

TNRF Finance Regulations

Approved by the Steering Committee
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1 INTRODUCTION

1.1 STATUS

Tanzania Natural Resource Forum (TNRF) is a Non-Government Organization registered under the Non-Governmental Organisation Act, 2002.

1.2 GOAL and PURPOSE

1.2.1 TNRF's **goal** is of a Tanzania where all natural resources are equitably, sustainably, and transparently managed.

1.2.2 TNRF's **purpose** is to build a cohesive, informed, articulate and empowered civil society network of natural resource stakeholders which works for:

- Accountable and transparent governance institutions that facilitate equitable and sustainable natural resource management;
- An enabling, responsive and properly functioning policy and legislative environment that supports sustainable livelihoods and devolved local rights-based natural resource management;
- Empowered, skilled and accountable local communities, who with their partner stakeholders, sustainably and equitably manage their land and natural resources for their livelihood improvement and the nation's development;
- Sustainably and well managed landscapes, in which there exists a responsive mosaic of land management systems that equitably and sustainably generate the ecosystem services and values needed by a diverse range of people and interests, giving priority to local communities.

1.2.3 All employees of TNRF shall strive to their fullest capacity to contribute to the promotion of TNRF's goal and purpose.

1.3 CORE VALUES

TNRF's core values are:

- Commitment to social and environmental justice and human rights
- Mutual respect and non-discrimination
- Gender equity and awareness
- Highest ethical standards
- Passion for quality
- Creativity
- Accountability
- Transparency and honesty
- Results orientation
- Commitment to reflection, learning, and adaptive management

1.4 PURPOSE OF THESE REGULATIONS

The Finance Manual contains the basic principles, policies and regulations that are to guide TNRF's financial operations (hereinafter 'Regulations'). Their purpose is to ensure that TNRF functions in an accountable, effective and efficient manner, consistent with its Articles of Association, mission and values. The Regulations are meant to provide all employees with a clear understanding about financial operations, including the roles, powers, rights and responsibilities of employees of TNRF.

The Financial Regulations contains standards for ensuring that the highest professional standards are adhered to in the performance of the accounting and auditing functions, and that full, clear and accurate financial records maintained at all times.

These Regulations shall be read in conjunction with the Administration Policies of TNRF.

1.5 ESTABLISHING REGULATIONS

1.5.1 The major policies and regulations of TNRF, including regarding financial matters, shall be set by the Steering Committee in accordance with TNRF's Constitution and Tanzania accounting standards that are consistent with internationally accepted accounting standards. The Committee reserves the right to revoke, add or amend the Regulations at any time as may be needed.

1.5.2 TNRF employees shall generally enjoy the right to reasonable information, consultation and participation in respect to the formation of the Regulations. Employees may request the Coordinator in writing to consider additions and amendments to the Regulations, which the Coordinator after consultation with the management team (all Unit Managers) may recommend to the Steering Committee, or provide a written explanation why he/she will not take the recommendation forward.

1.6 COMPLIANCE

1.6.1 All TNRF employees are required to abide by provisions of the Regulations. Where specific responsibilities are delineated, the persons responsible shall discharge their responsibilities fully in accordance with the Regulations. Non-compliance with the Regulations or any part thereof shall constitute a breach of the code of conduct.

1.6.2 The Accountant shall have overall responsibility of ensuring that the Financial Regulations are implemented and complied with at TNRF – fully and on a timely basis – and of advising the Coordinator at the same.

1.6.3 All employees who have knowledge of non-compliance of the Regulations shall be responsible for alerting their Supervisor and/or Coordinator of the matter.

1.6.4 Any employee, who through misappropriation or misapplication of funds or other significant non-compliance of stated Policies and Regulations, causes loss or damage to TNRF may be held personally liable, and shall be subject to reimbursement of loss/damage to TNRF and/or disciplinary action. The Appointing Authority (in this case the Finance Sub-Committee of the Steering Committee) shall make such determinations in a fair and consistent manner, and provide reasons for the determination in writing. The employee concerned shall have right to a fair hearing and right to appeal in accordance with applicable provisions for the same as set forth in the Administration Policies and these Regulations.

1.7 MAJOR ACCOUNTING POLICIES

1.7.1 TNRF financial year shall end on 31 December of each year.

1.7.2 TNRF shall prepare financial statements on a cash basis of accounting. An asset register shall be maintained and appear as a memorandum in the Books of Account.

1.7.3 TNRF shall observe the following depreciation schedule:

- Lands and buildings 3%
- Motor vehicles and cycles 25%
- Computers 33.3%
- Other equipment and tools 25%
- Furniture and fittings 12.5%

1.7.4 TNRF shall prepare annual accounts in accordance with internationally recognized financial accounting standards.

1.7.5 Accounts shall be recorded in a professional computerized accounting package so as to enable automated reports and quick reference, and limit errors and potential for fraud.

1.7.6 TNRF accounts shall be audited by an international recognized independent audit company on an annual basis no later than three months after the close of the financial year.

1.7.7 TNRF shall maintain all substantive financial records (in both paper and electronic formats) in a secure and organized fashion for a period of seven years after the end of the financial year.

1.8 VALIDITY

1.8.1 These Regulations shall become effective on 1st October, 2006 and shall replace and supersede all previous regulations and practices that have been effective hereto.

1.8.2 Where there is a conflict between the provisions of these Regulations and any policy, contract, regulation, procedure, guideline or other instruction issued prior to 1 October, 2006 these Regulations, and authorized amendments made to them from time to time, shall prevail.

1.9 DEFINITIONS

“Committee” means Steering Committee of TNRF.

“Committee Chairperson” means Chairperson of the TNRF Steering Committee.

“DSA” means daily subsistence allowance.

“Employee” means any person employed by TNRF on a contract basis.

“Employer” means the Steering Committee of TNRF.

“Coordinator” means the Coordinator of TNRF.

“Leave” means absence from work with or without pay which is authorized by the employer in accordance with the Policies.

“Long term contract employee” – means an employee of TNRF working full time with a contract of more than six continuous months.

“Organization” means TNRF.

“Partners” means an organization or other entity with whom TNRF collaborates in the pursuit of a common aim.

“Payment Voucher” or **“PV”**.

“Policies” means the Administrative Policies of TNRF that have been established by the Steering Committee and as may be amended by the Committee from time to time.

“Probation” means the period of initial employment, during which appointment to the position is yet to be confirmed by the employer.

“Regulations” means the Financial Regulations of TNRF as articulated herein and as may be amended by the Steering Committee from time to time.

“Supervisor” means an employee responsible for overseeing and supporting the work of subordinate employee(s).

“Unit Manager” means an employee who is in charge of a Management Unit and is responsible for overseeing and supporting the work of the employee(s) in that unit.

“Working day” means a day in which an employee would normally be required to work (i.e. Monday to Friday). A working week has 5 working days.

2 GUIDING PRINCIPLES

TNRF shall strive to achieve the highest levels of financial standards and accountability. It recognizes that it is entrusted by the public to be a responsible and effective steward of resources and assets. In this context TNRF shall be guided by the following principles:

2.1 CUSTODIANSHIP

- That the resources of the organization are effectively, efficiently, honestly and faithfully used to achieve the organization's objectives;
- That the resources and assets are safeguarded from loss, fraud, waste and inefficient use.

2.2 COST EFFECTIVENESS

- Funds are used carefully to maximize quality and minimize cost;
- Culture of frugality is promoted and observed.

