

MOTHERS AND MAGINALISED ADVOCACY CENTRE



Financial Guidelines and Accounting Procedures

a. ACRONYMS

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| CFO | Chief Finance Officer |
| ED | Executive Director |
| AI | Accounts Intern |
| AA | Accounts Assistant |
| P/O | Program Officer |
| POA | Power of Attorney |
| SOE | Summary of Expenditure |
| USG | United States Government |

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c. INTRODUCTION

This Financial Guidelines and Accounting Procedures manual was developed by MAMA Centre's Finance Officer in order to create guidelines on the policies and procedures governing the financial management of MAMA Centre. It always acts;

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

All staff members are expected to comply with the provisions of this manual.

This manual may be updated at any time throughout the life of the program's operation in Nigeria. Employees will be notified in writing of any amendments to policies and procedures.

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

d. 1. GENERAL POLICIES

MAMA Centre maintains financial records with supporting documentation in accordance with generally accepted accounting principles. MAMA Centre has developed a financial management system that can provide:

- a) Accurate, current and complete disclosure of financial transactions;
- b) Records that identify source and application of funds;
- c) Effective control and accountability for funds, property and other assets; and comparisons of expenditures versus budget amounts.

MAMA Centre uses automated accounting software called QuickBooks Premier 2016 which has been customized to be used at country level. Reports are generated on a monthly basis by the assigned Accounts Assistant, reviewed by the CFO, and approved by the ED, and then are sent out for audit / desk reviews.

MAMA Centre maintains original copies of financial records for all projects managed. These records are available for inspection by auditors and donors at any time.

Financial records for USG-funded projects are retained for three years after submission of final reports or final audit closeout. Financial records for non-U.S. government funded projects are retained in the office for the duration as specified or required by donors after submission of final reports or final audit closeout.

e. 2. THE ORGANISATION'S ACCOUNTING POLICIES

1. **DUALITY PRINCIPLE**
This state that every transaction must be recorded twice, i.e. for every debit entry, there must be a corresponding credit entry.
2. **ENTITY PRINCIPLE**
This principle states that every organization is a distinct entity from its owners. The assets and liabilities of MAMA Centre are totally different from that of its owners.
3. **DEPRECIATION POLICY**
MAMA Centre uses the straight line method for calculating the depreciation of its assets.
4. **PERIODICITY**
The lifespan of MAMA Centre is broken down into series of Accounting periods that consists of 12 fiscal months that runs from September to August.
5. **DISCLOSURE PRINCIPLE**

The accounting records of an organization must be disclosed so that judgment about the financial status of the organization can be easily made.

6. MATCHING PRINCIPLE

This principle allows for real time analysis of revenues and expenditures.

7. COST PRINCIPLE

MAMA Centre records assets based on its historical costs i.e the cost used in acquiring them, rather than their free market values.

8. MATERIALITY PRINCIPLE

Figures are expressed in their true values irrespective of whether they are naira and kobo.

MAMA Centre adopts the Vertical style of financial reporting.

3. INTERNAL CONTROL POLICIES

It is MAMA Centre to maintain an effective system of internal control in order to provide management with reasonable assurance that assets are safeguarded and transactions are authorized, valid, complete and accurate. MAMA Centre has developed and implements a system of internal controls that includes the following elements:

- a) Adequate segregation of duties. No person should have control over a transaction from beginning to end. Ideally, no person should be able to record, authorize and reconcile a transaction.
- b) Transactions are authorized and performed by persons acting within the range of their authority.
- c) Transactions are clearly and thoroughly documented and available for review.

f. 4. FINANCIAL RECORDS

MAMA Centre maintains an accounting system which includes the following Journals and records: cash register, petty cash, journal entries, and payroll. In addition, copies of bank statements, cancelled cheques, and bank reconciliation statements and Summary of expenditures.

g. 5. INFORMATION SECURITY

MAMA Centre's financial database is maintained on a computer. Access to this information is restricted to authorized personnel.

