



ENVIRONMENTAL & ECONOMIC  
RESOURCE CENTRE

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FINANCE & ADMINISTRATIVE POLICY  
MANUAL

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## **FINANCIAL & ADMINISTRATIVE POLICY**

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## Section – I: Introduction and Objectives

### 1.1 Introduction and Objectives of the Financial and Administrative Policy

Environmental and Economic Resource Centre (EERC) is an international and scientific research organization with an expected level of coordination on internal operations, staff as well as implementation of standard procedure for fund management. The Financial and Administrative Policy seeks to explain in detail the accounting and administrative rules and regulations for the organization in order to ensure transparency, good governance and accountability, as well as transactions and engagement with external parties. This Financial and Administrative Policy provides a complete structure for day-to-day operations and guideline for appropriate documentation and compliance with best practices on administrative and financial activities of EERC.

### 1.2 Application

The Financial and Administrative Manual of the EERC shall be applicable from the date of its approval by the Governing Body. This manual applies to all financial and administrative operations of EERC, including project and programs being implemented by EERC.

### 1.3 Process of updating the Manual

- a. The Governing Body of EERC shall have the right to modify, amend, replace, revise and/or add to this Policy Manual in such manner and to such extent, as may be deemed fit. The Governing Body may constitute a committee/ sub-committee or appoint consultant/ consulting firm to review and update the manual when necessary.
- b. Any change or modification/amendment, as approved by the governing body of the Organization shall be circulated through inter-office memo / circular under the signature of the Chairman of the Governing Body or his/her designate.
- c. All the changes / amendments that may take place from after the date of the approval or last revision, with the approval from the Governing Body, shall be incorporated in the revised version of this Financial and Administrative Policy Manual.

## Section – II: Definitions of Terms

These terms shall mean:

**The Organization:** Environmental and Economic Resource Centre (EERC)

**The Management:** The Governing Body of EERC

**The Executive Director:** The Executive Director of EERC

**Month:** Gregorian Calendar Month

**Year:** The financial year of the EERC which is usually from January to December of each year.

**Approving Officer:** The Executive Director and Finance Manager or the officer so designated by The Governing body to be responsible for approval of all types of transactions for the Organization.

**Primary Document:** Includes money receipt, fuel voucher, petty cash voucher, cash request form, Payment voucher.

**VAT:** Value added tax

**GDPR:** General data protection regulation

**Data Subjects:** Information of staff, contractors, website users, contacts.

**Financial Document:** Includes the letter of agreement between any Government, funding agency, grantor and organization, lease agreement, bank statement, cheque book, bank deposit slip, audit report. It also includes all the books of accounts required for the Organization together with its supporting documents like the money receipts, cash memos, bills, invoices, cash, vouchers, ledgers, registers and other accounting records, documents and statements.

## Section – III: Accounting Principles and Policies

### 3.1 Accounting System

The Accounting system of the organization is accrual. All income received during a particular year shall be accounted for within the same year. Any part of income, which is committed for subsequent years, shall not be treated as income in the year of receipt. All expenditures incurred, paid and accrued shall be considered as expenditures in year to which it relates.

The accounting of EERC financial transactions shall be managed with properly designed accounting systems in accordance with internationally accepted principles and international accounting standards as adopted by the nation.

### 3.2 Accounting period

EERC shall maintain its accounting year from 01 January to 31 December. Accounting year of the projects may be different, subject to the requirements of donor and or based on the commencement of the project. In such a case, retirement to donor shall follow the project agreement but auditing of report of the Organization's account will remain within the accounting period. This is to ensure compliance with the Company and Allied Matters Act, 2020 of the Federal Republic of Nigeria.

### **3.3 Significant Accounting Policies**

#### **3.3.1 Income Recognition**

All incoming payment into EERC account shall be accounted for as income during the year received by EERC from whatever source (any grant/donation) in the year once it relates to that particular year. Any donation/ grant received pertaining to the subsequent years shall not be recognized as income during the year. Any commitment of fund for a particular year shall not be considered as receipt or income of that particular year rather income will be recognized in the year to which it relates.

