

# **The Palestinian Non-Governmental Organizations' Network**

***Building Up Financial & Administrative Best  
Practices***

***Administrative Policies and Procedures  
Manual***

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## **1. Introduction**

This administrative policies and procedures manual was prepared as part of the "Building up of Financial and Administrative Best Practices" project contracted between the Palestinian Non-Governmental Organizations' Network (PNGO Network) and EL Wafa & Co. - Accountants & Consultants, Members of Nexia International. "The Project", signed on April 6, 2005 in order to support non-governmental organizations.

This manual is intended to set administrative guidelines to be applied to build up capabilities and strengthen the administrative systems related to non-governmental organizations.

## **2. Using the Manual**

The primary objective of this manual is to provide the organization and top management with detailed administrative policies and procedures. This manual will be used as a reference. Employees and management can refer to the related section or part of the manual for guidance when needed.

This manual is a standardized manual that can be adjusted to suit each NGO's specific needs.

This manual should periodically be revised and updated to match changes in the organization and the surrounding environment.

This manual consists of chapters. Each chapter addresses the general requirements and general policies as well as detailed procedures and activities and person in-charge of these activities that deals with one type of activities.

This manual comprises:-

- **General**
- **Human resources management**
- **Strategic planning**
- **Fund raising**
- **Projects' assessment**
- **Procurement**
- **Tenders**

### 3. General

#### 3-1. Objective

This section provides an overview of the organization and its general policies.

#### 3-2. General Policies

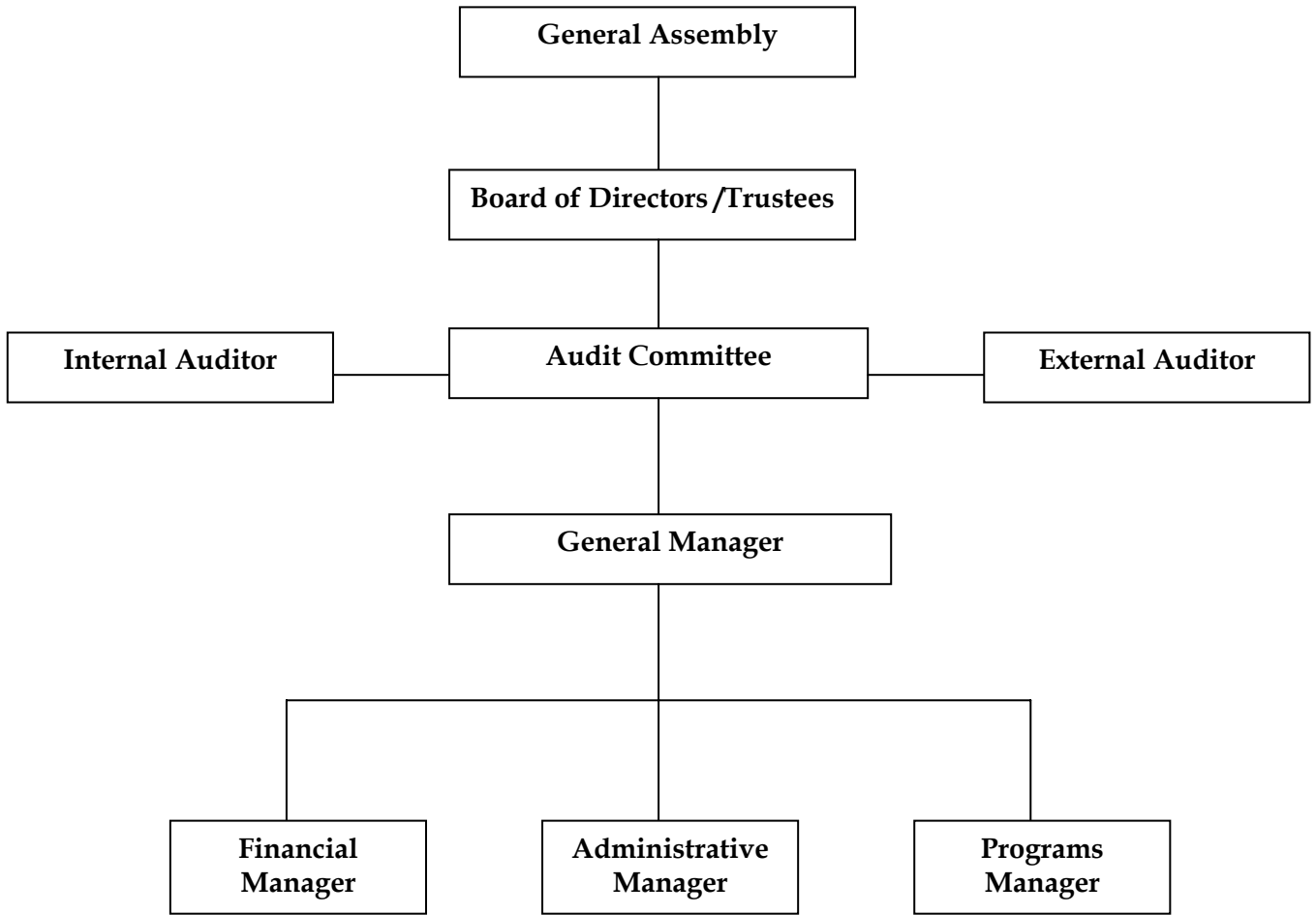
- The not for profit organization is an organization that is not allowed to distribute profits to owners.
- The not for profit organization objective is serving its customers/clients and targeted group and not profit making.
- The not for profit owners do not have any financial interest with the organization.

#### 3-3. Code of Ethics

- The Organization should develop code of ethics that govern the organization's personnel in conducting their daily duties, in particular, top management and the finance department employees. This code should be made available for employees.
- The code of ethics represents the ethical standards that are developed by the Organization with the goal of enhancing:
  - Good conduct including honesty and prevent conflict of interest (real or in appearance).
  - Issuance of complete, accurate, useful and timely financial reports.
  - Compliance with laws and regulations.
  - Internal financial and control reports.
- The code of ethics generally covers areas that are not covered with the laws and regulations (e.g. relatives working at same organization, discrimination, funding).

#### 3-4. Organization Chart

The purpose of the organization chart is to set a clear outline for authorities and responsibilities within the organization, provide clear channels of communications, and reporting. This provides the basis for accountability and control.



This suggested general organization chart should be modified to fit each organization situation and needs.

### 3-5. General Assembly

General Assembly is the highest authority within the organization. The General Assembly is usually comprised of members of the organization and other persons from the community interested in the organization objectives.

General Assembly usually comprises at least 20 members. The General Assembly plays an advisory and monitoring role.

General Assembly should have at least one annual general meeting. In addition to other emergency meetings when needed. Based on the organization's nature of work an invitation should be send to representative of the related Ministry; Ministry of Interior, Welfare ...etc. The organization should maintain minutes of these meetings.

General Assembly duties include the following:

- Elect the Board of Directors.
- Approve the appointment of the Organization's Director/ General Manager and key employees.
- Develop and approve the organization's bylaw
- Establish Organization's goals, objectives and the general policy framework.
- Approve the strategic and development plans.
- Develop the Organization's financing policy.
- Approve the Organization's annual audited financial statements
- Approve the Organization's budget and work plans.

### 3-6. Board of Directors

The Organization's Board of Directors is elected by the General Assembly. The Board is comprised of 7 to 11 members. The Board is in-charge and accountable for the overall organization management and activities.

The Board should meet regularly (at least bimonthly). Minuets of the Board should be signed by Board members and filed.

The board main responsibilities include:

- Supervise the implementation of the Organization's bylaw.
- Establish policies to meet the Organization's goals and objectives approved by the General Assembly.
- Participate in establishing and approving the strategies and development plans.
- Promoting the Organization programs and activities and create relationships with donors.
- Appoint Organization's Director and key employees.

- Appoint the auditors and approve Organization's annual audited financial statements, budget and work plans.
- Assign the authorized signatories on organization's bank accounts.
- Secure financial resources necessary for the Organization's activities.
- Evaluate the Organization's activities and performance.
- Endorse the Organization's financial and administrative policies and procedures.