The CFO is responsible for the database and coordinates access security. Only duly authorized staff are assigned system IDs and passwords that permit access to the system. Each ID is unique in order to track user activities and provide for accountability. Access rights are based on the level of responsibility each user has.

Passwords should be used to ensure the correct identification of authorized users by the system. Passwords are to be kept secret, not easily guessed, and changed on a regular basis. The CFO keeps a complete record of all IDs and passwords used for all systems.

All access privileges are to be cancelled or amended for terminated or transferred employees.

The accounting system database is backed up every day from server into the external hard disk drive by the Chief Finance Officer and it is also written onto an external hard drive on a monthly basis by the Chief Finance Officer. The backed up file of the accounting system is also kept at the MAMA Centre's office.

h. 6. SEGREGATION OF DUTIES AND RESPONSIBILITIES

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10.2 6.1 Level of Authorization for Head of Unit

The head of each program unit is not authorized to approve on a cheque. Only the ED and a member of the Board of Trustees are authorized to sign off on a cheque.

10.3 6.2 Authorization for Approving on Vouchers

The Head of Finance is authorized to sign as a single approval on all payment, receipts, and journal vouchers cost up to NGN 5,000.00 (Five thousand naira only). Above NGN 5,000.00, the ED or his designee needs to sign as a single approval on all vouchers.

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j. 7. CASH AND BANK MANAGEMENT

10.4 7.1 Bank Accounts

Authorization to open a bank account for the project is given by the Executive Director of MAMA Centre on the request of its donors. The title of the account must bear the name of MAMA Centre and not the individual's name.

- a. MAMA Centre has opened the US Dollar, Euro, Pounds and Naira bank account for its operation.
- b. Two authorized signatories including the MAMA Centre's ED and a member of the Board of Trustees are authorized to sign on cheques. To be valid, all cheques must have two signatures of the authorized signatory, and one signature must be the ED. Cheques are co-signed by ED and one other Member of the Board.
- c. After funds are received from Donors, into the domiciliary account, an instruction is sent to the bank after negotiating on the prevailing exchange rate to convert a said amount from the Dollar account and pay into the local currency account if the donor so requests.
- d. Cheques are issued to cover expenditures for more than NGN 5,000.00 (five thousand naira)

- e. Upon receiving the cheque-books from the bank, it must be ascertained that all book pages are intact
- f. Tight security over the cheque-books will be maintained and unused books kept in a locked safe under the responsibility of the Chief Finance Officer. The cheque books in use and the counterfoil cheques should be kept under lock and under the responsibility of the Chief Finance Officer.

A listing of all cheques (cheque register) for all MAMA Centre's bank accounts must be presented to the ED or his designee each Friday. This listing will allow him or her to review all cheques written in the current period, ensure the cheques are written in numeric order, no cheque is missing, void cheques are tracked and the accounting records (QuickBooks) are kept current.

The following procedures are strictly prohibited:

- i. Cheques payable to "BEARER" or "CASH".
- ii. Cheques signed in blank.

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10.6 7.2 Petty Cash Fund

A Petty Cash Fund (in the local currency, Naira) has been established to meet minor and recurring expenses (taxi fares, copying, small office supplies, meeting refreshments, etc.), which would not normally require the issuance of cheques.

All petty cash is to be kept in a secure place in the office, preferably in a safe box, and it should have limited access. Access to the Safe box is limited to the following:

- a. The Accounts Assistant has access to the key of the safe but not to the safe codes
- b. The Chief Finance Officer has access to the safe codes and to the key of the safe. The Chief Finance Officer has the authorization to change the safe codes when necessary to ensure that there is no other third party that knows the safe codes.
- c. The AA serves as the custodian of the petty cash funds and has full access to the key.
- d. In case the AA is on vacation, the Chief Finance Officer will ensure that the AA, before taking vacation, leaves a portion of the petty cash to the Petty Cash Officer to be used to cover small expenditures during that period. A written document signed by both the Petty Cash Officer and the AA when the handover of that portion of the petty cash needs to be documented. Upon the AA's return, the Petty Cash Officer will hand over all petty cash funds remaining to the AA. A written document signed by both parties when the AA receives the remaining petty cash funds is required.