#### **3.3.2 Expenditure**

Any payment or obligation for payment for a particular year shall be recognized as expenditure in the year to which it relates. Expenditure accrued but not paid shall also be considered as expenditure in the year it was obligated.

#### **3.3.3 Bank charges or Interest Expenses**

Bank charges or Interest paid for transferring/receiving any amount shall be charged to the particular program / project for which the account was paid/ received.

#### **3.3.4 Fixed Assets**

Fixed Assets shall be recorded at actual cost. Any expenses incurred in the acquisition or construction of fixed assets shall be included in the costs of asset i.e., capitalized.

#### **3.3.5 Liabilities**

Liabilities represent any obligation to any party, arising due to receipt of goods or services and any amount payable to any person or Organization by EERC fund. All liabilities and obligation must be accounted for in the accounts before the year end/closing date.

## **Section – IV: Accounts Maintenance**

### **4.1 Accounting Responsibility**

The management will be responsible for the preparation of the financial statement. In his /her capacity as the head of the organization, the Executive Director shall be responsible for the overall accuracy and authenticity of the financial statements, and the accounting and other books and records on the basis of which such statements are prepared.

The Finance and Administration Manager has the overall responsibility for maintaining the accounting system and books of records. He/she is required to discharge this responsibility through a proper and efficient system ensuring effective internal controls, segregation of duties, and supervisory controls.

All staff within the Finance and Accounts Department whose duty is to prepare the primary documents is personally responsible for their completeness and accuracy, and are also expected to guide staff or newly recruited individuals on proper accounting practices of the organization.

Staff who signs or countersigns any primary document, accounting returns or certificate is personally responsible for the facts stated therein so far as it is his/her duty to know or to the extent to which he/she may reasonably be expected to be aware of them.

**4.2 Authority and Cash disbursement**

The table provide detailed guidelines on internal administrative and finance operations of the organization and the authorized designated entity for approval of cash and other expenses. The following designated entity shall be liable for approval of the following expenses:

<b>Activity</b>	<b>Description</b>	<b>Designated Approval</b>
Petty Cash	Below \$100 USD	Finance and Admin
Reimbursement	Expenses backed up with receipt	Executive Director/ Finance and Admin
Loan request	35% maximum of the staff salary	Director
Asset Procurement	Office	Executive Director
Salary Advance	Subject maximum of the staff salary	Executive Director
Huge cash	Above Petty cash	Executive Director
Monthly Impress	Within the parameters set by The Governing body	Executive Director/ Finance and Admin
Other areas	Within the parameters set by the Governing body	Executive Director

EERC can pay by cash from impress or by upload from the organizations account. On request for reimbursement, individual supervisor must approve of it by appending his/her signature.

**Section – V: Accounting Records**

**5.1 Documentation**

In accordance to Chapter 6: Section 846 (1) of the Companies and Allied Matters Act (CAMA), 2020 of the Federal Republic of Nigeria, the Finance and Administration unit of EERC shall maintain necessary books of accounts and registers for recording the financial transactions and related information, either manually and/or by using software. EERC shall make use of the approved accounting software for proper documentation, accountability and transparency of all transactions. In addition to accounting software the Finance and Account Department shall make use of necessary accounting books and registers for recording of all financial transactions.

Depending on the needs of the organization, the Finance and Account Department shall maintain the standard books and records / Registers.

These books and registers are treated as documentary evidence of financial transactions. The books of accounts and registers are important documents which should be maintained and preserved for proper documentation. EERC should ensure that these are prepared carefully, avoiding over- writing, tampering, and unauthorized destruction / damage. **Eraser/correction fluid will not be used.** Correction entries will be initialed by an authorized person.

## **5.2 Control Cash Book**

The Cash book either maintained manually or by software, shall be used to record all transactions made in cash or through bank. It is used to record the following types of transactions:

- All payments in cash.
- All payments in the form of cheque/pay order/telegraphic transfer or any form other than cash.