### 3-7. Audit Committee

The Board of Directors should establish an audit committee. The committee should include three Board members. It can also include one or two financial experts from outside the Organization.

This committee should be assigned the responsibility of dealing with both external and internal auditors as well as other matters related to external and internal audits.

### 3-8. External Auditors

The Organization should appoint qualified external auditors experienced in not for profit organizations to audit the Organization's annual financial statements in accordance with International Standards on Auditing.

The Organization should issue request for proposals to qualified audit firms once every three years. It is recommended that the Organization change its external auditors every five years.

To maintain the auditor independence and objectivity, the Organization should adopt a policy that prevents auditors from performing certain consulting services for the Organization while auditing the Organization's accounts. These services include the following:

- Internal Auditing
- Accounting and Bookkeeping
- Information systems design and implementation
- Human resource management
- Investment management and consultancy services.

### 3-9. Internal Auditing

The Organization should establish an internal audit department or outsource its internal audit function to a qualified party.

The internal audit should report directly to the audit committee. The internal audit helps the Organization meet its objectives through continuous evaluation of its internal control and risk management systems and the overall performance of the Organization.

Internal audit policies and procedures (manual) should be properly developed and qualified employees should be hired for the internal audit department.

Annual internal audit plan that includes the internal audit objectives for the year should be developed annually.

Detailed audit work program should be developed for each audit assignment. The results of each internal audit assignment should be documented in an internal audit report.

The organization can outsource its internal audit function to an external party (e.g. an audit firm). However, the internal audit should not be performed by the Organization's external auditors.

### 3-10. General Director

The Organization's Board of Directors appoints a General Director/Manager to the Organization.

The Director's duties and responsibilities include the following

- Translating the Board policies and plans to programs for implementation.
- Following up the implementation of the Organization's programs and assuring that these programs achieve their objectives.
- Following up the implementation of the Organization's financial and administrative systems.
- Representing the Organization in front of other parties.
- Participating in the preparation and reviewing of periodic work plans.
- Reviewing the Organization's periodic financial reports.
- Following up on the Organization's cash flows.
- Reviewing employees' performance evaluation.
- Reviewing and monitoring the Organization's performance.
- Discussing the Board decisions with the Organization employees.

### 3-11. Programs Director

The Organization should appoint a qualified programs' director.

The programs director duties and responsibilities include the following:

- Supervise and coordinate between the Organization various projects and programs.
- Translate the Organization plans and objectives into programs and projects.
- Participate and supervise the preparation of various projects and programs budgets in coordination with projects managers and the financial manager.
- Supervise the preparation of programs financial and administrative reports.
- Evaluate the Organization programs and the related projects.
- Evaluate the performance of programs and projects employees.

### 3-12. Administrative Manager

The Organization hires a qualified administrative manager with experience in the Not for Profit Organizations.

The administrative manager duties and responsibilities include the following:

- Acts as deputy General Director.
- Supervises the Organization's general administration and human resources management.
- Participates in recruitment and employees' performance evaluation
- Participates in various committees within the Organization.

### 3-13. Financial Manager

A qualified financial manager should be appointed and responsible to do the following:

- Directly supervises the accountants in the accounting department.
- Reviews the accounting transactions before being approved.
- Posts approved accounting transactions.
- Prepares monthly cash budgets.
- Participates in the preparation of annual budget.
- Reviews and summarizes all signed donor agreements and ensures that organization is adhering to the terms and conditions of signed agreements.

- Reviews and posts payroll transactions.
- Reviews bank reconciliations.
- Provides required information to external auditors.
- Develops accountants' professional skills.

In small organizations one employee can be in charge of more than one task. Therefore, internal control should be effective to replace insufficient segregation of duties.

#### **4. Personnel**

Objective:

This section aims to provide personnel policies and procedures including recruiting employees, attendance, payroll, evaluation, promotions, and end of service.

General policies:

- Employees are considered the most valuable assets of the organization.
- The organization aims to provide convenient professional working environment for its employees.
- Recruiting employees depends on their competence and qualifications without any religious, political, gender or age apartheid.
- Employees should abide by ethical and professional standards.
- The organization implements the Palestinian work law regarding personnel in addition to its bylaw. The later should not contradict with the former.
- The organization provides work opportunities to special needs people and ensures that they work in convenient environment.
- The organization adopts a fair and objective salary scale taking into consideration experience, qualifications and employee's performance.
- The organization evaluates employee's performance periodically to participate in improving his/her skills and performance.

##### **4-1. Recruitment**

Objective:

Recruitment procedures aim to set up a unified basis to follow when hiring an employee to enable the organization employ required qualifications within honest and fair competition environment.

General policies:

- Work vacancies exist upon organization's needs and availability of sufficient financial resources.
- Hiring an employee depends on his/her educational qualifications, competence and experience without any discrimination.
- The organization announces work vacancies to ensure free competition.
- Recruiting committee is formed to include administrative manager and involved department manager. General director participates in recruiting top level employees.
- Recruiting procedures require the recruiting committee's approval.

- All employment applications should be received and processed in accordance with specified procedures in this manual.
- All positions should be within the organization's required vacancies.

### Recruitment procedures

#### Position

**Head of Department**      **Involved**

#### Work Procedures

- Informs the administrative director of the need to fill a vacant post specifying required experience and qualifications.
  - Prepares and sends a letter to the administrative director specifying the reason of the vacancy job description, and proposed salary based on salary scale.
- Administrative Manager**
- Studies the request for a filling a vacant post and recommends the approval of general director.
  - Discusses the required qualifications and job description of generating a new post with the head of involved department. After approving the request, sends it to the financial manager.
- Financial Manager**
- Studies the request for filling a vacant post and makes sure that the administrative director approved it.
  - In case of project vacancy, refers to the budget and donor agreement to ensure that asking for a new vacant post does not conflict with the budget items. The project name and employment duration should be specified in the contract.
  - In case the vacant post does not relate to a project, ensures that the budget covers the new vacancy's expenditures.
- General Director**
- Sends the request to the general director.
  - Reviews the vacant post requests, ensures the approval of financial and administrative managers, and approves the submission of advertisement in the newspaper.
- Administrative Manager**
- An advertisement is submitted in two newspapers for one week. This advertisement should include the job description and required tasks and qualifications. The dead line of receiving the application should not be less than 14 days from the advertisement date. The

<b>Executive Secretary</b>		<p>means of receiving applications should be determined either through fax, e-mail, or post.</p> <ul style="list-style-type: none"><li>- Receives the applicants' curriculum vitae and number them serially based on date of receipt.</li><li>- Summarizes employment applications to be reviewed easily by employment committee.</li><li>- Submits the summary of employment applications attached to received CVs to the recruiting committee.</li></ul>
<b>Recruiting Committee</b>		<ul style="list-style-type: none"><li>- Reviews the employment applications summary and excludes unqualified applicants.</li><li>- Chooses specified applicants for interview.</li></ul>
<b>Secretary</b>		<ul style="list-style-type: none"><li>- Contacts the chosen candidates and sets interviews dates.</li></ul>
<b>Recruiting Committee</b>		<ul style="list-style-type: none"><li>- Interviews the candidates and documents determining interviews results.</li><li>- Evaluates the interviews results and chooses the highest score candidate.</li></ul>
<b>Administrative Manager</b>		<ul style="list-style-type: none"><li>- Prepares a job offer form to the chosen prospective employee.</li><li>- After the prospective employee accepts the job offer, prepares a two-copy contract specifying job description to be presented to employee.</li><li>- The contract includes a one time renewable three months trial period.</li></ul>
<b>New Employee</b>		<ul style="list-style-type: none"><li>- Signs the contract, maintains a copy, and returns the other copy to the administrative manager.</li></ul>
<b>Administrative Manager</b>		<ul style="list-style-type: none"><li>- Presents the organization's code of conduct and work standards to the new employee.</li><li>- Opens a file for the new employee including the following:-<ol style="list-style-type: none"><li>1. A copy of identity card.</li><li>2. Recent and colored personal picture.</li><li>3. Job offer.</li><li>4. Job description.</li><li>5. Job contract.</li><li>6. Employee's certificates and qualifications.</li><li>7. Experience certificates.</li><li>8. Curriculum vitae.</li><li>9. Tax exemptions documents.</li><li>10. Later correspondences.</li></ol></li><li>- Updates the file continuously.</li><li>- Sends a copy of job contract to the payroll accountant.</li></ul>
<b>Accountant/ Accountant</b>	<b>Payroll</b>	<ul style="list-style-type: none"><li>- Enters the employee's data to payroll system, prints a statement that includes entered data</li></ul>

- Administrative and General Manager
- and sends it to the administrative and general directors for approval.
  - Review the data entered to the system and approves it.
  - Review the employees' performance during the past three months and recommends either to maintain or dismiss the employee.