The assignment of this task above will ensure proper safeguarding of the Petty Cash funds without hampering the operations of the project.

The following controls have been established to facilitate tight management of the petty cash accounts:

- a. The Petty Cash is maintained in Naira.

- b. The Petty Cash is used to cover expenditures below or equal to NGN5,000.00 (five thousand naira only). Cash payments of more than NGN5,000.00 should be paid by cheque. The initial petty cash fund will be NGN20,000.00 (Twenty thousand naira only). This amount may be increased or reduced depending on the volume of transactions that will be assessed periodically by the Chief Finance Officer and signed and approved by the ED.
- c. To establish a Petty Cash fund, a cheque for an initial amount of Twenty thousand Naira is written to the Cash Officer and cashed at the bank.
- d. The cheque is written to the AA for all petty cash replenishment (a memo authorized that all cheques written for petty cash replenishment be written to the AA needs to be documented). Occasionally, petty cash may be replenished even if the balance is more than NGN 5,000.00; this occurs only when the finance unit has a high demand from different projects at once i.e. if many staff need advance cash for traveling to the field within a certain period.
- e. A regular cash count should be conducted by the Chief Finance Officer on the petty cash account at least one time per month. A surprise cash count also should be conducted on a regular basis by the Chief Finance Officer before replenishment. This spot check is documented each time to show a listing of the vouchers already paid plus the physical count- denominated by each piece of bill (e.g. 10 bills of 100 naira equals NGN 1,000) with a total equal to the amount of cash balance. The total of the account. If there is a difference, this difference must be explained. A signed cash count sheet needs to be documented each time a cash count is performed. A copy of the signed cash count sheet may be provided upon request.
- f. All cash counts must be conducted in front of the Petty Cash Officer.
- g. The petty cash fund should not be mixed with other funds of money and should not be used for short-term loans for employees or officials.
- h. A Petty Cash Register is maintained and updated at the beginning of every week. A summary list of expenditures made by the Petty Cash Officer attached with the invoices/receipts for those expenditures are submitted to the Chief Finance Officer every week for review.

Petty Cash reimbursement requests must follow the following procedures:

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

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

1. The Petty Cash Officer will fill out Petty Cash replenishment form and then notify the Chief Finance Officer that Petty Cash needs to be replenished. At this point, the Chief Finance Officer will follow these internal control procedures:
 - i. The account expenses are reconciled first and budget codes and account codes are assigned for all expenses.
 - ii. The Petty Cash payment vouchers are totalled.
 - iii. Remaining Cash is counted.
 - iv. Total Petty Cash expenses are subtracted from the original amount of Petty Cash
 - v. A comparison of remaining Petty Cash and the amount from the Petty Cash balance are compared. These should be the same. If not, the Chief Finance Officer should be notified.
 - vi. The Chief Finance Officer needs to sign on the Petty Cash replenishment request form
2. After reconciling Petty Cash, a cheque voucher (payment voucher) is prepared for the amount of cash needed to return the fund to its original amount. This amount should be the total of petty cash payment vouchers.
3. Enter the cheque in the Cash Register as a credit to the bank account and a debit into the Petty Cash accounts.

10.7 7.3 Cash Register

A Cash Register is a chronological record of all project expenditures and income. A Cash Register is maintained for each of the two bank accounts and is set up in QuickBooks. For expenditures, or payments, the register shall include the following:

- i. Check date;
- ii. Payee;
- iii. Description of transaction;
- iv. Check number;
- v. Account code;
- vi. Amount of payment;
- vii. Program name/code (class name)

For income or receipts, the register shall include:

- i. Date of deposit;
- ii. Payer (funding source);
- iii. Description of transaction;
- iv. Voucher number;
- v. Account code;
- vi. Amount of funds received;
- vii. Program name/code (class name)

The beginning balance of the current month is the closing balance of the previous month. QuickBooks will automatically subtract each payment and add each receipt to keep a running balance. The ending balance must be reconciled to the monthly bank statement. Each transaction will be supported by proper documents (local purchase orders, vouchers, vendor invoices and receipts, bank deposit slips, copy of cheques, etc.)