At the end of every quarter, the bank and cash balances should be extracted and the cash balance be checked against cash in hand. If the amounts are found correct and agreed, the concerned Accounts Officer should sign the Cash Book. In addition, the Finance and Administration Manager should review and sign the Cash Book for authentication.

## **5.3 Petty Cash/impress Statement**

A petty cash account, not exceeding \$100 for each month should be maintained for small day-to-day expenditures. The Admin and finance Assistant is responsible for the recording and disbursement of petty cash and s/he who will be responsible to the Finance and Administration Manager for proper maintenance of records and cash handling procedures. All petty cash payment shall be done with the use of a vouchers which must be approved by the respective supervisors of the requesting officers or staff. Petty cash vouchers and petty cash book must be maintained in the same format as cash book described earlier. When the petty cash advance is exhausted, payment voucher with supporting documents attached and petty cash book should be presented to the Finance and Administrative Manager for verification and approval of new cash advance, and transfer the petty cash expenditures to the main accounting system.

Cash reimbursement forms will always be used for reimbursement of petty cash account and will be prepared by Finance and Administration Assistant. Petty cash accounts are impressed accounts and therefore will be reimbursed only for the actual amounts disbursed and listed on the respective cash reimbursement form. No advance can be made from petty cash account. Staff salary should not be paid from the petty cash, but wages if fall within the limited amount can be paid from petty cash.

### **The following cost may be paid from petty cash:**

- Reimbursement of fares, and cost of local trip

- Adjustment of Advance
- Postage/stamp/phone and stationery & supplies.
- Client conveyance, Carrying charges.
- Utilities (Telephone, mobile phone, gas bill, electricity bill, etc)
- Meeting expenses
- Repairs, maintenance & office expenses
- Casual staff
- Fuel
- Vat & Taxes deducted at source.
- Contingencies
- Others eligible expenses

#### **5.4 Salary Clearance Form**

In accordance with the Article 1.6 of the staff policy, all staff shall be expected to secure a salary clearance for their respective supervisors prior to payment being made by the finance and administration. The form is expected to be filled electronically to reduce paper work within the organization.

#### **5.5 Tax Deducted at Source (TDS)**

EERC shall always maintain TDS register/statement to ensure control over deduction of income tax at source from payment in relation to Articles 1.5 of EERC Staff Rules and policy. The deductions will be from the salary of staff members, suppliers, consultants etc.

#### **5.6 Advance Register**

An Advance Register shall have to be maintained to record advances given to employees. It contains information about nature of advances, installments and mode of adjustments, date of issuing advances with probable date of complete adjustments. Information about the advances shall be managed by EERC accounting software.

#### **5.7 Time Sheet**

Time sheet shall be primarily for payment of consultants and other contractual labour based on the contract terms. However, staff member maybe eligible to engaging the use of time sheet for approved official work performed outside the normal work hours.

#### **5.8 Asset Movement Register**

This will be used to record the movement of the assets of the organization from one location to another.

#### **5.9 The register should contain the following information:**

- a. Details of the item.
- b. Identification number.



- c. Original/present location.
- d. New location.
- e. Purpose of movement.
- f. Date of return.

### **5.10 Monthly, quarterly and year-end financial statements.**

The organization will prepare periodic financial statements for the respective ongoing projects, and the Organization using the accounting software. Such statements will contain, as a minimum, Balance Sheet, Income & Expenditure Statement, Receipts & Payments Statement, Budget variance statement, explanatory notes and schedules, and cash and bank balances and bank reconciliation.

### **5.11 Financial Reports**

The Organization will prepare and submit financial and other reports to the donors as per the terms of the agreement, and will maintain files for such reports and other correspondence.

## **Section – VI: Fund Management**

### **6.1 Sources of Funds**

The Organization will receive its funds from the grants and donations.

### **6.2 Custody of Fund**

The Executive Directors of EERC shall be the custodian of all the funds and shall designate the banks in which such funds shall be kept. S/he is empowered to authorize opening and closing of any bank account in the name of the Organization subject to approval from the Governing Body.

## **Section – VII: Banking Operations**

### **7.1 Opening & closing of Bank Accounts**

The Executive Director is empowered to authorize opening of new account as well as closing of the existing bank account in the name of the Organization and its projects for operating their transactions.