2.3 ACCOUNTABILITY

- There is segregation of responsibilities and accountability is exercised at different levels as appropriate, with specified roles for the Annual General Meeting, Steering Committee, Coordinator, Accountant and Staff;
- Accounts are prepared in accordance with internationally recognized standards and formats and are consistent with approved Policies and Regulations;
- Accounts are rigorously audited by an independent and well respected audit firm.

2.4 TRANSPARENCY

- Decisions and actions are fully documented and unusual circumstances are explained;
- Financial information is accurately recorded, clearly presented and disclosed without undue delay to those who have a right to request it;
- Files and documentation are maintained in good, accessible order at all times.

2.5 COMPLIANCE

- Financial management is consistent with legal requirements;
- Compliance, reliability and consistency with TNRF Policies and Financial Regulations are maintained at all times;
- Exceptions to regulations are kept to a minimum, employed only when necessary and justifiable, fully documented and authorized.

2.6 INTEGRITY

- The integrity of the organization & individuals within the organization is demonstrated and beyond question;
- There is zero tolerance for corruption;
- There is full clarity about how funds are utilized and records represent an accurate, true and fair reflection of reality;
- Regulations and practices ensure that actual or potential conflicts of interest are avoided.

2.7 SUSTAINABILITY

- Management of resources, assets and planning are done in a manner that enhances and safeguards the sustainability of TNRF and its work.

3 DECISION MAKING

3.1 PURPOSE

In order to ensure smooth and efficient management of resources while maintaining accountability and adequate checks and balances, powers and responsibilities shall be delegated at different levels throughout TNRF. This means responsibilities are shared and distributed at all levels, from the AGM to the employee as follows:

3.2 LEVELS OF DECISION-MAKING ROLES, POWERS AND RESPONSIBILITIES

3.2.1 The Annual General Meeting shall:

- Endorse an overall strategy and a corresponding budget (usually for a four year period);
- Appoint independent auditors and approve their fees;
- Endorse audited annual books of accounts and corresponding annual narrative report;

3.2.2 The Steering Committee shall:

- Set overall regulations, principles and guidelines for financial management;
- Approve the audited books of accounts before forwarding to Annual General Meeting;
- Recommend auditors for appointment by the Annual General Meeting;
- Endorse annual work plans and corresponding budgets;
- Review and approve annual and half-year financial and narrative reports;
- Determine overall salary structure and levels;
- Appoint bankers and approve types of accounts, signatories and levels of authority;
- Designate committee member signatories for co-signing expenditure;
- Support and participate in fundraising efforts and donor relations;
- Report to the AGM.

3.2.3 The Coordinator shall:

- Be the Chief Accounting Officer of TNRF;
- Coordinate and lead strategic budget planning, management and overall reporting;
- Approve annual, quarterly and major activity plans and related budgets;
- Supervise the implementation and interpretation of regulations set by the Committee; and issue guidelines and procedures to operationalise policies;
- Set interim policies on aspects not covered by the Regulations after consultation with the management team or Accountant as the case may be;
- Ensure accurate and clear books of account and asset registers are maintained;
- Establish and monitor mechanisms for effective accountability and internal controls to prevent fraud, theft, waste and misuse;
- Approve purchases, orders, payments, transfers, payroll and other financial transactions above level delegated to managers;
- Approve and sign all contracts to which TNRF is party;
- Review and approve monthly financial reports including monthly bank reconciliation.
- Supervise and monitor systems for quality assurance and compliance;
- Lead in fundraising and donor relations with support from the Steering Committee;
- Report to the Steering Committee regularly and effectively on the use of delegated powers.

3.2.5 Other employees shall:

- Safeguard TNRF assets and resources;
- Contribute to preparation of unit plans and budgets and reports on the same;
- Implement and monitor assigned unit activities faithfully in relation to approved plans and budgets;
- Prepare payment requests to be charged to the unit code that are justifiable, fully and accurately documented and consistent with TNRF Regulations. Prepare requisite documents

for these transactions such as Payment Vouchers (PVs), Purchase Orders (LPOs) and Imprests, and indicate these are up to standard by signing the Requester's section on the same;

- Ensure payment requests made are for goods and services for the unit that are of quality, cost-effective, used as intended and paid on time;
- Learn, implement and adhere to the stated Regulations, Policies, guidelines and procedures of TNRF.

3.2.6 The Accountant shall:

- Ensure that the financial management of TNRF is in accordance with the legal requirements, highest ethical standards, internationally recognized accounting practices and the Administration Policies and the Regulations;
- Ensure approved financial regulations and procedures are consistently and fully adhered to by all staff, and that any exceptions are kept to a minimum, and that such exceptions are warranted, justified, documented and authorized;
- Ensure TNRF is compliant with legal requirements regarding taxation, returns, fees and other financial statutory requirements;
- Ensure financial documents (such as cheques and vouchers) and resources (such as petty cash) are adequately safeguarded;
- Monitor, report to and advise the Coordinator on expenditures in relation to budgets on an agreed basis and more often as needed;
- Verify that all expenditures are justifiable, adequately documented, consistent with TNRF Policies and Regulations, and properly authorized prior to effecting payments;
- Ensure that all incomes are properly receipted and banked;
- Prepare and maintain proper books of account using a professional accounting package and ensure all financial records and files are kept in a neat, clear and accessible manner;
- Maintain updated ledgers and registers as provided for herein and as may be established from time to time;
- Produce accurate and timely monthly reports such as trial balance, bank reconciliations, budget vs. expenditure, invoice, income, donor, VAT exemptions, and imprests;
- Supervise management of petty cash;
- Undertake systematic and periodic checks of assets and stores (records and physical verification) and report on the same;
- Ensure all preparations for the external audit are completed in a timely, accurate and professional manner, and provide full cooperation to appointed auditors as needed;
- Manage financial reporting requirements for donors in a timely manner in conjunction with the Coordinator;
- Report to the Coordinator and advise her/him on all financial management related matters.

3.3 DELEGATION

Delegation of financial responsibilities in the absence of office holder shall be undertaken in the manner proscribed in section 3.4 of the Administration Policies.

4 BANK MANAGEMENT

4.1 PURPOSE

TNRF shall maintain its funds in accounts with safe, reputable and cost-effective bank/s. The regulations below specify the manner in which TNRF bank accounts shall be operated and managed to ensure accountability, transparency and effectiveness.

4.2 BANK ACCOUNTS

4.2.1 The Steering Committee shall approve the appointment of bankers and the opening and closure of all TNRF bank accounts. In making its determination, the Committee shall take into consideration the reputation of the bank, the safety and security of funds, efficient service, cost of service and other criteria that it deems to be in the interests of TNRF.

4.2.2 The Committee shall also approve the rules governing the operation of bank accounts, including types and currencies of accounts, signatories and the authority levels of each signatory, minimum signatory requirements and other safety measures.

4.2.3 All decisions regarding the operation of bank accounts shall be documented in writing and communicated with the relevant banks in writing by the Coordinator. The Coordinator shall sign all agreements made with TNRF bankers.

4.2.4 All bank accounts shall be registered in the name of TNRF and not in the name of any individual or other entity.

4.2.5 Unless determined otherwise, TNRF shall maintain accounts in Tanzania shillings and United States dollars with its bankers in Arusha.