A weekly Cash Register will be printed and presented to the Chief Finance Officer.

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10.9 7.4 Cash/Cheque Collections

These collections include monies in the form of cheque or cash paid in by debtors, donors and other miscellaneous sources. Cash receipts should be protected from misappropriation. Access to cash receipts and cash receipt records should be limited to authorized personnel. Authorized personnel should include the AA and the Chief Finance Officer. Cash receipts that have not yet been deposited should be locked inside the safe box.

- a. The AA receives cash/cheque collections and issues the official receipts. If the AA is unavailable, the Chief Finance Officer will receive cash/check on behalf of the AA and issue the official receipts.
- b. Cash receipts in triplicates should be used when collections are made with one copy for the person paying in the funds and the other copy kept by the AA to attach it to the receipt voucher for MAMA Centre's records and a copy retained in the receipt booklet.
- c. Funds received by a person other than the AA should be transferred to the AA the same day or the following working day.
- d. The AA will prepare a deposit slip for each transaction and individual remittance.
- e. The AA will deposit all cheques and cash collections on the date of collection or on the following day that the collections were made after banking hours; the AA will ensure that this is completed and receives the document from the bank that indicates the deposit was made.
- f. The official receipts and deposit slip should be attached with the Receipt voucher for the approval from the ED or his designee.
- g. The Chief Finance Officer will review all receipt items to ensure that the receipt amounts from the AA are the same as the official receipt/deposit slip amounts.

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10.11 7.5 Journal Entries

The General Journal entries are used to record accounting transactions other than those recorded through the Cash Register—such as recording liquidation of advances, bank fees and interest, or reclassifying entries (changing the Project or Account Code) made in previous periods etc. Original supporting documents explaining why the journal entries are being made must be attached to the Journal entry. Kindly note all journal entries are being done electronically.

The functions of preparation and approval of the general journal entries have been separated to observe internal control. The general journal entry will be prepared by the

assigned Chief Finance Officer, reviewed/approved by the ED or his designee. In all cases, the general journal entry voucher must be approved by someone other than the person preparing and reviewing the journal entry voucher.

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I. 8. PAYMENTS

A sound system of cash control requires that payments be made by cheques or by bank transfers. However, drawing a cheque or bank transfer is not practical for small expenditures, or in the case of emergency, or where circumstances demand for payment to be in cash.

10.12 8.1 Petty Cash Payments

- a. Petty cash payment vouchers are prepared by the Petty Cash Officer, reviewed and approved by the Chief Finance Officer for any expenditure below or equal to NGN 5,000.00 and approved by the ED or his/her designee for any expenditure beyond NGN 5,000.00.
- b. Based on the approval of the payment voucher, the Petty Cash Officer settles the payment.
- c. After the payment is settled, the Petty Cash Officer stamps it with "PAID".
- d. The Petty Cash Officer records the paid vouchers in a Petty Cash register and prepares a petty cash summary replenishment.
- e. When disbursements are made from the Fund, the vouchers attached with the supporting documents must be entered into the petty cash tracking spreadsheet by the AA for monthly data entry by the Chief Finance Officer into the MAMA Centre's accounting system.

It is necessary to maintain a Petty Cash Fund. All MAMA Centre's staff should continuously seek to reduce the necessity to make disbursements via Petty Cash on a regular basis. Staff is required to encourage vendors to accept payments by cheques. MAMA Centre uses Payment Vouchers with appropriate supporting documentation to document cash disbursements and to maintain proper internal controls on expenditures.