### **7.2 Bank Signatories**

In line with the constitution of EERC, the Governing Body shall appoint three signatories which must include the following:

- Signatory A: Executive Director and one Member of the board
- Signatory B: Program Manager and Finance Manager

When an authorized signatory is transferred, separated from the organization, or completed the terms or retired, the Bank Manager should be informed within a week in writing to replace his/her details from the authorized list.

### **7.3 Safety of Cheque Books**

Finance and Administration Manager shall be the custodian of cheque book and shall ensure that cheque books are preserved safely. All cheque books should be kept in a safe place under lock and key. Cancelled cheques must be retained in the cheque book along with cheque counterfoil and marked '**Cancelled**'.

## **Section – VIII: Cash Disbursement**

### **8.1 Accountability**

Before making any payment by cash or cheque or through other means, the finance and administration manager shall be liable to confirm that the expenditure is wholly and necessarily incurred for the purpose of EERC activities and has been duly approved by the designated authority. Budgetary provision for the expenditure will also be checked. It is essential for the authorizing persons to ensure that the goods and services have been received in good condition and check the arithmetical accuracy of the documents for payments.

### **8.2 Payment Days**

EERC shall make payment in favour of all transactions only **TUESDAYS and THURSDAYS** of every week except for salaries in line with Article 1.6 of EERC staff policy. Any payment not made on these days shall be carried forward to the next payment day of another week.

### **8.3 Supporting Documents**

All payments must be supported by bills/cash memos, or other supporting documents. Payment for goods must also be supported by a Purchase Order, Bill, payment for services by a Contract and salary cheques by a payroll sheet signed by the staff members receiving salaries. Only after receiving all supporting documents, the Finance Officer shall prepare a Payment Voucher in favour of the payment.

### **8.4 Payment of Salary and Allowance**

For the purpose of salary, all employees are encouraged to open and maintain a personal bank account with the same bank where the organization maintains its account, and submit their respective account details to Finance and Administration Unit of EERC using account information form. Monthly salary of the staff members shall be transferred to their respective bank account on the 25<sup>th</sup> of the month. For any reasonable causes, if the payment day falls on a weekend, EERC will pay on the next working day in accordance with Article 1.6 of EERC staff policy and regulations.

## **8.5 Payroll Processing**

The Finance and Administration Manager will process monthly payroll. S/he will follow the following procedures:

Relevant payroll input, documents of all appointments; promotions, resignations, removal from office etc. shall be duly and promptly recorded.

- a. Entries on these documents are to be supported by the necessary approvals, advice etc. and verified properly.
- b. Prepare the payroll by the end of each month.
- c. Payroll shall contain the information like Name, Designation, Basic salary, Special Allowance (if any) and deductions like Provident Fund Contribution, Loan deduction, Income tax etc., the Net Pay and bank account number with bank name and branch.
- d. Finance Manager and Program Manager shall recommend the payment and the same will be submitted to the Executive Director for approval.

## **8.6 Deduction of Income Tax at Source**

The Organization shall not bear the staff tax. Income Tax shall be deducted at source from the monthly salary of the staff whose salary amount exceeds the tax exemption limit and will be deposited to the FIRS in stipulated time as earlier stated in **Section V** (5.5).

## **Section – IX: Advance Payment**

### **9.1 Purpose**

Advances may be paid against staff salary and expenses to be incurred for official purposes. That is, advances against salary, travel expenses, field visit, project monitoring, program expenses and purchase of office supplies and materials. Advance covers for Travel, Project delivery, Vendor and Miscellaneous costs. Staff shall not be allowed to request for new advance no matter how urgent without the retirement of the previous or pending ones recorded against the staff.

### **9.1 Eligible Advances**

#### **9.1.1 Salary Advance**

The staff members shall be allowed maximum of 35% of their basic salary.

### **9.1.2 Advance against travel expenses**

Staff travelling locally or abroad on official purposes are entitled to request for an advance to meet the required living expenses like transportation, daily expenses, accommodation, meeting expenses, etc. Travel advance shall only be given against valid travel authorization. Request for travel advance must be submitted five (5) working days to departure for local travel and 15 working days for international travel.