#### 4-2. Salary scale

##### Objective:

The objective of building a salary scale is to monitor payroll and promotions and provide an objective base to depend on. Transparency and credibility should be enforced in front of internal and external parties.

##### Implementation:

This salary scale is to be implemented on all posts without exceptions.

##### Authorities and responsibilities:

- The board of directors and the general assembly should adopt the salary scale.
- Financial manager and general director are responsible to implement this salary scale.

##### General policies:

- The scale is built based on similar organizations' average salary without exceeding similar posts scale in private sector organizations.
- The scale is annually updated to comply with high cost of living.
- The salary scale is built on grades system that consists of eight grades and five steps per grade.
- Grades are divided into the following:
  - Grade One: not classified persons holding tawjihi certificate or below.
  - Grade two: diploma holders.
  - Grade three: holders of Baccalaureate degree.
  - Grade four: holders of masters degree or similar higher education certificates.
  - Grade five: holders of more than one masters degree.
  - Grade six: holder of PHD.

- Progressing towards higher grades on the salary scale occur annually taking the following annual evaluation into consideration:
  - Not satisfactory evaluation dose not qualify, the employee to progress towards a higher degree. On the contrary, he/she receives a written notice to improve his/her performance.
  - Satisfactory evaluation dose not qualify, the employee to progress towards a higher degree.
  - Good evaluation qualifies the employee to move from the current step to a higher step in the same grade and obtain the related annual increase.
  - Very good evaluation qualifies the employee to move to a higher step and to an additional step as a reward for his very good performance throughout the year.
  - Outstanding evaluation qualifies, the employees to move to a higher step and take one or two additional steps as a reward for his outstanding performance throughout the year.
  - The employee moves to the next grade after moving along all previous grades' steps.
  - Annual increase between steps should not exceed 5%of gross income.

The organization specified administrative allowances based on the following administrative levels:

<u>Level</u>	<u>Position</u>	<u>Percentage %</u>
First:	General director /deputy director/executive manger/ administrative manager	
Second:	Projects manager	
Third:	Projects manager	
Fourth:	Project coordinator	

Administrative allowance should not exceed 50% of gross salary.

Years of experience:

- Each year of experience inside the organization enables the employee to move to a higher step in the salary scale.
- Each year of experience outside the organization relevant to organization activities is considered to be one year of experience inside the organization.
- Each year of experience outside the organization irrelevant to organizations activities is consider to be a half year of experience inside the organization.

4-3. Payroll and attendance

Objective:

This section aims to provide policies and procedures regarding employee's attendance, their rights and duties, and salaries paid based on actual working hours.

Policies:

- Each employee daily signs attendance sheet or stamps the electronic hour (if any) when entering and exiting the organization.
- Each department should maintain a daily attendance sheet including employees' names, time of arrival and leave in order to control employees' actual working hours. Each employee should fill and sign this sheet to be approved by the direct supervisor. Late or absent employee is not allowed to fill the daily attendance sheet.
- The accountant compares the daily attendance sheet and electronic hour sheet on a weekly basis, and discusses any differences with the head of involved department.
- The accountant prepares a monthly attendance report per employee that includes employees' name, required working hours, actual working hours, additional working hours, unpaid vacations, advances, and allowances.
- Paid additional working hours should be pre-approved by the administrative manager. The employee should fill additional working hours request form to be signed by the administrative manager.
- Each employee should prepare and sign a monthly time sheet specifying major tasks done through the month and estimating approximate time spent on each task allocated to relevant project. This sheet should be approved by the employee's direct supervisor.

**Preparing and paying payroll:**

**Position**

**Work Procedures**

**Project/Branch Manager**

- Reviews and compares employees' time report with daily attendance sheet and signs them.
- Prepares and sends a list of employees' names attached to time reports to the financial manager.

**Financial Manager**

- Reviews and signs employees and time report and asks the accountant to enter data to payroll system to calculate income tax.
- Ask the accountant to prepare a sheet of employees' names, gross salaries, deducted income tax, and net salaries to be paid.



receives a written notice and is deprived from moving to a higher step or grade on the salary scale.

- **Acceptable:** indicates that employee's performance approached the minimum required level. Therefore, he is deprived from moving to a higher step or grade on the salary scale without receiving any written note.
- **Good:** indicates that employee's performance meets to average expected level. Therefore, he/she moves one step higher against one service year.
- **Very good:** indicates that the employee's performance is above average. Therefore, he/she moves one step against his /her performance and another step against one service year.
- **Outstanding:** indicates that the employee's performance is above all expectations. Therefore, he/she moves three steps on the salary scale.

**Note:** Outstanding and very good performance evaluations should be justified through supporting documents explaining of such results to the board of directors to approve promotions.

- Performance evaluation form should be used.
- Employees' performance should be evaluated periodically.
- Employee's promotion depends on performance evaluation.

**Performance evaluation procedures:**

**Position**

**Work Procedures**

**Projects' Employees:**

**Project Manager**

- Evaluates the performance of each employee by the end of each major phase in the project's life.

**Employee**

- Discusses the evaluation with each employee.
- Comments on the results of his/her performance evaluation and signs the evaluation form to prove his/her review and discussion.

**Project Manager**

- Signs the evaluation form and sends it to the administrative manager.

**Administrative Manager**

- Reviews the evaluation form and the related employee's comments, studies the need to meet the employee, and approves the evaluation form.

**Administrative Employees:**

**Direct Manager**

- Approves the evaluation and sends the form to the administrative manager.

**Administrative Manager**

- By year end, reviews all employees' files and results of performance evaluation and

- General Director**
- presents his recommendations to the general director.
  - Meets each employee and discusses his/her performance throughout the year specifying his/her strengths and weaknesses.
  - Based on evaluation results, recommends promotions and proposed annual increases for each employee.
  - Prepares and signs three copy internal memorandum of his meeting with each employee and asks the employee to place his/her comments and sign.
  - The three internal memorandum are given to the employee, administrative manager to be kept in the employee's file and the general director.
- General Director**
- Presents the internal memorandum attached to signed employees' evaluation forms recommending annual increases and promotions to the board on directors.
- Board of Directors**
- Reviews the results of performance evaluation and discusses the general director's recommendations.
  - Sends a copy of annual increases and promotions to the general director, administrative manager, financial manager and payroll accountant.
- Administrative Manager**
- Maintains a copy of approved annual increases and promotions in each related employee's file.
- Payroll Accountant**
- Adjusts employees' salaries to annual increases and promotions and enters these adjustments to payroll system.
- Financial Manager**
- Maintains a copy of approved annual increases and promotions in financial department files.
  - Reconciles salaries adjustments to payroll system.

#### 4-5. Vacations and regular holidays

##### Policies:

- The organization adopts regular and religious holidays stated by Palestinian ministries council.
- The organization adopts the Palestinian work law regarding annual vacation days, sick leaves and maternity leave.
- The board of directors should approve any change to the Palestinian work law to be implemented.
- Vacation request should be filled.

##### Procedures:

##### Position

**Employee**

##### Work Procedures

- In case of annual and un-urgent vacations, fills a vacation request form within two days before the requested vacation date that should not exceed two days.
- More than two days vacation should be applied for within at least two weeks before the requested vacations date.
- The employee should inform the organization of his place during his/her vacation, and provide contact information for emergencies.
- In case of urgent vacations such as sickness, informs the organization by phone and fills a vacation request subsequently attaching documents to support his/her urgent vacation.