10.13 8.2 Cheque Payments – Excluding Salary Payment

- a. The AA initiates cheque payments by 1) raising requisition for the payment which is authorized by the Chief Finance Officer and approved by the ED; 2) preparation of a payment voucher upon receipt of an invoice and other supporting documents.
- b. The payment voucher is reviewed by the Chief Finance Officer and approved by the ED or his/her designee.
- c. The cheque is prepared by the AA.
- d. Cheques are co-signed by ED and any other member of the Board.
- e. Cheques photocopied by AA.
- f. Cheque is entered into the Cheque register.

- g. Cheque is delivered to payee or payee is called to collect payment by AA.
- h. Voucher, copy of the cheque, and invoice and payment are recorded in General Ledger by the Chief Finance Officer, and then filed.
- i. Once the cheque is prepared and signed, a cheque photocopy is made to be attached to the payment voucher and invoice. The invoice will be stamped with "PAID" to indicate that payment has been made.
- j. When payments are made, the vouchers attached with the supporting documents must be presented to the Chief Finance Officer for data entry into MAMA Centre's accounting system.

10.14 8.3 Salary Payment

Salary will be paid on the 25th of each month.

Staff can consider using the following salary payment methods:

- i. Cheque payment
- ii. Bank transfer

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m. 9. BANK RECONCILIATION

Bank reconciliations will be performed on a monthly basis using the QuickBooks Accounting Software. The bank reconciliation statement is to reconcile the month end balance per the Cheque Register to the bank statement when it is received. When completed, the bank reconciliation statement will reflect the difference between the cash on hand according to the bank statement and the actual cash on hand per the Cheque Register.

There is usually a difference between the bank statement and Cash Register records because:

- a. Some of the Cheques written may not yet have cleared at the bank at the time the bank statement is issued;
- b. The bank charges/fees have not been recorded in the Cash Register;
- c. Deposits may have been made close to the end of the month, after the bank statement has been issued by the bank.

At the end of each fiscal month, the bank reconciliation is prepared by the Chief Finance Officer. Below are the detailed steps for performing bank reconciliation:

- a. Compare last month's bank statement ending balance to the beginning balance on the current month's bank statement. Also compare the cut-off dates on the bank statement (*from the 21st of the month X to the 20th of the month X+1*) to ensure that there are no days missing between the statements.
- b. Compare last month's bank reconciliation to the current bank statement. Verify that all items in the "Balance per Bank Statement" section have cleared the bank:

- i. Verify all deposits in transit have cleared. If not, list the amount on this month's bank reconciliation, but follow-up action is necessary as this deposit is lost.
 - ii. Verify that all outstanding cheques have cleared the bank. If not, list the check on this month's bank reconciliation. If the cheque is considered "stale" (cheque has been written 6 months ago but has not cleared the bank) by the laws of the Nigeria, contact the cheque payee, stop payment on the cheque, make a correcting entry to reverse/void this cheque and process a new cheque to the supplier.
 - iii. Verify that any bank errors have been rectified. If not, list the amount on this month's bank reconciliation but follow-up action is necessary.
 - iv. For any follow-up action, the ED or his/her designee needs to be notified of the issue.
- c. Compare the beginning balance in the current month's general ledger cash account with the ending balance from last month's general ledger cash account.
- d. Verify that all entries have been posted from last month's bank reconciliation into the current month's cash account register.
- e. Verify that each cheque and each deposit (every entry) in the general ledger cash account has been posted by the bank. If an item is in the general ledger cash account but not in the bank statement, the Chief Finance Officer must record it in the bank reconciliation. If it is an item that should clear the bank, record it in the "Balance per Bank Statement" section. If it is an error that needs to be corrected, record it in the "Balance per Cash Account" and make the general journal entry to correct it the next month
 - i. For cheques shown in the cash account but not in the bank, list these as "Outstanding cheques" on the bank reconciliation
 - ii. For deposits shown in the cash account but not in the bank, list these as "Deposits in Transit" on the bank reconciliation
 - iii. For errors that are found, i.e. an amount recorded incorrectly in the cash account; list these as adjustments to the "Balance per Cash Account" in the bank reconciliation. The general journal entry needs to be prepared to correct these errors. If the QuickBooks report has already closed for the period, the general journal entry must be posted in the following period.
 - iv. For any bank error identified, notify the bank in writing and list these as adjustments to the "Balance per Bank Account."
- f. Verify that all items in the bank statement are now accounted for through the comparison with the general ledger cash account. If items still remain in the bank statement, those items need to be recorded in the bank reconciliation. If it is an item that should appear in the cash account, it needs to be recorded in the "Balance per Cash Account" and prepare the general journal entry to pass next month. If it is an error on the bank's part, include the item in the "Balance per Bank Statement" section and notify the bank:
 - i. For any deposits found in the bank statement that are not listed in the cash account, list these as additions to the "Balance Per Cash Account" on the bank reconciliations. This can include interest or deposits that had failed to record in the cash account
 - ii. For any fees found in the bank statement that are not recorded in the cash account. List these as deductions to the "Balance per Cash Account" on the