4.2.6 TNRF shall wherever possible place funds in interest bearing accounts and seek arrangements where bank charges are kept to a minimum. All earnings and bank charges shall be fully accounted for and documented on a monthly basis, and reflected in the annual books of account.

4.2.7 The Accountant shall monitor bank balances on an ongoing basis and ensure cheques are not written in case of insufficient funds to avoid 'bouncing cheques', penalties and jeopardizing the reputation of TNRF.

4.3 SIGNATORIES

4.3.1 TNRF shall require cheques and other bank transactions to be signed by at least two authorized representatives. This shall normally be the Coordinator (or authorized person appointed in acting capacity in the absence of the Coordinator) and one other member of the Steering Committee.

4.3.2 Unless determined otherwise, signatories of TNRF bank accounts shall normally comprise of the following:

- The Coordinator;
- Various designated members of the Steering Committee.

The Coordinator may in addition recommend to the Committee that an employee who regularly serves as Acting Manager in the absence of a manager be a signatory to bank accounts.

4.3.4 Other than directors, no person who is not an employee of TNRF holding a valid contract shall be a signatory of TNRF bank accounts. The Accountant shall promptly advise the Coordinator to inform the Steering Committee and respective bank whenever an authorized signatory is no longer employed by TNRF.

4.3.5 An employee who is serving the probation period of his/her contract may not be a signatory of TNRF bank accounts.

4.3.6 The Accountant (or the Accounts Assistant upon delegation of the Accountant) shall normally write cheques. However, in order to maintain segregation of powers, the Accountant and other accounts staff shall not be signatories to TNRF bank accounts.

4.3.7 The Steering Committee may grant the Accountant and other employees of TNRF not designated above as signatories limited authority to present documents to banks, cash cheques, make deposits, obtain bank statements and other such transactions, provided that such privileges are clearly specified in writing and cannot be construed in any way as denoting signatory authority.

4.4 AUTHORIZATION LEVELS

4.4.1 All cheques and other bank transactions of up to Tshs 25,000,000 or US dollars 25,000 shall normally be signed by the Coordinator and one other Committee member. All cheques and other bank transactions exceeding Tshs 25,000,000 or US dollars 25,000 shall be signed by the Coordinator and two other Committee members who are signatories.

4.5 OTHER SECURITY MEASURES

4.5.1 All cheques and other important bank related documents shall be maintained in locked cash boxes.

4.5.2 Wherever possible payments shall be made by cheques rather than cash. Cheques shall generally be made in the name of the payee and shall remain 'closed' (i.e. Account Payee Only). In limited circumstances when payment is made to an individual who does not maintain a bank account cheques may be made out in his/her name and 'opened' so as to enable the payee to cash the cheques with presentation of identity to the Bank. Cheques made out to 'cash' (instead of name of payee) shall generally be avoided and used in only very limited circumstances where the previously mentioned options are not feasible, and in such cases the reasons for doing so shall be clearly documented.

4.5.3 TNRF shall maintain an independent record of cheques and other instructions for payment so as to enable an audit trail and safeguard the organization against potential falsification of cheques. The Accountant shall make a photocopy of each stamped and signed cheque (and any other instruction for payment) before it is paid to the payee, and maintain a file of such copies in a secure location.

4.5.4 The Accountant shall maintain a register of all cheques that are written in serial order. The register shall contain all information noted on the 'cheques list' and in addition maintain a running bank balance.

4.5.5 The Accountant shall ensure that a cheque is only written where there is assurance of adequate bank balance and that the cheque shall not 'bounce'.

4.5.6 The Accountant shall clearly mark all cheques that are spoiled 'VOID in large print in indelible ink and maintain these in the cheque book. The relevant bank shall be notified of the same in writing when transmitting the 'cheques list'.

4.5.7 All transactions undertaken with banks shall be in writing. Internal correspondence regarding major bank matters shall also be in writing and the Accountant shall ensure copies are filed in appropriate files.

4.6 FOREIGN EXCHANGE MANAGEMENT

4.6.1 Funds received in foreign exchange shall normally be kept in a US dollar account.

4.6.2 TNRF shall maintain most of its funds in the US dollar account so as to safeguard the value of its resources from devaluation of the Tanzania shilling. For this reason TNRF shall also seek wherever possible to receive funds from donors designated in foreign currencies.

4.6.3 The Accountant shall monitor bank balances and recommend transfer of funds from the US dollar to Tanzania shilling account as needed and in good time.

4.6.4 The Accountant shall seek to maximize the exchange rate used in transferring US dollars in TNRF's favour. This shall normally be done through negotiating a favourable rate with TNRF bankers. In exceptional cases, where the Coordinator upon the advice of the Accountant determines it to be in the best interests of TNRF, licensed third parties (such as bureaux de change) may be used, provided all transactions are secure (e.g. do not involve carrying hard cash), compliant with legal requirements and fully documented.

4.6.5 The Accountant shall prepare a calculation of exchange rate gains or losses annually as the case may be and submit it to the Coordinator for approval.

4.7 BANK RECONCILIATIONS

4.7.1 The Accountant shall each month prepare an accurate bank reconciliation statement in accordance with internationally accepted accounting standards. The bank reconciliation shall be completed and submitted to the Coordinator no later than on the 14th of the month following the month for which the statement is prepared. The Coordinator shall review the bank reconciliation statement within one week of receipt.

4.7.2 The Accountant shall secure and review bank statements each month in time to prepare the monthly bank reconciliation statement. The Accountant shall notify the Coordinator of any anomaly or variance, and notify the respective bank of the same in writing within ten working days of receipt of the bank statement.

4.7.3 Original copies of all bank statements shall be neatly maintained in an organized manner in proper files established for the purpose.

4.7.4 The Accountant shall produce an accurate annual bank reconciliation statement and submit it to the Coordinator no later than the 21st day of January each year.

5 BUDGET MANAGEMENT

5.1 PURPOSE

This regulation outlines the manner in which budgets shall be developed, managed, monitored and reported on at TNRF, and the persons responsible for different parts of the budget process.

5.2 TYPES OF BUDGETS

5.2.1 TNRF shall normally develop budgets of the following duration intervals:

Type of budget	To be completed by
Overall strategy period (usually four years)	3 months prior to commencement
Annual budget	By 31 st January of the same year
Quarterly budget	By the first day of the same quarter
Activity budgets (in activity plans)	At least 3 days before activity

5.2.2 The Accountant shall, with the support of the Coordinator, coordinate the overall budgeting process at TNRF and ensure that budgets are prepared and completed on time as specified above.

5.3 KEY BUDGET CHARACTERISTICS

5.3.1 TNRF budgets shall be cost effective and realistic.

5.3.2 Budgets shall be comprehensive and developed for program, staff, administration and all other aspects. There shall be one overall budget rather than separate 'project' budgets for each donor, or specific budget lines allocated to specific donors. Donors will be asked to contribute a portion towards the overall strategy budget.

5.3.3 There shall be clear consistency and 'easy to follow' links between strategy and activity descriptions and budgets, as well as budget reports.

5.3.4 There shall also be clear consistency and 'easy to follow' links between different types of budgets. The overall program strategy budget shall be broadly earmarked to enable flexibility in determining specific activities and responsiveness to context. Annual budgets shall be more specific and earmark levels for each main activity or engagement. Quarterly budgets shall further specify amounts for each activity, and activity budgets shall provide detailed breakdown of estimated activity costs.