**Employee's Direct Manager**

- Reviews the employee's vacation request form and studies the possibility to approve the vacation after ensuring that another employee can manage the absent employee's position.
- Approves the vacation request signs under responsible person and sends the request to the administrative manager (personnel).

**Administrative Manager  
(Personnel)**

- Ensures that direct supervisor approves the vacation request.
- Ensures that the employee has vacations remaining balance.
- Approves the vacations remaining balance.
- Maintains a copy of vacation required form in the employee's file.
- At year end, submits a statement of vacations remaining balance per employee to calculate vacations allowance.

4-6. Travel and transportation

Objective:

This section aims to provide policies pertaining expeditors and transportation expenses to meet the organization's goals at the least possible cost.

Policies:

- Travelling should only meet organization's needs.
- Traveling should charge the least possible cost.
- Per Diem system is adopted to cover transportation and lodging expenses.
- Daily paid amount, depends on travel place.
- The organization covers all necessary and reasonable transportation and traveling expenses.
- The organization pays the employees traveling and transportation expenses supported by official documents.
- The employees should use public transportation in order to maintain the lowest cost.
- In case of renting a car a record is maintained specifying user name travel place project name and destination to allocate car cost.
- An invoice if any from the taxi driver should be obtained specifying his name, destination, amount received and date.
- Employees submit a monthly transportation sheet to his/her direct supervisor attached with invoices and receipts.

**Procedures:**

**Position**

**Direct supervisor**

**Procedure**

- Reviews transportation sheet and ensures that the employee meets the organization's needs.
- Reviews the transportation expenses supported by attached documents and tests its reasonableness.
- Approves the transportation sheet and sends it to financial department
- Projects managers should approve the allocation of transportation expense among projects
- Ensures the transportation sheet clerical accuracy and direct supervisor's approval and project managers.
- Ensures that transportation expense has an itemized budget.

**Accountant**

- Prepares a payment voucher ,records and allocates transportation expense among related projects
- Traveling abroad**
- Employee**
- Submits a latter to his director supervisor explaining the reasons for traveling abroad and proposing expenses.
- Direct supervisor**
- Reviews and approve employees' travel request and send it to administrative manger.
- Administrative manger**
- Reviews the travel request and ensures the direct supervisor's approval after approving the request sends it to the financial manager to study the availability of financial recourses to cover the traveling cost, This step is skipped if the hosting party covers traveling cost.
- Financial manager**
- Studies the project's budget to allocate traveling costs and ensures that the allocation is in compliance with agreement's stipulations.
  - Ensures the existence of budget item that covers traveling, approves the request and sends it to general director.
- General director**
- Presents the travelling request and approves it.
  - Studies the request to authorized people responsible to approve procurement and other expenses.
- Secretary**
- Financial manager**
- Books an economic class ticket.
  - Asks to pay an advance payment to the employee.
- Employee**
- After coming back, prepares a list of all actual expenses and travelling days attached to invoices and supporting documents and sends it to his/her direct supervisor.
- Direct supervisor**
- Reviews the travel expenses list and attached supporting documents approves it and sends them to financial department.
- financial department**
- Reviews invoices and supporting documents and pre diem calculative to pay remaining amount.

4-7. End of service

Objective:

This section aims to organize employee's end of service to be in compliance with adopted laws and regulations.

End of service may be attributable to the following:

- Employee resignation.
- End of signed contract period (in case of working on a certain project or period).
- The organization's decision to cancel the job for reasons not related to employee.
- Retirement age.
- Inefficient employee who does not adhere to work rules and regulation.

**Procedures:**

**Position**

**Procedure**

**In case of Resignation**

**Employee**

- Sends a resignation letter to the general and administrative manager.

**Administrative Manager and General Director**

- Review the resignation request and meet the employee to understand the reasons of his resignation.
- If the resignation is approved from the employee's direct supervisor, payroll accountant and related employees should be informed.
- Maintains a copy of resignation letter in the employee's file.
- Document their meeting with the resigned employee through preparing a 3-copy internal memorandum signed by both of them and the employee writing his comments if any. The three copies are distributed to the employee, maintained in the employee's file, and to the board of directors.

**In case of Job Cancellation**

**General Director**

- Studies the possibility of changing the employee's post.
- Consults the financial and administrative managers regarding results of ending the

- employee's service.
  - Consults the organization's attorney regarding the end of service decision consequences.
  - Presents the decision in front of the board of directors for acceptance.
  - Meets the employee and informs him/her with the decision
  - Documents his meeting with the employee through preparing an internal memorandum including the employee's comments and sends it to the board of directors.
- Board of Directions**
- Reviews the internal memorandum and either recommends the continuation of resignation procedure or meets the employee and returns him/her to work.
  - Sends a written decision to the general director
- General Director**
- Sends the board of director written decision to administrative and financial managers.
- Financial Manager**
- Asks the accountant to calculate due to employee in accordance with law and prepare payment procedures.
- Administrative Manager**
- Maintains a copy of board of directors' decision and informs the related employees of the decision.
- Ending service in case of inefficient employee or noncompliance with organization's regulations**
- Administrative Manager**
- Consults the organization's attorney regarding the legal situation of the employee and organization and required procedures
  - Asks the financial department to prepare the employee's statement and meet the attorney's recommendations.
  - Prepares an internal memorandum specifying the reasons of dismissing the employee to be sent to the general directors
- General director**
- Reviews the internal memorandum prepared by administrative manager and the attorney's recommendations and

- approves the decision.
- Provides the board of directors supporting documents to obtain their approval
- Asks the financial manager to immediately end the employee's service and receive any organization's belongings possessed by the employee
- Gives an order to cross out the employee's name of monthly payroll statement.

**Procedures of ending service**

In all cases:

**Position**

**Administrative Manager**

**Procedure**

- Ask the IT employee to cross out the employee's name and password from the system
- If the employee possesses organization keys he should handle them to the administrative manager keys that are changed if necessary.
- Makes sure that the employee delivers all assets belonging to the organization.

**Required forms**

- Recruitment request internal form.
- Job applications summary form.
- Interviews evaluation and documentation form.
- Daily attendance sheet.
- Bank transfer letter.
- Time report.
- Vacation request form.
- Advance request form.
- Leave request form.
- Performance evaluation form.

**Organization's Name**  
**Recruitment Request Internal Form**

Date: \_\_\_\_\_

From: \_\_\_\_\_

Department: \_\_\_\_\_

To: Administrative Manager

Dear Sirs,

We kindly request to approve the following recruitment:

**Job Description:**

**Post nature:**

- Vacancy
- Nearly generated
- Work pressure

**Department:**

**Post type:**

- Part time
- Contract employee
- Project employee
- Organization employee

**Proposed salary**

**Project's name**  
**Project's manager**  
**approval**

---

**General  
Director**

---

**Administrative  
Manager**

---

**Financial Manager**

---

**Head of Related  
Department**

**Organization's Name**  
**Job Applications Summary Form**

**Date:** \_\_\_\_\_ **Post:** \_\_\_\_\_

Following is a summary of received CVs pertaining \_\_\_\_\_ post at \_\_\_\_\_ department in accordance with employment request dated \_\_\_\_\_.