- bank reconciliation. These can include wire transfer fees, check printing charges, service fees, etc
 - iii. For any errors found in the bank statement, if they are bank errors, notify the bank in writing and list these as adjustments to "Balance per Bank Statement."
 - g. After every item has been checked off in both the bank statement and the general ledger cash account, the bank reconciliation is ready to be finalized:
 - i. List the balances per the bank statement (ending balance) and the general ledger cash account (ending balance) on the bank reconciliation.
 - ii. Add and subtract all adjustments to these items as identified in the above steps.
 - iii. The "Adjusted Balance Per Bank Statement" and the "Adjusted Balance Per Cash Account" should equal. If they are not equal, you need to look for the difference and identify the error.
 - h. The final steps include the signing and checking of the bank reconciliation:
 - i. The individual preparing the bank reconciliation will sign the bank reconciliation.
 - ii. Attach the following documents to the reconciliation:
 1. Signed Reconciliation.
 2. Copy of Last Month's reconciliation, bank statement and general ledger cash account.
 3. This month bank statement.
 4. This month's general ledger cash account printout.
 5. All general journal entries to be passed.
 6. Any correspondence with the bank regarding errors.
 - iii. The Chief Finance Officer will review and sign the bank reconciliation.
 - iv. The signed packet will go to the ED or his/her designee for review and signature.
 - v. The signed reconciliation and bank statement will be filed as MAMA Centre's end of year reports.

n. 10. TRAVEL AND PER DIEM

10.16 Travel Authorization, Advances and Reconciliations

Procedures:

- a. The traveller completes the Travel advance form and scope of work form indicating the purpose of travel, schedule of the trip, list of anticipated expenses to be requested for advance, and then submits it to the Head of Unit or the ED or his/her designee for approval.
- b. The form is then submitted to the General Accounting Team for disbursement of funds. The AA assigns an authorization number to the form and keeps a log for all travel approved, the authorization number is usually the cheque/PV number. The authorization number is used as a reference when entering into QuickBooks.
- c. The AA prepares payment documents and gets it approved from the ED or his/her designee.
- d. The traveller makes a copy of the approved travel advance request form and keeps the copied sheet to fill out the travel expense report after the trip.

- e. The traveller will complete a Travel Expense report to liquidate the advance. Receipts and other related documents are stapled/glued to sheets of paper and need to be attached with the expense report (for international travel, attach airline ticket and boarding pass) and submitted to the Head of Unit or ED or his/her designee for approval.
- f. Any overpayments to the traveller must be reimbursed to MAMA Centre in cash in order to clear their advance. An official receipt of cash will be issued to the traveller upon received the reimbursement.
- g. Amounts that MAMA Centre owes to the traveller will be paid out no later than three (3) working days after receipt of the travel reconciliation.
- h. All reports, receipts, and vouchers are filed by the AA.
- i. The Accounts Assistant monitors any advances aging balances and reports the status to the CFO on a monthly basis. The CFO will then report to the ED on those advances outstanding aging balances.
The travel advance must be settled within ten (10) working days after the completion of the trip. The second travel advance request will not be issued if the traveller has not settled the first request. Occasionally, employee can request the second advance without settling the first one by seeking approval from their Head of Unit, ED or his/her designee and must fall within the following conditions:
 - i. The second travel schedule is less than ten (10) working days from the first trip
 - ii. The traveller has other urgent assignment that does not allow him/her enough time to settle the first advance within the given number of days (10 working days after the trip) and the next trip have already been scheduled.
 - iii. Due to the holiday or illness after the trip and the next trip have already been scheduled
- j. Failure to settle a travel advance may result in the entire amount of the advance being withheld from the traveller's salary within the discretion of the CFO or the E/D.