5.3.5 The Coordinator shall provide guidance and support in budget development, consolidate and prepare overall budgets in conjunction with the Accountant, and be responsible for overall consolidated budget planning and execution.

5.3.6 Overall strategy and annual budgets shall be open, transparent and availed to all staff and partners, and furthermore accessible to the public upon request. Quarterly budgets shall be open, transparent and availed to all staff, and furthermore be accessible to the Committee, members of TNRF and donors upon request.

5.3.7 The annual financial statements produced by TNRF and made subject to audit shall contain a budget against an expenditure report.

5.4 BUDGET APPROVALS AND MANAGEMENT

5.4.1 Overall strategy budgets (and amendments) shall be approved by the Committee and endorsed by the AGM and donors. Annual budgets (and amendments) shall be approved by the Coordinator and endorsed by the Committee and donors. Quarterly and activity budgets (and amendments) shall be approved by the Coordinator.

5.4.2 The Accountant shall ensure that budgets are accurate. He/she shall also ensure that actual expenditures are within approved budgets and advise managers and the Coordinator accordingly.

5.4.3 The Accountant shall, by the 15th day of each month, produce and circulate to the Coordinator a budget against expenditure report for the previous month. The report shall also show accumulated expenditure for the year against annual budgets.

5.4.4 Annual and quarterly budgets shall normally be planned and reviewed by staff and the Coordinator in quarterly meetings, and more often when necessary.

5.4.5 The Accountant shall develop budget codes for all expenditures for each program strategy period, and update them each year as needed. Budget codes shall be perfectly aligned with budget lines so as to enable proper budget management and reporting.

5.5 VARIATIONS AND CONTINGENCIES

5.5.1 Overall strategy and annual budgets shall normally have a contingency provision of between 5% and 10% to cater for unforeseen contingencies, emergencies and other unexpected deviations.

5.5.2 Budget execution by all persons responsible shall be done in a manner that is as close to the budget as possible. However unexceptionally, variations of up to 15% for each budget line shall be permitted.

5.5.3 Variations exceeding 15% in quarterly budgets shall require authorization of the Coordinator. Variations exceeding 15% in overall strategy and annual budgets shall require endorsement of the Steering Committee and TNRF's donors (where contractually applicable). Reasons for all variations exceeding 15% in annual budgets shall be clearly explained by respective Unit Managers and forwarded to the Coordinator. Such explanations shall form part of the annual report.

5.5.4 Amendments to budgets may be recommended at the annual retreat and quarterly meetings, and at others times as necessary, and approved by the approving authority designated above in writing.

5.6 INCOME BUDGETS

The Accountant shall in conjunction with the Coordinator prepare projected income budgets for the overall strategy and annual periods. Budgeted and actual income reports shall be comprehensive and include a summary of all incomes, and availed to staff, managers, the Steering Committee and donors.

6 INCOMES AND DONOR RELATIONS

6.1 PURPOSE

The purpose of this regulation is to guide fundraising, income management, donor relations and reporting requirements.

6.2 SOURCES OF INCOME

6.2.1 TNRF may realize incomes from the following sources:

- donors and contributors (corporate and individual);
- Bank interest and exchange rate gains;
- Investments;
- Sales of materials and publications;
- Provision of consultancy services;
- Fees and charges for services (e.g. library);
- Sale/disposal of properties and other assets;
- Membership fees;
- Reimbursements for private use of TNRF equipment;
- Other sources that are provided for in the Administration Policies or these regulations or as may be determined by the Steering Committee.

6.2.2 TNRF shall not accept incomes from entities who are engaged in questionable ethical or environmentally harmful practices. Funds may also not be sought or accepted from commercial entities where doing so may imply endorsement of any particular commercial entity or product, or where such engagement may be used for profit making purposes.

6.2.3 TNRF shall not seek nor accept incomes where actual or potential conflict of interest is involved, such as entities where TNRF is able to influence decisions or its position may be compromised by its seeking acceptance of funds.

6.3 FUNDRAISING AND DONOR RELATIONS

6.3.1 TNRF shall seek funding relationships with donors along terms that enhance transparency and accountability, while at the same time keeping reporting terms uniform and clear, so as to reduce transaction costs and enable TNRF staff to concentrate on implementing its core purposes.

6.3.2 TNRF shall fundraise from donors in relation to its approved overall strategy budget. Donors shall be requested, but not required, to fund a portion of the overall budget (rather than earmarking specified funds for certain budget lines). Wherever possible, TNRF shall seek donor commitments for the entire period of its overall strategy (usually four years). In exceptional circumstances, the Committee may authorize fundraising for special activities outside its overall budget; provided doing so can be justified to be in the interest of TNRF and the reasons are clearly documented.

6.3.3 TNRF shall provide one set of comprehensive reports in a uniform format to all its donors at a commonly agreed time as follows:

- Comprehensive/analytical annual narrative report of high quality and independently audited financial report by 31 March of the following year;
- Progress brief (of 7-10 pages) and budget vs. expenditure report at the half year mark by 31 August of each year.

In the interest of transparency and to provide a 'full picture view' the reports shall provide summary information on all the activities, incomes and expenditures of TNRF. The Coordinator shall forward these reports to donors normally after the Committee has reviewed and endorsed them.

6.3.4 TNRF shall not accept funding under conditions that compromise its independence of thought, strategy, approach or core values, or that will enable the donor to exercise undue influence over decision-making, or that significant additional reporting demands than those specified above.

6.3.5 In order to reduce dependence and risk, TNRF shall generally avoid accepting more than 35% of its overall funding requirements from any one donor. Fundraising efforts shall seek to diversify sources of funding to about five to seven institutional donors as well as contributions from TNRF members over one overall strategy period.

6.3.6 Disbursements by institutional donors (and all other incomes) shall be deposited into bank accounts established with the approval of the Committee, and never into any individual or unauthorized accounts. The Accountant shall monitor bank accounts and, after verification of disbursement, issue the respective donor with an official TNRF receipt as well as an acknowledgement slip that may be required by the donor.

6.3.7 All donor relationships shall be governed by a signed agreement between each donor and TNRF. Wherever possible, TNRF shall encourage its donors to develop common contract formats. The Accountant shall carefully review all donor contract drafts to ensure they are consistent with the stipulations stated above and advise the Coordinator accordingly, who shall be responsible for signing all donor contracts on behalf of TNRF.

6.3.8 Originals of signed donor contracts shall be maintained in a special file established for the purpose in the office of the Coordinator. Copies of donor contracts shall additionally be filed and maintained by the Accountant and in individual donor files. Copies of all donor contracts shall be open and be accessible to TNRF staff, directors, members and institutional donors.

6.3.9 The Accountant shall establish and regularly update a table of donor commitments and actual disbursements, and furnish the same to the Coordinator and managers. The Accountant shall monitor, follow-up and act on donor disbursements in a timely and systematic fashion so as to ensure adequate cash flow at all times, and advise the Coordinator on the same.

6.3.10 The Coordinator shall maintain regular communication with donors, with the support of Unit Managers. In addition to requisite reports as stipulated herein and in donor contracts, TNRF shall share its publications and other relevant information with donors.