<b>Serial Number</b>	<b>Application receipt date</b>	<b>University certificate</b>	<b>Years of experience</b>	<b>Qualifications</b>	<b>Languages</b>	<b>Appointment date</b>	<b>Recommendation for not setting an appointment date</b>

\_\_\_\_\_  
**Administrative Manager**

\_\_\_\_\_  
**Head of Related Department**

\_\_\_\_\_  
**General Director**

**Organization's Name**  
**Interviews Evaluation and Documentation Form**

Interview date: \_\_\_\_\_ Time: \_\_\_\_\_  
Name of interviewee: \_\_\_\_\_ Post: \_\_\_\_\_

	<u>Estimated grade</u>	<u>Maximum grade</u>
Time commitment		10
General appearance		10
Elegance		10
Self confidence		10
Clear objectives and vision		10
Work knowledge		50
<b>Total grading</b>		<b>100</b>

---

<b>Administrative Manager</b>	<b>Head of Related Department</b>	<b>General Director</b>
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**Organization's Name**  
**Daily Attendance Sheet**

**Date:**

	<b>Employee name</b>	<b>Arrival time</b>	<b>Leave time</b>	<b>Signature</b>	<b>Notes</b>
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					

---

**Approval**

**Organization's Name**  
**Bank Transfer Letter**

**Date** : .....  
**To** : Bank .....  
**Branch** : .....

Dear Sirs,

We kindly request to transfer the following amounts from our bank account number \_\_\_\_ to employees accounts numbers according to the following schedule:

<b>Number</b>	<b>Employee name</b>	<b>Bank name &amp; branch</b>	<b>Account number</b>	<b>Amount "currency"</b>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
<b>Total</b>				

Total in letters .....

**Your prompt action is greatly appreciated,**

\_\_\_\_\_  
**Name & Position**

\_\_\_\_\_  
**Name & Position**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**



**Organization's Name**  
**Vacation Request Form**

Date: \_\_\_\_\_

Employee's Name: \_\_\_\_\_ Post: \_\_\_\_\_

Number of vacation days (       )

Vacation period: from \_\_\_\_\_ morning to \_\_\_\_\_ evening

Vacation purposes \_\_\_\_\_

Employee's place during vacation and means of contact

---

**Direct Supervisor**

---

**Employee's Signature**

---

**Administrative Manager**

**Organization's Name**  
**Advance Request Form**

**Date:** \_\_\_\_\_

**To administrative manager**

I kindly request your approval for an advance payment of "month" \_\_\_\_\_  
salary amounting \_\_\_\_\_ for \_\_\_\_\_  
Amounting \_\_\_\_\_ for \_\_\_\_\_

\_\_\_\_\_  
**Employee's Name**

\_\_\_\_\_  
**Post**

\_\_\_\_\_  
**Employee's signature**

\_\_\_\_\_  
**Administrative  
approved**

**Organization's Name**  
**Leave Request Form**

Date: \_\_\_\_\_

Employee Name: \_\_\_\_\_

Post: \_\_\_\_\_

Number of leave hours: (        )

Leave period: from hour: \_\_\_\_\_ to \_\_\_\_\_

Leave purpose: \_\_\_\_\_

---

**Employee's signature**

---

**Approval**

**Organization's Name**  
**Performance Evaluation Form**

**Personal information:**

Employee's Name: \_\_\_\_\_  
 Job description: \_\_\_\_\_  
 Appointment date: \_\_\_\_\_  
 Purpose of evaluation: \_\_\_\_\_

Post: \_\_\_\_\_  
 Department: \_\_\_\_\_  
 Previous evaluation date: \_\_\_\_\_

**Performing required tasks:**

	1	2	3	4	5	Dose not apply	Remarks
Accuracy at work							
Efficiency and effectiveness							
Job requirements know ledge							
Dependable							
Time commitment and disciplinary							
Ability to work without being thoroughly followed up							
Time management and work planning							
Working under presser and solving problems							
Leadership and decision making							
Required education knowledge							
Ability to improve work							
Ability to write reports							
Ability to work in more than one project							

**Communication skills:**

	1	2	3	4	5	Dose not apply	Remarks
Relationship with colleague							
Relationship with beneficiaries							
Criticism acceptance							
Credibility							
General appearance							
Self confidence							

General evaluation:

Achieved points:

Events supporting very good or out standing evaluation:

Administrative manager's remarks:

Employee's remarks:

Signatures:

_____ Director supervisor signature	_____ Date:
_____ Employee signature	_____ Date:
_____ Administrator manager signature	_____ Date:
_____ General director signature	_____ Date:

Points description	
5	<b>Outstanding performance:</b> meets all current position requirements
4	<b>Very good performance:</b> meets most requirements for current position
3	<b>Good performance:</b> meets all current position requirements.
2	<b>Acceptable performance:</b> doesn't complete all current position requirements in suitable way
1	<b>Unsatisfactory:</b> Dose not meet all current position requirements

## 5. Strategic planning

### 5-1. Objective

This section aims to specify the important role of strategic planning in the organization going concern and objectives achievement it also aims to determine strategic planning steps.

### 5-2. Policies

- The organization conducts a SWOT (strengths, weaknesses, Opportunities and Threats) analysis.
- The organization studies and annually evaluates the surrounding environment from different aspects (i.e socially, politically, legally, etc)
- The organization studies the effects of current situation and surrounding environment on the organization's future and going concern.
- Management determines the organization's vision and mission.
- Management determines and updates strategic objectives (13-5) years, periodically.
- Management determines possible a alternatives to achieve. organizations objectives.
- Management forms committees to follow up strategic planning and provide reports to board of directors.
- Funds are raised to achieve the organization objectives implement strategic planning and funds raising.
- Management prepares a strategic plan that is considered to be an integral and continuous process and one of the most important management's responsibilities.

## Procedures

### Position

**General Director**

### Procedure

- Informs the board of directors of the need to conduct a strategic planning 6 months before the period intended to cover
- Asks the programs manager to prepare a report about the achievement for the last three years and prospective expectations
- Asks the financial manager to present the organization's financial position during the last three years and his expectations for the next three years.
- Asks the employee who is responsible for fund raising to prepare reports about the

- last three years situation of fund raising, future modifications and donors future directions.
- Programs Manager**
- Prepares a future three year report about the organization's programs specifying projects and programs objectives, actual attainments, extent of objectives achievements, beneficiaries' satisfaction, and obstacles faced while implementing these projects and programs.
- Financial Manager**
- Prepares a financial report including previous three years financial statement summary and projects and program statements, a future three year budget is prepared to include general and administrative expenses to evaluate the organization's continually .
- Head of Fund Raising**
- Prepares a detailed grants report and during the past three years specifying total grants received grant nature (restricted, un restricted) and means of raising funds (through projects proposals, donor direct contact, etc)
  - Prepares a report about the project's objectives and donor.
  - Prepares a detailed report about donors stipulation.
  - Prepares a detailed reports specifying donor's participation in projects financing.
  - Determines donors future directions
- General Director**
- Prepares an aggregate report based on the above mentioned detailed reports and adds a section relevant to general political, economic, and future vision.
- Boards of Directors**
- Studies and discusses the presented report.
  - Based on the studied report reviews the organization's policies and objectives in order to propose beneficial and constructive modifications.
  - Determines organization's objectives draft for the next 3-5 years.
  - Forms a strategic planning committee that comprises two board of directors, members program manager, and financial manager.
- Strategic Planning Committee**
- Conducts a work shop for organization's

employees to assess its performance and analyze its strengths weaknesses opportunities and threats (SWOT) Employees suggestion are taken into consideration.

- Presents and discusses the strategic draft objectives set by board of directors who studies objectives applicability or modification and implementation steps through brain storming.
- This workshop aims to get employees involved in planning and decision making to improve their sense of commitment
- Prepares a report of discussion and work shop recommendations to end up with final strategic plan headlines to be presented to board of directors for approval.
- Reviews the draft objectives and headlines to be adopted and implemented
- Asks the programs manager to prepare program plan that covers the programs plan period.
- Detailed plan is prepared in coordination with projects and programs manager.
- Projects plan includes the following :
  1. Projects objectives
  2. Projects period and basic stages
  3. Finance sources
  4. Existing and new employees
  5. Each project's budget is divided into its basic.
- Asks the administrative manager to prepare an administrative plan including the need of administrative employees, prospective annual increases and promotions and changes to work methods
- Asks the head of fund raising to prepare a detailed plan covering the period of strategic plan based on programs and administrative plan providing information about raising funds needed to implement programs and administrative plans
- Asks the financial manager to prepare a comprehensive financial budget for each strategic plan year based on projects and administrative plans.

**Board of Directors**

**Budget Committee**

**Department Managers**

- Prepare the above mentioned plans and present them to board of directors
- Deliver prepared balance to budget committee in order to prepare the draft strategic plan.
- Attach projects detailed plans including project's activities objectives and assigned people to execute each stag with strategic plan.
- Strategic plan is presented to board of director for approval.