### **9.1.3 Procurement Advance**

An advance may be requested by staff for procurement of goods in respect of EERC operations. In any case, staff members are required to secure necessary approval from his/her supervisor. In a situation whereby staff incur expenses in advance using his/her money or through a pre-approved suppliers or service providers. Reimbursement may be allowed to employees against such purchases provided such purchases were approved by his/her supervisors either by email or physical signing of the request form. In that case, all expenses must be receipted. General conditions for sanction of cash advances against purchases of goods are as follows:

That the goods are immediately and urgently required;

That time at disposal does not permit purchase by open or selected tender;

That delay in procurement would involve loss/hamper the program

### **9.1.4 Advance to Third Party**

Advance to third parties include upfront payment to contractors, suppliers, service providers, consultant/resource persons, experts/writers against program publication/reports etc. Prior approval from the Executive Director shall be required in case of advance to third party exceeding \$250 USD or equivalent.

### **9.2.1 Requisitions for Advances (Staff Only)**

The recipient of the advance must prepare a requisition in details in the advance requisition form signed by the respective departmental head or his/her supervisor, against specific accounting head and to be submitted to the Finance and Administration Manager for verification, pre-approval, and upward treatment. Requisition for advances shall be submitted to the Finance and Administration Manager at least three (3) banking day (excluding travels) prior to the event takes place.

### **9.2.2 Certification and Approval**

Following the receipt of requisition, the Finance and Administration Manager shall check and verify the requisition. Final approval shall be given by the Executive Director.

### **9.3 Mode of Payment**

Advances may be paid in the form of cash or cheque depending on the amount requested. In case of advance to employees against official expenses like program travel, purchase etc. the limit of cheque payment may be relaxed. However, advances paid to third parties should be made by Account Payee cheque/bank transfer. Advance against salary must be transferred to staff salary account.

### **9.4 Advance Register**

An advance register shall be maintained alongside the accounting software for various advance payment to the staffs and third parties.

## **Section – X: Travel**

### **10.1 Travel Advance**

Travel Advances are intended to allow employees the convenience of using the organization's funding for official purpose only while traveling. A reasonable travel advance shall be granted to the employee depending on the nature of expenditure required and the duration of stay.

### **10.2 Mode of Travel**

A EERC staff member while traveling on official duty shall be entitled to the following entitlements subject to prior approval from the Executive Director.

All staff members shall be entitled to travel by road, air, sea also If more than two staff travel together, EERC may select for them the economic mode of transportation.

### **10.3 Traveling Allowance and Clearance**

Employees are to receive travel clearance from their respective supervisor before embarking on any journey. Any travel embarked on without prior clearance is considered **INVALID** in accordance with Article 1.7 of the staff policy and regulations, and the consequence therein applies. EERC employee shall be entitled to traveling expenses as per following rules:

#### **10.3.1 Local Travel**

Locally available transport facilities are allowed for all EERC staff. if official vehicle is available the employee shall make use of the official transport, in the contrary event, a substantive amount for the journey will be approved.

### **10.3.2 Outstation or Overseas Travel**

Transport facilities will be made available to the staff concerned, and appropriate travel budget will be made and payment done to the staff account. EERC will require receipt on all expenses made upon return from the travel.

### **10.3.3 Per Diem**

Per diem/daily allowance for staying outside the office location on official purpose shall be paid to the employee depending on:

- International Travel: all international travels irrespective location shall be subject to a flat rate of \$120 USD per night. The rate is inclusive of subsistence, travel and accommodation.
- The travel location: Per diem rate for local travel shall vary based on location due estimated Consumer Price Index (CPI)
- Nature of the assignment: provided the staff will be pass a night(s) to accomplish his/her mission

Depending on the nature of the travel, per diem shall cover for accommodation, feeding, transportation, and calls while on the official assignment

### **10.4 Travel Expense Report**

The traveling official shall submit all travel bills to the Finance and Administration Department. Following documents must be enclosed with the Travel Expense Report:

- Utilized Air Ticket along with the boarding pass.
- Acknowledgment of the total amount of per diem received including dates.
- All paid receipts, bills, memos in support of claim of any expenditure.
- Utilized bus, train and lunch tickets in support of travel claim.
- Cash or Cheque to the extent refundable against travel advance as per Travel Expense Report submitted by the employee.