10.17 Local (city) Travel

In case that MAMA Centre's Vehicle is not available at the time of travel, staff can use motor-taxi and MAMA Centre will reimburse based on the cost for motor-taxi. In order to get reimbursement, staff needs to follow the following procedures:

- a. Staff fills out the MAMA Centre Voucher/Receipt form after travel.
- b. Staff submit the MAMA Centre Voucher/Receipt form to the direct supervisor for approval, and submit to Finance for getting reimbursement.
- c. Finance reimburses staff within 2 days after receiving the approved Voucher/Receipt form.

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

10.18 Domestic Travel (Field Trip):

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

Per Diem comprises (in country):

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

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

10.19 International Travel

For international travel, all MAMA Centre's staff, consultants, government employees, and other MAMA Centre partners/stakeholders, the U.S. Department of State per diem rates will apply unless both parties agreed to a different rate, but cannot go beyond the U.S. Department of State rate.

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

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

c. Reimbursable Expenses

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

- i. Actual costs of local travel—including taxi fares or other transportation required by MAMA Centre business, or other travel expenses not pre-paid before travel begins—as required by the authorized itinerary.
- ii. Cost of additional luggage, when the employee is required to carry additional weight on MAMA Centre’s behalf.
- iii. Privately-owned motorbike or vehicle: The use of a privately owned motorbike or vehicle on official business will be reimbursed at the rate of motor taxi (public transportation).
- iv. Fees in connection with the issuance of passports, or visas, cost of photographs for passports, and charges for inoculation are reimbursable upon presentation of supporting bills.
- v. Telephone, facsimile and cable charges for official messages while in travel status.
- vi. Safe call will be reimbursed up to ten (10) minutes duration for staff who travels overseas within one week period. After the first week, an additional five minutes per week will be reimbursed to staff that travels overseas and stay longer than one week.

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

o. 11. REPORTING

10.20 11.1 Monthly Financial Reporting

At the end of every month, MAMA Centre’s Chief Finance Officer is expected to prepare internal and Management report which includes monthly bank statements for all its accounts, Cash flow statements and Income and Expenditure reports.

- p. The Chief Finance Officer collects bank statements from the bank at the end of the fiscal month. The Chief Finance Officer will ensure that there are no days missing in the cut-off dates on the bank statement (*from the 21st of the month X to the 20th of the month X+1*).
- q. The Chief Finance Officer prepares bank reconciliation for all MAMA Centre bank accounts and attaches the bank statements, general ledger (export from QuickBooks), Summary of Expenditure (SOE), journal entries, and standard balance sheet.

- r. The Chief Finance Officer will compile all reports that have been already prepared and send to the Executive Director for review and approval.
- s. The Chief Finance Officer makes sure that all vouchers, receipts/invoices, the financial report and cash drawdown request are photocopied and filed in the appropriate location.
- t. The Chief Finance Officer will ensure the completeness and orderliness of the documentation to be submitted for approval.

10.21 11.2 Financial Report to Donors

- a. The official financial reports to the donors are issued by MAMA Centre.
- b. The submission of the official financial reports to the donors can be submitted by MAMA Centre.
- c. MAMA Centre's financial reports will be prepared in line with the individual donor's standard of financial reporting.
- d. Before a financial report is sent out, a meeting with the management and the Finance officers will be held to discuss the reports, before it is sent out to a donor to ensure accuracy and completeness.