**Board of Director**

- Reviews and approved the draft strategic plan and present it to general assembly for approval.

**General Assembly**

**Strategic Planning Committee**

- Approve the strategic plain.
- Conducts a workshop for departments to discuss the approval strategic plan and present the manager required tasks.
- Reviews the strategic plan semi\_ annually and asks involved parties to prepare reports specifying actual achievements.
- Any plan override should be analyzed and discussed with related parties and take modification steps to change strategic plan if necessary.
- Presents the reviewed semi\_ annually reports to board of directors.

## 6. Fund raising

### Objectives:

This section aims to set fund raising policies and procedures that enable the organization achieve its strategic objectives.

### Policies:

- The board of directors should thoroughly participate in planning and executing fund raising. Objectives should be determined in order to achieved the organization's strategic objectives.
- The organization prepares a shortlist of potential donors and appoints personnel who will be incharge of fund raising activities.
- Successful public relations are considered essential for fund raising that promote a good reputation.
- A fund raising committee is formed to specify fund raising objectives, prepare required plans, determine potential sources of financing, follow up plans implementation, and prepare various reports.
- Fund raising process forms an integral part of strategic planning.
- Any new donor relationship should be approved by board of director.

### Procedures

#### Position

#### **Head of Fund Raising**

#### Procedure

- Determines the organization's fund raising needs based on strategic plan and annual budget
- Contacts the existing donors, presents the programs and strategic plan in order to study their aptitude to finance any of these programs and projects
- Seeks and contacts donors to finance the organization's activities and sends the organization brochure and annual reports
- An annual fund raising ceremony is conducted at which donors are invited and organization's activities and achievements during the previous year are presented and future prospective plans are put forth.
- During this ceremony personal and organization's donation are accepted in addition to selling the organization's brochures and booklets.
- Arranges for a fund raising travel after

- being approved by board of directors
- After the donor approves financing a project, participates to prepare a proposal that includes at last the following:
    1. The organization vision and project's objectives.
    2. The project's benefits and beneficiaries.
    3. A detailed and accurate budget specifying projects expenses.
    4. Overhead costs should be allocated based on organization's policy specified in the budget.
    5. Supplementary schedule specifying the amount of expenses covered by the organization.
    6. A time table for project's activities.
    7. External expert can be approached to write proposals.
    8. The organization can obtain computerized package that enables the organization to write proposal and follow up with plans achievement.
    9. The organization may develop a website to facilitate raising funds.
  - Draft proposal is presented to general director.
- General Director**
- Approves the proposal after reviewing and writing his comments and sends the proposal to board of director.
- Board of Directors**
- Reviews the proposal, ensures that the project's objectives meet the organization's general objectives and that the donor doesn't contradict with organization's policy and finally approves the proposal.
- Head of Fund Raising**
- Sends the proposal to donor and follows up.
  - Coordinates with the donor to conclude agreement after the donor accept to finance the projects.
  - Presents the received agreement to general director.
- General Director**
- Reviews the agreement and consults the legal organization consultant before signing the agreement.
  - Signs the agreement and sends copies to financial manager, head of fund raising, and project's manager.

- |                             |  |
|-----------------------------|--|
| <b>Financial Manager</b>    | - Summarizes the agreement's conditions and donor's stipulations.  |
| <b>Financial Department</b> | - Proceeds with bank transaction opening a separate bank account enters related information and to accounting records                                  |
| <b>Projects Managers</b>    | - Reviews the signed agreement and maintains it as a reference while implementing the projects.  |
| <b>Head of Fund Raising</b> | - Maintains donors' records.<br>- Continuously contacts donors.<br>- Sends copies of organization's brochures to donors to ensure relation continuity. |
| <b>Financial Department</b> | - Follows up plans implementation and reports preparation pertaining stages of plan execution and obstacles faced.                                     |
| <b>Financial Department</b> | - Follows up plan execution, writing reports, conducting periodic comparison and analyzing differences.<br>- Prepares donor required reports.          |

## 7. Projects' Evaluation

### Objectives:

This section aims to provide projects evaluation policies and procedures to ensure objects achievements.

### Policies:

- The organization sets measurable objectives to achieve in each stage within the project.
- Periodic evaluation (quarterly) is conducted for all projects.
- Projects evaluation includes percentage of completion, objectives, achievements and financial evaluation.
- Final evaluation is conducted at the end of project.
- Final evaluation includes projects objectives achievements it's effect on beneficiaries and their satisfaction.

### Procedures:

#### Position

#### **Project Manager**

#### Procedures

- Breaks down the project into stages based on time table each stag has its own short term and long measurable objectives to be achieved.
- Short term objectives comprise number of training courses, training, beneficiaries, etc.
- Long term objectives are determined based on projects strategic objectives such as long term development, and economic effects.
- Evaluates each project and compares actual and planned performance.
- Discusses results of evaluation with project's manager and staff who should explain variance between actual and planned performance.
- Prepares quarter reports concluding result of project's performance evaluation and improvements recommendations to be presented to general director.
- The organization should use a computerized project's database to provide information about projects and beneficiaries to enable the organization to

#### **Programs Manager**

**General Director**

- follow up long term projects results and ensure strategic objectives implementation.
- Reviews the projects performance evaluation report and holds a meeting for projects employees to discuss results of evaluation and recommendations for better future plans.
  - Assigns a consulting party one time every three years to review and evaluate implemented projects and study to what extent long term objectives were achieved and beneficiaries were satisfied.
  - The above mentioned procedure may be conducted by internal qualified experts.
  - Present. a report of evaluations to board of directors and general assembly to enable the organization set objectives and strategic plans.

## **8. Procurement**

### **1- General**

#### 1-1. Objective

- This section aims to provide procurement policies and procedures.
- These policies determine procurement procedures to ensure that inventory, fixed assets and services are procured in an effective way in accordance with board of directors approved budgets.

#### 1-2. Implementation

These policies and procedures should be implemented when procurement is done.

#### 1-3. Authorization and responsibilities

- The board of directors should approve any change to this section.
- The accountant and general director are held responsible to implement these policies and procedures.

### **2- Procurement Policies**

#### 2-1. General policies

- The organization's procurement policies should be taken into consideration when procurement is conducted.
- Bulk procurement is preferable to meet the organization's needs, minimize the administrative costs and to take best price offers.
- Procurement is done in a perfect competition way taking into consideration any circumstances that preclude or reduce competition among suppliers.
- If a Tender was asked for, Tenders or price offers requests should clarify all required specifications that a prospective supplier should meet in his offer. The Tender is awarded considering best prices and quality.
- Price offers or Tenders requests orders should include the following:-

- An accurate description of required technical specifications to ensure fair competition.
- Required specification to be achieved by each supplier that will be considered as offer evaluation base.
- Description of required technical requirements to comply with.
- Special specifications to be met such as "Trade Name".
- The Tender is awarded to the supplier who complies with contract's covenants and circumstances considering his credibility, past record and quality of work.
- Price offers and costs are analyzed in different ways through comparing price offers with market or similar goods prices, and discount offered. Documentation of prices study conducted should be maintained in procurement files. Prices are compared with cost items to ensure reasonability and acceptability.
- Large purchases procedures are documented and maintained in a special file including at least the following:-
  - ✓ Basis of awarding the supplier.
  - ✓ Justifications for not asking for price offers.
  - ✓ Basis of prices and cost analysis.
- A system to manage contracts signed with suppliers should be maintained to ensure that suppliers comply with contract's covenants and required specifications.
- The following covenants should be specified in contracts exceeding determined amount (i.e. USD 20,000).
  - ✓ Penalty condition: The supplier will be charged if he didn't comply with agreements covenants.
  - ✓ Contract cancellation: The contract should specify cases at which it is discontinued once the supplier breaches the contract or circumstances out of the supplier's control occurred.
  - ✓ Supplier's guarantee: Each supplier should obtain a Tender guarantee amounting 5% of contract amount to ensure that he is committed to comply with contracts covenants on time. Approved cheques are considered to be supplier's guarantee.
- Advance payments to suppliers are not preferable, unless the supplier provides guarantees and implementation commitment.