6.3.11 There shall be a joint donor-TNRF meetings in Arusha each year to present reports and discuss matters of common interest, usually in May of each year. Representatives of all TNRF donors (including donors who do not provide funding to TNRF but with whom the organization cooperates in other ways) shall be invited to these meetings. The Coordinator and all Unit Managers shall normally participate in these meetings, as well as another Committee chairperson whenever possible. Background documents for these meetings shall normally be circulated at least one week prior to the meeting. Minutes of the joint meeting shall be kept and circulated to all meeting participants and donors within one month of the meeting.

6.3.12 The Coordinator shall lead in fundraising and maintaining donor relations, and shall be assisted in this process by the Steering Committee. The Accountant shall be responsible for monitoring overall and timely compliance with donor contracts, and of advising the Coordinator on the same.

6.4 MANAGEMENT OF INCOMES

6.4.1 TNRF shall maintain an official receipt book in triplicate that shall be printed and pre-numbered. The Accountant shall be responsible for safeguarding all receipt books, whose numbers shall be recorded in stock records and whose receipt and issuance shall be clearly recorded. Any loss or theft of receipt books shall be reported immediately to the Coordinator in writing. All receipts shall be accounted for. The Accountant shall mark 'CANCELLED' in bold indelible ink across all three copies of spoiled receipts, and maintain these copies in the receipt book.

6.4.2 The Accountant shall issue an official TNRF receipt for all incomes received including retirement of unused imprest funds (except for deductions from payroll as provided for herein). In case of receipt of cash the Accountant shall arrange to provide an official TNRF receipt at the time of receiving funds.

6.4.3 All incomes received shall be segregated from other funds and stored in a locked safe while at TNRF. All funds received shall be banked intact in official TNRF bank accounts and may not be used for any other purpose. The Accountant shall ensure that all funds received are banked as soon as practicably possible, and at least once a week, unless the total value of funds exceeds Tshs 500,000 or USD 500 in which case the funds shall be banked within one working day of receipt so as to minimize risk. Stamped and signed copies of all deposit slips shall be obtained and maintained in secure files by the Accountant.

6.4.4 The Accountant shall maintain an accurate and updated record of all incomes in a register established for the purpose, and produce and submit to the Coordinator income reports on a monthly basis. The records shall be reconciled with bank statements and show date of receipt, receipt number, name, amount, purpose, date banked and verification of deposit.

7 EXPENDITURES

7.1 PURPOSE

The purpose of this regulation is to establish the policies and procedures that shall guide the management, authorization, documentation, accountability and reporting of expenditures at TNRF.

7.2 PAYMENTS

7.2.1 Payments shall only be made for bona fide expenses that further TNRF objectives.

7.2.2 Payments shall be made on a timely basis and without undue delay so as to maintain good relations with suppliers. Where goods/services have been satisfactorily delivered and all requisite documentation has been adequately lodged by the supplier, all officers responsible for processing payment shall strive to ensure payment is effected as soon as possible and no later than two weeks from the date when the satisfactory demand for payment was received.

7.2.3 TNRF shall maintain Payment Voucher (PV) books that are in duplicate, printed and pre-numbered. In the interest of accountability and proper control of resources, payments shall only be made against Payment Vouchers that have been approved by an authorized officer. The Accountant shall issue PV books to each unit, keep good records of the same and ensure sufficient numbers of the same are held in stock at all times.

7.2.4 In the interest of enhancing understanding, transparency and accountability, and for third party and future reference, all PVs shall contain all information required and relevant supporting documentation as specified below. No payment shall be made to third parties without an invoice (or written request for payment) or receipt if the material was purchased directly.

7.2.5 All persons involved in the preparation, processing or approval of PVs shall ensure that the information they provide (including supporting documentation) is accurate, truthful, pertinent and complete, and shall in event of doubt or concern seek advice of the Unit Manager or Accountant. The specific information requirements for the PV are outlined in the box below:

1. Paid To/Address.

Payee's full name and address; normally with post office box number and city. Where this is not available alternate information that will enable the Payee to be tracked if needed (such as telephone contact or specific physical location) shall be noted.

2. Payment Date

Actual date of first writing the payment voucher (not of making the payment).

3. Mode of Payment

Notation of request of mode of how payment should be made. The options are closed (cheque that can only be deposited into an account), open (cheque in the name of a specific payee but may be cashed), cash cheque (cheque made out to cash that may be cashed by any bearer), and petty cash (made in cash by TNRF out of its petty cash fund).

4. Description/Purpose

Detailed explanation of the nature of expenditure, and its purpose and relevance for TNRF. Quantities and unit prices shall normally be noted here. If space does not allow details may be provided on a separate sheet(s) to be attached to the PV.

5. Supporting Documents

Further documentation that provides relevant information about the relevance, purpose and particulars of the expenditure, as well as its legitimacy. Includes LPOs, invoices, delivery notes, copies of contracts, evidence of purchase or completion of work, and any other documentation that shall help explain and justify expenditure. Documents to be attached to the PV and listed in the description section of the PV.

6. Amount

Amount to be paid stated clearly in both numbers (with amounts for specific items listed separately) and words. Payments to be made in foreign exchange stated in the space provided (and Accountant to calculate value in Tanzania shillings at official prevailing rates and insert in the space provided).

7. Payment Voucher Authorization Process

Signature and date in the box provided of the officers responsible to indicate that they have fulfilled their responsibilities in relation to the PV and are satisfied that the payment should be made (see 7.3.1 below).

8. Payment and Receipt Information

The person making payment to sign/date in box provided. The person receiving the payment to sign/date in box provided AND print name in capital letters next to 'Recipient Name'.

Accountant to record receipt numbers and date, source of payment (bank account or petty cash from which payment is to be made), cheque number and date (if applicable).

9. Post payment functions

Check 1 & 2 boxes completed when conducting monthly reviews/preparing monthly reports by the Accountant and Coordinator respectively. Debit/Computer boxes completed by Accountant when posting in the accounting software at least once each month. Internal/External Audit boxes to be initialled by respective persons doing the audits.

10. Notes (at the bottom of payment voucher)

Space for explanatory notes (that may be used by any officer involved in the process) to explain unusual circumstance or deviations from the norm/policies in relation to expenditure; left blank if not applicable.

7.2.6 To minimize risk, wherever possible payments shall be made by closed cheque (or bank transfer) rather than cash (also see Regulation 4.5.4).

7.2.7 Any amendments to PVs shall be made by placing one clear strike over the incorrect information and replacing it the correct information.

7.2.8 The first copy of the PV shall constitute the original and shall be filed in monthly expenditure files together with all supporting documentation. The second duplicate copy shall be filed in serial order in a separate file established for the purpose. The Accountant shall ensure all PV documents are well organized and secure.