### **10.5 Reimbursable Costs**

Traveling officials are entitled to reimbursement of following costs for all official travels:

1. Reimbursable cost is actual fare of bus, train, lunch and air ticket, and will also include actual local conveyance from residence to airport / railway station / bus station and other way round while returning back to residence.
2. Any other expenses required to carry out the official duties, like international calls requires an approval from the Executive Director.

### **10.6 Approval of Travel Expense Report**

The Finance and Administration Unit shall check the Travel Expense Report in pursuance to the travel policy and forward the same to the Executive Director for approval.

## **Section – XI: Procurement Procedures**

### **11.1 Invitations for Quotation**

Procurement of goods and services shall be done from responsible suppliers with integrity. No item should be purchased without the approval of the appropriate approving officer. If an item cost is \$500 or less, no quotation is required. If an item cost is above \$1000 but not exceeding \$1000 the authorized member of the procurement committee shall demand three (3) spot quotations from three separate suppliers and produce a comparative statement. If any item costs more than \$1000 but not more than \$5,000, at least three written sealed quotations shall be obtained from separate suppliers. Open tender shall be made for item cost more than \$5,000.

Quotations may be invited through e-mail/ by hand and vendor may submit their offers following the same process.

### **11.2 Competitive Bidding Process**

Purchases shall be placed on a competitive process, enlisted or not enlisted suppliers shall be made use of.

### **11.3 Procurement Committee**

A procurement committee shall be formed by the Director consisting of 3 – 5 members. The committee shall be required to review the submissions and provide reports of the Finance and Administration Manager. The Executive Director shall make final decision based on the report provided by the committee and recommendations made by the Finance and Administration Manager.

### **11.4 Purchase Order**

A purchase order shall be prepared by the Finance Officer for procurement of goods, or contract for services. The goods and services received should be verified by a staff member not involved in the purchase.

### **11.5 Payment**

Any payment against purchase shall be made after certification of the goods and services. The invoice, quotation, receipt etc. shall be collated and merged together for that particular good or service.

The finance manager will make payment to the supplier or vendor through the organizations account to the business account of the supplier only on payment days as described in **Section 8**

(8.2) of this policy. In case of emergency spot purchases/open market purchases where vendor is not willing to receive payment via account for a reasonable reason, then the Executive Director may approve the cash to be paid to the vendor.

## **12.6 Code of conduct for procurement of goods and services**

In the event of procurement process, the following ethics and conduct shall be obeyed:

- Staff entrusted with procurement of goods and services shall prevent conflict of interest and avoid circumstances that pertain thereto.
- Procurement staff shall not have ownership interest in suppliers.
- Procurement staff shall not accept gifts, gratuities, entertainment, travel or hospitality from a supplier.
- Procurement staff shall not disclose confidential information to the suppliers with regard to decision, pricing, proceedings etc.
- Procurement staff or members of their family shall not receive commission or other compensation from a supplier,

## **Section – XII: Counter fraud, Irregularity and Anti-Corruption Practices**

### **12.1 Introduction:**

The management and staffs are personally and collectively motivated and committed to upholding and promoting the highest ethical and professional standards in discharge of their duties. Everyone has a commitment to prevent fraud and corruption and unethical practices. The various policies and internal control & monitoring system of EERC are strong guard against occurrence of any corruption, fraud and financial irregularities.

The management at all levels has a responsibility to ensure that all personnel are aware of this Counter fraud, Irregularity and Anti-Corruption Policy, understand what it means in concrete behavioral terms and conceptualize how it applies to their program context.

EERC does not tolerate any level of corruption, fraud and financial irregularities. EERC personnel shall not in any way take advantage of their office when working with partners, vendors or/and stakeholders.