## 2-2. Procurement process ethics

- Procurement process should be conducted on an arms - length. That is any employee who has financial interest with the

prospective supplier should not get involved in choosing the supplier.

- Employees or management should not accept any gifts or financial value things from suppliers or contract related parties.
- Any party not complying with procurement ethics should be punished.

#### 2-3. Suppliers record

- The organization should maintain a list of suppliers providing main items needed including suppliers names, address, telephone and fax numbers, and name of contract person. This list will facilitate procurement procedures.
- The above mentioned list should include the supplier's name, available goods, prices, goods description, and his relation with the organization.
- The organization should maintain a file for each supplier given a specified number to be used for each procurement process.

#### 2-4. Procurement committee

- An internal procurement committee is formed to supervise and approve procurement procedures taking into consideration prices, quantity, quality, and types of goods and finally chooses the best price.
- Internal procurement committee comprises:-
  - General Director.
  - Financial manager / accountant.
  - Board of directors' representative.
  - Project manager if procurement is related to a specific project.
- Procurement committee participating with board of directors includes a member from internal procurement committee in addition to members of board of directors.
- Procurement committee may include an external expert (i.e. engineer, computers expert etc) to participate in evaluating Tenders and suppliers.
- Members of procurement committee depend on the organizations size, activities, and number of employees.

#### 2-5. Procurement authorization

- Procurement authorization in the organization is as follows:-

<u>Procurement Amount</u>	<u>Required Authorization.</u>
1. Up to USD 300	General director or project manager.
2. Up to USD 1,000	General director or project manager and accountant.
3. From USD 1,000 to USD 5,000	General director and project manager or accountant.
4. From USD 5,000 to USD 10,000	Internal procurement committee.
5. Above USD 10,000	Procurement committee with board of directors.
<ul style="list-style-type: none"><li>• Branch manager approves branch procurements up to USD 5,000 on behalf of general director.</li></ul>	

2-6. Purchase request policies

- Procurement department is responsible to obtain price offers or invitation for Tenders. Price offers are obtained based on the expected procurement value as follows:-

<u>Procurement Amount</u>	<u>Required Authorization.</u>
1. Above petty cash fund ceiling to USD 250 or equivalent amount.	Shopping and bargaining.
2. From USD 251 to USD 3,000 or equivalent amount.	Invitation for at least 3 written (sealed enveloped) offers from suppliers offering high quality goods and moderate prices.
3. Above USD 3,000 or equivalent amount.	Invitation for a Tender.

- Requesting for price offers is documented through using price offers request form.
- Prices offers request form should include sufficient information pertaining procurement procedures, prices, place, time, and payment conditions as follows:-
  - Detailed specifications of items needed.
  - Required quantity.
  - Place and time of placing the order.
  - Payment method.
  - Contract conditions.
  - Authorized signatories.
- The accountant should compare price offers requests with the approved budget to ensure that procurements present a budget item before approving price offers request.
- Price offers requests are opened and summarized in front of the procurement committee.

- Prices analysis should be documented to compare offers prices with market prices. This analysis should be considered to select the supplier after taking financial and technical aspects into consideration.
- The organization is not required to select the lowest price but should justify the reasons for that.
- Pre-numbered purchase order is prepared for procuring goods or services above USD 100. Each purchase order including the supplier's name, prices, quality and quantity should be approved from the suitable administrative level.
- 3- Copy purchase order is issued to be maintained at the financial department, with supplier, and at procurement department.
- Procurement amount should not be divided in order to follow procedures mentioned in the previous note.
- Head of procurement process or his deputy should shop for procuring items.
- Items procured through shopping should have known prices so that financial department may assess prices reasonableness. If prices where not well known, reasonableness check should be done.
- Shopping process should be documented for control purposes.
- Price offers request form is used for procurements requiring invitation for written price offers. Prices are analyzed using "Price offers analysis" form.
- Procurement committee that analyzes price offers should include the following:
  - Head of procurements as the committee president.
  - Representative of involved department (project manager).
  - Financial manager.
- If price offers request is required, then procurement is done through serially, pre-numbered, and 3-copy purchase order issued by procurement department to be discussed later. Shopping doesn't require issuing a purchase order.

### **Task description**

Following are procurement procedures to be followed.

### **Producers**

Following are detailed procurement procedures, specifying the person in charge of each step.

### **Position**

**Head of Involved Department**

**Financial Manager**

### **Work Procedures**

- Prepares a purchase request specifying the required items and amounts, signs the request and sends it to the financial manager.
- Reviews the purchase request, discusses it with

- the heads of involved and procurement departments, ensures that the budget is sufficient, signs to approve the purchase request after the administrative or general manager approves.
- Head of Procurement Department**
- If procurement value is categorized under shopping process, then shopping is done, and the person involved documents the process through filling shopping form. The financial manager should sign the form.
  - If procurement value requires price offers, prepares prices offers request form determining all specifications and sends the forms to suppliers to write down their prices, sign, stamp the price offers request form and sends it to procurement department.
- Procurement Committee**
- Analyzes the offered prices using prices analysis form, selects the suitable supplier and signs the analysis form.
- Head of Procurement Department**
- Prepares the purchase order, signs and stamps it. The original copy is sent to the supplier and the other three copies are sent to the accountant, purchase requesting department and procurement department.

**Important Note:**

Price offers and analysis forms are attached to the purchase order copy maintained by accountant.

- Purchase Requesting Department**
- Receives procurements, reconciles the items received with purchase request and signs a receipt form to prove receipt.
  - Sends the invoice attached to deduction of source certificate and receipt report to the accountant.
- Accountant**
- Reviews the invoice and reconciles the amounts and specifications to the purchase order and ensures the following:-
    - Invoice clerical accuracy.
    - Validity of deduction of source certificate.
    - Existence of authorized dealer name and number on the invoice.
    - The invoice is original.
    - The invoice is in compliance with purchase order.
    - Prices presented in the invoice are in accordance with the price offer.
    - Invoice submitted specified the name of organization.
    - Procurement was done from the supplier

selected by procurement committee.

- Prepares a computerized journal voucher debiting the expense amount and crediting supplier's payable account and ministry of finance payable if deduction of source prevails. The accountant saves the journal voucher without posting it.

**Financial Manager**

- Reviews the saved journal voucher, checks the supporting documents, post the entry and signs the voucher. All supporting documents are attached to the journal voucher copy and maintained in invoices to be paid file.

**Accountant**

- Maintains the original copy of journal voucher after signing under prepared by.

**Required forms and documents**

- Pre-numbered internal purchase request.
- Price offers request.
- Purchase request
- Purchase order.
- Price offers analysis form.
- Procurement through shopping form.
- Contract to provide services form.

**Organization's name**  
**Purchase Request**  
"Serial Number"

**From** : .....  
**To** : Head of procurement  
**Beneficiary Project** : .....

Dear Sirs,

Kindly arrange the purchase of the following: -

Description	Item	Quantity

**Remarks**

-  
-  
-  
-  
-

---

**General/  
Administrative Director**

---

**Financial  
Manager**

---

**Head of Involved  
Department**

**Organization's Name**  
**Price Offers Request**

Name of Supplier : .....  
Supplier Address : .....

Dear Sirs,

We kindly request to provide us with price offers for the following goods/equipment no later than a period of ..... Days from the date of this request. Please fill the price column, stamp and sign the request and return it back to the head of procurement department.

Item	Technical specification	Required quantity	"For suppliers use" Item price including VAT
<b>Total amount including VAT</b>			

---

**Head of Procurement  
Department Signature  
and Stamp**

---

**Supplier Signature  
and stamp**

**Organization's Name**  
**Purchase Order**  
**"Serial Number"**

**Name of Supplier** : .....

**Supplier Address** : .....

**Dear Sirs,**

We kindly request to provide us with the following goods/equipment according to your price offer presented on ..... Please send the tax invoice and deduction of source certificate with the goods.

