End			

Input/Output Documents

Input Documents

Document Description	Purpose	Source	Recipient
Chart of Accounts	A schedule that contains a listing of accounts their descriptions and the account code they are mapped to in the system.	Finance Manager	Program Manager