7.3 PAYMENT AUTHORIZATION

8.3.1 In order to enhance transparency, ensure control and responsibility for unit budgets, and strengthen accountability (checks and balances) all payments (unless specified otherwise herein) shall normally involve four levels of staff: the employee requesting the payment and/or respective unit manager, Coordinator and Accountant. The roles and responsibilities of each level shall be as follows:

Stage	Officer Responsible	Role and Responsibility (in relation steps in box above)
1.	Employee responsible for activity (<i>usually a member of the unit whose budget shall be charged for the expenditure</i>).	<i>Request:</i> To satisfactorily complete steps 1-8 and sign/date the first box of step 9. To ensure goods/services supplied are correct, satisfactory, appropriate, reasonably priced and in accordance with TNRF Policies and Regulations.
2.	Unit Manager (<i>when the 'Employee' in Stage 1 is not a Unit Manager and the Budget holder</i>) whose budget shall be	<i>Recommendation:</i> To complete second box of step 9 after confirming the accuracy, integrity, appropriateness and completeness of the information provided in steps 1-8, and that expenditure is consistent with approved unit

	<i>charged for the expenditure.</i>	<i>budget.</i>
3.	Accountant	<i>Confirmation:</i> To complete finance box of step 9 after being satisfied that all previous steps have been properly executed, amounts stated are correct, description and supporting documentation are adequate, approval levels are properly authorized, and expenditure is consistent with relevant TNRF Policies and Regulations.
4.	Coordinator	<i>Approval:</i> To complete Coordinator box of step 9 after being satisfied that the expenditure is generally understandable and appropriate.
5.	Accountant/Signatories or Cashier	<i>Payment:</i> To complete fifth box of step 9 and step 10. To write cheques and circulate to Coordinator and a second signatory and pay, or effect payment from petty cash as the case may be.
6.	Accountant	<i>Internal Verification:</i> To ensure step 11 is completed in a timely manner, and at all times maintain PVs in a secure and organized fashion.

8.3.2 A Unit Manager may initiate a PV and complete steps 1-8 where an employee is not available, but this should be generally avoided wherever practicable. Notwithstanding this provision, at least two different authorized officers shall be involved in signing boxes 1-3 of step 9.

8.3.3 Unit managers shall have delegated authority and may approve payments of up to TShs 100,000, subject to confirmation by the Accountant. In such instances the Manager shall mark "N/A" (not applicable) in the Coordinator box of step 9. Managers and/or the Accountant may also seek advice or endorsement from the Coordinator for expenditures of less than this amount where they deem it to be warranted (see also Administration Policy 15 regarding Procurement).

8.3.4 The Coordinator shall generally not approve expenditures before they are recommended by the respective Unit Manager and confirmed by the Accountant. Any exceptions to this requirement shall be exercised rarely and where the Coordinator determines it to be in the interest of TNRF, provided that reasons for the exception are clearly documented.

8.3.5 The respective Unit Manager, Coordinator or Accountant may withhold authorization of payment provided reasons for doing so are clearly communicated, preferably in writing.

8.3.6 In order to expedite payments each responsible officer involved in the authorization process shall strive to respond as quickly as possible, normally no later than within one working day of having received the PV.

8.3.7 Acting managers shall exercise care in authorizing expenditures and may generally only authorize expenditures that are routine or have been clearly specified in approved contracts, activity plans, signed handover notes or other authorized documentation. In case of doubt the Acting Manager may seek the advice of the Accountant and/or Coordinator. Unit Managers who shall be temporarily absent may also specify further instructions regarding expenditures in handover notes.

8.3.8 All expenditures over TShs 25,000,000 or US dollars 25,000 (or its equivalent in other foreign currencies) shall require the endorsement of the Steering Committee Chairperson or another Committee Member (other than the Coordinator) who is a signatory to TNRF bank accounts prior to effecting payment. This endorsement shall normally be signified by the Steering Committee Chairperson signing the cheque for the payment and co-signing in the Coordinator approval box on the PV.

8.3.9 In the course of undertaking the monthly review the Accountant and Coordinator shall exercise overall scrutiny of all expenditures.

7.4 CHEQUE PAYMENTS

See Section 4 herein.

7.5 PETTY CASH

7.5.1 TNRF shall maintain petty cash funds at its offices to enable efficient payment of small expenditures for which cheque payment is not practicable.

7.5.2 In the interest of safety, unless otherwise determined by the Steering Committee, petty cash fund limits shall be as follows:

- TShs 500,000 for the main office;
- TShs 750,000 for employees travelling on TNRF business.

7.5.3 All requirements regarding expenditures noted above and elsewhere in TNRF Policies and Regulations shall apply in effecting payments from the petty cash fund. No payment shall be made that is not consistent with these requirements.

7.5.4 The maximum limit for any payment by petty cash shall be TShs 250,000. Payments above this amount shall be made by cheque. Any exceptions to this requirement shall be exercised only rarely where the Coordinator determines it to be in the interest of TNRF, provided that reasons for the exception are clearly documented.

7.5.5 Petty cash funds shall be retired at the close of each month and more often if necessary. Replenishment of petty cash shall not exceed fund limits specified above.

7.5.6 Replenishment of petty cash funds in the main office shall be prepared by the Accountant and approved by the Coordinator.

7.5.7 Petty cash funds shall be segregated from other funds and kept in the custody of the Accountant in a locked safe (main office) who shall be responsible for its safekeeping.

7.5.8 Petty cash funds may not be used or loaned for any other purpose than specified herein. The Accountant and/or the Coordinator shall conduct periodic 'spot checks' of petty cash balances. Any discrepancies shall be noted in writing and brought to the attention of the Coordinator.

7.5.9 The Accountant shall prepare an accurate and timely report each month of all petty cash expenditures for review and approval of the Coordinator.

7.6 IMPRESTS

7.6.1 Imprests (funds provided in advance) may be made available to TNRF employees (and in limited circumstances partners) where precise costs of implementing an upcoming TNRF activity cannot be known (e.g. field travel, workshop).

7.6.2 Imprests may only be requested towards the costs of implementing activities that are consistent with TNRF Policies and Regulations and approved plans and budgets. Imprests may only be used in relation to activities for which the imprest was granted, and may not be used for any individual or any other benefit.

7.6.3 Imprest requests shall be prepared well in advance in the form proscribed for the purpose by the employee requiring the advance. It shall contain a brief explanation of the activity, a breakdown of the estimated costs and the budget code to be charged. Once satisfied with these details and its appropriateness, the respective Unit Manager shall recommend the imprest request to the Coordinator, who will review and approve it if satisfied.

7.6.4 An approved imprest shall normally be paid through an open cheque in the name of the employee requesting the imprest, who shall be responsible for safeguarding and accounting for funds received in an accurate and timely manner. The employee concerned shall in the course of undertaking the activity secure genuine receipts, signatures when payments are made to individuals and other documentation to demonstrate the validity of payments made.

7.6.5 Imprests shall be retired promptly (within three working days) upon the completion of the purpose for which the advance was granted and/or the concerned employee has returned to the office. The employee concerned shall retire the imprest in the form proscribed for the purpose and attach supporting documents in a clear, accurate and organized fashion. The respective Unit Manager, Coordinator and Accountant shall scrutinize the retirement and if satisfied approve the document.

7.6.6 In cases where approved actual costs exceed the imprest amount TNRF shall promptly reimburse the difference to the concerned employee. In cases where approved actual costs are less than the imprest amount the employee shall promptly reimburse the difference to TNRF. The Accountant will issue an official receipt for the amount received, which shall be banked intact by the Accountant.

7.6.7 The Accountant shall maintain accurate and updated records on imprests at all times. Each imprest shall be assigned a unique serial number and recorded in a register established for the purpose. The Accountant shall also produce an accurate imprest report each month that shall note all outstanding, new and resolved imprests that occurred that month and forward it to the Coordinator.

7.6.8 PVs for issuance of imprests shall be assigned a special imprest budget code (holding code). Upon retirement of imprest the Accountant shall be responsible for recoding so as to ensure the appropriate budget codes are accurately charged.

7.7 CONTRACTS

7.7.1 All orders/requests for delivery of services by TNRF for which it will need to make a future payment shall normally require a signed contract. Formal contracts may but need not be placed for services whose total cost does not exceed TShs 120,000 or US dollars 100. No request for services whose value exceeds these amounts shall be placed without a signed contract.