<b>Item</b>	<b>Technical descriptions</b>	<b>Quantity</b>

**Place of Delivery** : .....

**Date of Delivery** : .....

---

**Stamp & Signature of  
Head of Procurement  
Department**

**Organization's Name**  
**Price Offers Analysis Form**

Date : .....

Dear Sirs,

Following is an analysis of prices offered to provide goods/equipment requested from.... Department in accordance with purchase request number.....

Supplier Name	Offered Price

**Procurement committee decision**

- 1.
- 2.
- 3.
- 4.

---

**President of  
Procurement Committee**

---

**Member**

---

**Member**

**Organization's Name**  
**Form of Purchasing Through Shopping**

Date : .....

Purchased items	Item Price			Remarks
	Supplier "A"	Supplier "B"	Supplier "C"	
1-				
2-				
3-				
4-				

I the undersigned purchased the above mentioned items from ..... to .....

---

**Purchaser Name**

---

**Head of Procurement  
Department**

**Organization's Name**  
**Contract To Provide Services Forms**

**This agreement was signed on:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Between**

Organization name, complete address, authorized signatories represented by first party

**And**

Service providing company, complete address, authorized signatories represented by second party

Contract Subject \_\_\_\_\_

The two parties agreed upon the following:

First: General conditions

- The second party is committed to implement assigned tasks on contract terms and value.
- The second party is committed to start work within \_\_\_\_\_ days after signed agreement date.
- Contract's stipulations, service specifications and second party's responsibilities and duties form an integral part of this agreement.

Second: Responsibilities of the second party

- Providing experience and needed qualifications to comply with and implement teams based on second party's offer dated \_\_\_\_\_ to meet needs
- Implementing offer terms on time.

Third: Responsibilities of the first party

- Providing required information and resources to implement work.

Fourth: Special conditions and required services

Fifth: Prices and installments

- The second party is committed to implements required tasks mentions in offer.
- Aggregate contracts amount is settled according to percentage of work completion, official invoices and deduction of source certificates in compliance with Palestinian applicable law and regulation as follows:

20% upon starting work.

50% upon the submission of draft service provided report.

30% upon approving the service provided report submitted by the second party.

Sixth: disagreement dissolving

- Disagreement between the two parties should be dissolved through complying with Palestinian authority's applicable laws and regulations.

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**Date**

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**Date**

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**First party**

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**Second party**

## 9. Tenders

This section is related to procurements above USD xxx or equivalent amount that require tender request.

### Financial Policies

- A high level of professional ethics should be maintained when requesting for, evaluating, and awarding a tender.
- Members of tenders committee should not have conflict of interests, therefore the general and financial managers should be aware of this point.
- Tender documents should be free from language mistakes, organized, and numbered.
- A control should be placed on selling tender envelopes to ensure that the total number of sold and remaining envelopes equal prepared ones.
- Tender documents should be stamped to avoid illegal practices. Unstamped documents are cancelled.
- The organization should issue official receipt voucher when receiving tender fees recorded as tender revenues.
- Submitting advertisement on newspaper to request for tender is done based on needs and tender committee decision as follows:-
  - a. If the organization paid advertisement costs before awarding the tender, refundable expenses (assets) are recorded to be paid by the awarded company.
  - b. If the advertisement cash is to be paid after the tender is awarded, accounting records are not affected.
  - c. If the organization took a discount on advertisement cost and charged the awarded company the whole amount, then difference is recognized as revenues.
- Participating companies should pay tender fees in the defined currency to avoid exchange rates variances.
- Participating companies should provide the required guarantees.

### Producers

Following are detailed procedures of request for tender specifying the person in charge of each step.

#### Position

**Accountant**

#### Work Procedures

- Checks the validity of company's profession practice certificate.
- Receives tender fees after ensuring that the company is qualified to participate, issues a computerized receipt voucher, gives the original copy to the payor, and maintains the other copy in receipt vouchers file.

#### Important Note:

The receipt voucher should include the tender's

- name and number to avoid mixing with other Tenders.
- Involved Employee**
- Delivers the tender envelop to the participating company's representative after checking the official receipt voucher specifying Tender's name and number.
  - Records the participating company's name, receipt voucher number, and date of delivering the tender envelop in the participants list and asks the receipt to sign as a proof of receiving the envelop.
- Financial Manager**
- After the period of selling tender envelops is over, asks the involved employee to deliver unsold envelops and a list of participating companies.
  - Ensures that the total number of sold and unsold envelops equals the prepared ones. Any discrepancies require explanation.
  - Double checks the accuracy of receipt vouchers numbers and the amounts recorded in the participants list with the recorded amounts in the accounting software.
  - Coordinates with the administrative director on whether to dispose or maintain the remaining unsold tender envelopes.
- Employee Receiving Tender Envelops**
- Checks that the received envelops are sealed, stamps the envelop with date and time of receiving it, signs under the stamp and asks the company's representative to place the envelop in a closed box.
- Tenders Committee**
- After the period of submitting the envelops ends, accesses the closed Tender box, and takes out all envelops in front of all committee's members.
  - All members sign and date all envelops.
  - Envelops are fractionally numbered with a numerator representing the envelop number and a denominator representing number of all envelops received.
  - Opens all envelops and number the documents in the same manner.
  - Minutes of opening the tenders should include the following:-
    - Tender's name and number.
    - Name of project and donor "if any".
    - Time and date of opening the tender.
    - Names of tender committee members.
    - Names of participating companies and offered prices.

- Remarks.
- Committee's decision.
- Time and date of closing the minutes of meeting.
- Signatures of committee members.
- Data pertaining participating companies should be documented.
- Unqualified companies are excluded due to the following:-
  - Required guarantees were not provided.
  - Offer was not clear, including crossing out numbers.
  - Offer was not in compliance with Tender conditions.
- Tender is awarded at the same time committee opens the envelopes and studies the offers unless specialized committee decisions is needed, then the decision is taken in subsequent date.
- If the tender is awarded directly, then the accounting department is informed immediately.

**Required forms and documents**

- List of participating companies.
- Minutes of opening the tenders.

Tender procedures should be adjusted to suit the NGO specific needs.

**Required forms and documents**

- List of participating companies.
- Minutes of opening the Tenders.

Tender procedures should be adjusted to suit the NGO specific needs

**Organization's Name**  
**List of Participating Companies**

Tender Name : .....

Tender number : .....

Donor (if any) : .....

Tender envelop price : .....

Number	Supplier Name	Telephone	Fax	Receipt voucher number	Date	Name and signature of envelop receipt "supplier"

Number of envelops prepared		xxx
Number of sold envelops		(xxx)
Number of remaining envelops		xxx
		_____

\_\_\_\_\_ Date \_\_\_\_\_ Prepare By

**Organization's Name**  
**Minutes of Opening the Tender**

**Tender Name** : .....

**Tender number** : .....

**Donor (if any)** : .....

The following members of Tender committee met today \_\_\_\_\_ dated xx/xx/200x at \_\_:\_\_ to open and evaluate the above mentioned Tender envelopes.

Name	Potion
1.	Committee President
2.	Member
3.	Member
4.	Member
5.	Member
6.	Member
7.	Member

The committee opened the Tender envelopes and documented the following offers:

Number	Supplier's Name based on the Name listed in participants list	(X) is used		Offered amount	Remarks
		Participating	Not participating		
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

After opening the envelopes and studying the documents, the following suppliers where excluded:

Number	Supplier's Name	Exclusion reasons
1		
2		
3		

After the committee studied and evaluated the offers, we decided the following:

A. The supplier \_\_\_\_\_ was awarded for the following reasons:

- 1.
- 2.
- 3.
- 4.

B. Transferring the Tender to the technical committee comprising:

- 1.
- 2.
- 3.
- 4.

To study the offers and inform the Tender committee within \_\_\_\_\_ days.

Other decisions and remarks:

- 1.
- 2.
- 3.
- 4.

Date and time of closing the minutes \_\_\_\_\_

_____ <b>Committee President</b>	_____ <b>Member</b>	_____ <b>Member</b>	_____ <b>Member</b>
	_____ <b>Member</b>	_____ <b>Member</b>	_____ <b>Member</b>