### **12.2 Definition of Corruption, Fraud & Financial Irregularities:**

Corruption:

Corruption is the offering, giving, soliciting or acceptance of an inducement or reward which may improperly influence the action of any person. Corruption, associated with other unethical behaviors, covers a range of practices including:

- Conflict of Interest



- Fraudulent Commission
- Undeclared Gift Bribery
- Misappropriation of Fund
- Abuse of Authority
- Undeclared Nepotism and favoritism

Fraud: Fraud is an intentional distortion, deceit, trickery and perversion of truth, mainly for the purpose of personal gain.

Financial irregularities: Financial irregularities mean an intentional misstatement or omission of information related to financial transactions that are detrimental to the interest of the organization.

### **12.3 Mitigation Measures Against Corruption, Fraud and Financial Irregularities**

- Uphold the highest standards of accountability, efficiency, competence, integrity and transparency in the provision of goods and services in the execution of their job
- Give attention to setting up good financial, administrative, procurement and human resources systems from the beginning of a project/ program
- Introduce internal checking system by the organization finance team

## **Section – XIII: Account Audit**

### **13.1 Audit**

EERC account shall be audited annually by a reputed Certified Accounting Firm.

Audit shall be carried out in conformity with Chapter 6: Section 846 (4a) of the Companies and Allied Matters Act, 2020 regulations on account auditing and instructions for Non-Governmental Organization (NGO).

The Executive Director shall submit the audited financial statements along with the auditor's report to the Governing Body for review and approval.

### **13. 2 Appointment of External Auditors**

Selection of auditor shall be by a competitive bidding. The Governing Body may take decision to continue the existing auditor or have the auditor changed for subsequent year.

In any case, engagement of an auditor will follow a due diligence process to ensure that the integrity of EERC is protected.

## **Section – XIV: Data and information Protection Policy**

## 14.1 Information Sharing

EERC engagement with employees, consultants, partners, and or funders may require sharing of personal/internal information of both parties. In such cases, the Organization shall obtain, store and where necessary personal/internal data relating to potential staff and partners, current and former workers, contractors, website users and contacts, collectively referred to in this policy as "Data Subjects".

When processing personal data, EERC is obliged to fulfil individuals' reasonable expectations of privacy by complying with General Data Protection Regulations (GDPR) and other applicable data protection law as agreed between parties.

This policy therefore seeks to ensure that we:

1. are clear about how personal data must be processed and the organization's expectations for all those who process personal data on its behalf;
2. comply with the data protection law with good practice;
3. protect the organization's reputation by ensuring the personal data entrusted to us is processed in accordance with data subjects' rights
4. protect the organization from risks of personal data breaches and other breaches of data protection law.

## 14.2 Information Sharing with Third Parties

There are occasions when third (3<sup>rd</sup>) parties (e.g. non-staffs; government, other NGOs, individuals, agencies, etc.) request information about EERC data and operations, staffs are expected to direct such parties to qualified personnel that provide clear and valid information. However, disclosure of information on EERC data without approval from the management will be regarded as breach of the Data Protection Act of EERC.

Before ANY information is disclosed to the 3<sup>rd</sup> party, staff must: obey and follow the rules and principles stated in Article 1.10 of the **EERC Rules and Regulations**

## 14.3 Sharing Information with Consent

Sharing of information should, where possible, be with the consent of the management. The management should be informed of the purposes for which information about EERC be recorded and shared. It is only with enough information that consent may be given. EERC may require to express her wishes as to how the information should be used and these wishes should be respected where possible. Any staff disclosing information regarding confidential information or personal information of other staff member without the consent of the management may be

sanctioned or asked to resign. All staffs are expected to be active in data protection policy of the organization to avoid insecurity of staff and organization.

### **Section – XV: Validity and Review**

The Finance and Administration Policy comes into force from the date of adoption by the Governing Body of EERC led by the President alongside other executive members. The policy shall apply to ongoing program activities and to those to be implemented within the frame of its validation. The Finance and Administration Policy will remain in effect until amended, or revised by the Governing Body.