7.7.2 Contracts shall only be awarded to persons or entities who are deemed to be capable of performing the work with quality, and choice of person awarded the contract shall be fairly and openly determined and reasons for choice documented.

7.7.3 Contracts shall only be awarded for work that is consistent with approved plans and budgets.

7.7.4 The preparation of contracts shall normally be initiated by the Coordinator

7.7.5 Upon the assent of the Coordinator, the Administrator shall prepare a contract in accordance with standard TNRF formats, taking great care to ensure accuracy and comprehensiveness, and assign it a serial contract number. The Coordinator shall review the contract and if satisfied sign and stamp three printed copies. The Administrator shall then record the contract in register established for the purpose, and arrange to have it signed by the contractual party and witnesses.

7.7.6 The Administrator shall provide one original to the contractual party, file a second original in the contracts file maintained in the office of the Coordinator and provide the third original for the Accountant's file established for the purpose. The Administrator shall also arrange copies of the contract to be made and provided to the relevant Unit Manager.

7.7.7 A copy of the signed contract (and an original of the invoice or request for payment) shall constitute an integral and necessary supporting document for the PV in relation to effecting payment.

7.7.8 The Administrator shall each month prepare an accurate report of all new and outstanding contracts, and the status of each, and forward it to the Coordinator.

8 PAYROLL

8.1 PURPOSE

The purpose of this regulation is to establish basic guidelines for the effective management of the TNRF payroll. These regulations shall be read in conjunction with Administration Policies 9 and 10 regarding salaries and benefits.

8.2 PAYROLL AUTHORIZATION

8.2.1 Only long term contract employees with valid contracts who are working or on authorized absence shall be placed and appear on the TNRF payroll.

8.2.2 The payroll shall contain and be consistent with the provisions for salaries and benefits stipulated in the Administration Policies and signed contracts, and authorized amendments of these.

8.2.3 The Accountant shall be responsible for maintaining, updating and preparing the payroll each month, and of ensuring its accuracy and integrity. This shall include compliance with all legal and tax requirements (and their amendments as may be made from time to time) as well as TNRF Policies and Regulations.

8.2.4 The Accountant may only make any additions or deletions of names, changes in the level of salaries or benefits or any other substantive change where this is supported by authoritative written documentation. The Accountant shall clearly explain in writing all such changes and any other anomalies in relation to previous month's payroll.

8.2.5 All monthly payrolls including notes on changes/anomalies shall be approved and signed by the Coordinator.

8.2.6 No TNRF long term contract employee shall be paid salary or other related benefits outside the payroll except for as provided for in the Policies or Regulations.

8.3 PAYROLL FEATURES

8.3.1 The TNRF payroll shall contain the following information name of employee, position, salary grade/level, basic salary, allowances, pension payments, gratuity, tax rates and calculations, and net pay.

8.3.2 The payroll shall be directly linked to the generation pay slips which shall provide all basic information noted above.

8.3.3 The payroll mechanism shall automatically record and calculate accumulated amounts for the year of categories noted above.

8.3.4 The payroll mechanism shall provide information in a clear, transparent and easy to follow manner, and enable queries to be conducted with relative ease.

8.3.5 Payroll information shall be made available to the Steering Committee, Coordinator, Accountant, Administrator and statutory bodies, but otherwise shall remain confidential.

8.4 PAYROLL PROCESSING

8.4.1 Payment shall usually be effected on the 25th day of each month, or the prior working day if the 25th day of the month is a public holiday. The Coordinator may authorize payment in December to be made earlier so as to enable employees to receive payment prior to commencing the holiday season. Salaries (and other cash benefits) shall be designated and paid in Tanzania shillings.

8.4.2 Salary advances and loans other than those specified herein shall not be permitted.

8.4.3 All officers involved in the payroll process shall strive to fulfil their functions in a timely manner so as to ensure payment can be made in a timely manner. The Accountant shall normally submit the payroll to the Coordinator for approval at least 3-5 working days prior to the date of payment. The Administrator shall normally submit to the Accountant information regarding contractual changes, and other relevant data at least 6-8 working days prior to the date of payment.

8.4.4 Payments shall normally be made by cheque and a printed salary slip shall be produced each month for every employee's signature. Employees who chose to maintain accounts at banks other than the preferred bank designated by TNRF shall be liable for any delays caused in the transfer process and for any charges imposed by their host bank. The Accountant shall where necessary seek concessionary terms from relevant banks involved so as to minimize chequing costs. In exceptional circumstances where an employee does not have a local bank account TNRF may for a temporary period provide payment by open cheque.

8.4.5 The Accountant shall prepare and effect all necessary monthly statutory payments in an accurate and timely manner. These shall include income tax (PAYE) and pension payments.

8.4.6 The Accountant shall prepare accurate legal annual report requirements and arrange to transmit them in a timely manner, as well as consolidated annual reports for all other payroll aspects.

8.4.7 The Accountant shall calculate benefits and liabilities that apply to any employee whose contract has ended or is about to end. The Accountant shall ensure final settlement of salaries and benefits is only effected after all debts have been settled and in accordance with the provisions herein and in Administration Policies have.

8.5 INTERNSHIP STIPENDS AND CONSULTANCY PAYMENTS

8.5.1 Persons participating in the internship program at TNRF shall normally be eligible to receive a flat modest monthly stipend (as compensation for estimated transport and other costs incurred in the course of doing the internship). The intern shall initiate the process at the close of the month by reporting on activities done and outputs achieved, submitting an invoice/request for payment with a copy of contract, and forwarding it to his/her Supervisor. The Supervisor shall scrutinize the request and if satisfied forward the recommendation and supporting documents to the Unit Manager responsible for internship programs, who will arrange for a PV to be written and payment to be effected.

8.5.2 Payment for consultants and other short term (casual) employees of TNRF shall be commensurate with the terms of their contract. The consultant shall initiate the process in accordance with the terms of the contract, and submit an invoice/request for payment preferably with copy of contract, and forwarding it to his/her Supervisor. The Supervisor shall scrutinize the request and if satisfied prepare a PV with supporting documents.

9 DAILY SUBSISTANCE ALLOWANCES (DSA)

9.1 PURPOSE

The purpose of this regulation is to establish the conditions under which employees (and partners) shall be eligible to receive DSA payments and provide for the levels and terms of these benefits.

9.2 ELIGIBILITY AND COVERAGE

9.2.1 A flat per night DSA rate shall generally be paid to employees who are travelling on duty and are required to spend the night out of their normal station. Persons who are out of station for a long duration but do not spend the night out of station shall not receive DSA payments (and instead shall be eligible for meal or transit allowances as noted below).

9.2.2 TNRF DSA rates shall be the same for all employees regardless of position or status. The same DSA rates shall generally apply for non-employees (such as Steering Committee Members, members, partner staff and national consultants).

9.2.3 The DSA shall cover the cost of accommodation, meals, communication, laundry and all incidentals. The cost of transport between towns, in doing fieldwork and other expenses directly necessary for undertaking officially assigned duties shall be additional to the DSA.

9.2.4 In cases where actual costs incurred are below DSA provided the employee shall retain the difference. In cases where actual costs incurred were higher than DSA provided the employee shall be responsible for the difference. In exceptional circumstances of the latter case the employee concerned may petition the Coordinator to pay the difference where it can be demonstrated that actual costs were higher than provided and there were no other reasonable alternatives available. In such cases the Coordinator shall consult with the Accountant and make a final, fair determination and document the reasons for such a decision.

9.2.5 The DSA rates established herein shall normally not apply in circumstances where the employee is out of station in one location for 15 or more consecutive nights. In such cases the employee shall be provided with DSA amount calculated on the basis of estimated costs of reasonable accommodation as determined by the Accountant and approved by the Coordinator on a case by case basis.

9.2.6 An employee travelling on duty who does not spend a night out but is required to be out of station for eight or more consecutive hours shall be eligible to receive a flat transit rate. Alternatively, the employee shall be eligible to be reimbursed the cost of breakfast, lunch or dinner taken on production of receipted bills with provided that the amount claimed is reasonable.

9.2.7 When accommodation and meal costs of an employee travelling on duty outside Tanzania are paid directly by another organisation the employee shall be eligible to receive a flat stipend per international visit once each year to cover purchase of appropriate clothes and other incidentals.

9.3 RATES

9.3.1 DSA and all rates as explained above shall be based on careful estimates of actual costs of staying at a reasonable, clean and safe hotel, and not treated as an avenue for enhancing employee incomes.

9.3.2 DSA and other allowance rates (and the basis of their calculation) shall be proposed by the Accountant and determined by the Coordinator after taking into consideration the advice of other members of the Secretariat. The decision of the Coordinator and reasons for it shall be documented, and be subject to scrutiny by the Steering Committee.

9.3.3 CURRENT RATES: The rates below are current rates that apply to TNRF. They are shown for illustrative purposes and are subject to change as provided for in 9.3.2 above.

CURRENT DSA RATES (subject to change)

International travel outside Tanzania

DSA rates covering full costs, including transport from hotel to office/main workplace.

67% of published United Nations (UN) rates

Out of Pocket costs (for travel outside East Africa) where full board (food and accommodation) is covered but no other provision is made available

A flat out of pocket of US dollars 100 shall be provided per each trip.

Where accommodation is paid for directly but some or all meals are not:

US dollars 30 per day or US dollars 10 per meal

Local travel allowances

DSA rates covering full costs, except the reasonable use of transport.

- All regional towns (including Dar) TShs 80,000 per night
- All district towns Tshs.45,000 per night
- Other TShs 30,000 per night

Rates are based on nights spent/slept out of station.

Where accommodation is covered but meals are not:

- All regional towns and cities TShs 6,000 per meal
- All district towns TShs 5,000 per meal
- Other TShs 2,500 per meal

Where full board is covered but no out of pocket allowance is provided

TShs 5,000 per night to cover laundry, communication and all other incidental costs.

While in bus, boat or train transit on official duty for 5 or more hours

TShs 5,000 per day.

9.3.4 In exceptional cases where it is not possible to cover reasonable costs at the established rates above, employees may explain the circumstances in writing and petition to be reimbursed the difference in costs against actual receipts. In such cases the Accountant shall determine the merits of the case and recommend approval by the Coordinator.

9.3.5 Where there is lack of clarity in the interpretation of these provisions the Coordinator shall seek the opinion of the employee concerned and of the Accountant and take both viewpoints into consideration before making a final determination that is fair and consistent, provided that the decision and reasons for it are documented. Where the concerned employee is the Coordinator or the Coordinator stands to benefit personally from the decision the final determination shall be made by the Accountant after consultation with members of the Secretariat.

10 CREDIT

10.1 PURPOSE

The purpose of this regulation is to outline the management of credit at TNRF.

10.2 GUIDING PRINCIPLES

10.2.1 TNRF shall exercise conservative credit management. The granting of credit shall be limited to:

- relatively small amounts of up to no more than 20 per cent of an employee's annual salary;
- limited and specified entities;
- provided only in circumstances where there are strong recovery assurances (including assessment of ability to repay); and
- provided only where reasonable alternatives are not feasible.

10.3 CREDIT TO EMPLOYEES

10.3.1 TNRF employees shall be eligible to be considered for credit in the following circumstances only:

- for additional cost of health insurance exceeding the level provided by TNRF;
- for paying rent for employee's housing;
- for paying school fees of their own children;
- for use of TNRF equipment such as telephones and photocopy machines for private purposes;
- for other uses that may be determined by the Steering Committee from time to time.

10.3.2 Granting of credit as noted above shall be further subject to the provisions provided for in the Administration Policies.

10.3.3 Credit as specified above shall not constitute a right and the Coordinator upon consultation with the Accountant may suspend or refuse credit requests where he/she determines this to be in the interest of TNRF, provided this is documented and explained to the respective employee/s. In making such determinations the Accountant and Coordinator shall exercise consistency and fairness.

10.3.4 Credit provided to employees shall be automatically recovered through deductions in monthly payrolls. For health insurance top-up and housing rent recovery shall be according to a schedule to be determined at the time of requesting credit, and in all cases shall be fully repaid no later than November of each year so as to avoid carrying liabilities into the new financial year. The cost of private use of TNRF equipment shall be deducted from the payroll on a monthly basis (usually in following month's payroll).

10.3.5 The Administrator shall be responsible for producing accurate and timely reports on reimbursable private use by staff each month, and for submitting these to the Coordinator for approval and the Accountant for verification and payroll deduction. Full written documentation shall be attached to payroll and maintained in organized files at all times, and pay slips each month shall clearly indicate amount and description for deduction.

10.3.6 The employee shall be responsible for settling any and all outstanding liabilities owed to TNRF before claiming final settlement of salaries and benefits. The Accountant shall be responsible for ensuring all outstanding debts owed by the employee to TNRF are settled before effecting final payment of salaries and benefits.

10.3.7 Each employee shall ensure he/she does not incur debts to TNRF that he/she is unlikely to be able to repay on time. Exceptions to repayment requirements noted above shall normally not be permitted.

10.3.8 TNRF shall not provide loans to any employee for purposes not specified above.

10.3.9 TNRF shall not incur any obligation through guarantees to third parties (such as banks) for loans or other facilities/services obtained by an employee.

10.4 CREDIT TO OTHERS

10.4.1 TNRF shall not extend credit to TNRF Steering Committee members or members who are not employed by the organization.

10.4.2 TNRF shall not extend credit to any other individuals.

10.4.3 TNRF may provide materials (such as publications) and services (such as facilitation or technical support) to partner organizations on credit. Such arrangements and costs involved shall normally be spelled out in writing in advance and approved by the Coordinator. In such cases the Coordinator and/or respective unit manager shall request the Accountant to prepare an invoice.

10.4.4 The Accountant shall maintain an accurate and timely register for all invoices and debts owed to TNRF. The duplicate copy of the invoice shall be stored in serial order in a file set up for the purpose. The Accountant shall produce a monthly report showing invoices generated, paid and outstanding for the month. The Accountant shall be responsible for following up on outstanding debts, including sending written reminders once each month.

10.5 RATES FOR REIMBURSEMENT

10.5.1 The rates for reimbursement for private use of TNRF equipment shall be determined based on an estimation of full costs, including running, applicable taxation, staff and depreciation. The Accountant shall from time to time and at least once each year review cost of photocopying, printing, vehicle use and telephone and recommend rates to be charged to the Coordinator, who shall make a final determination. Rates shall be open and availed to all staff.

10.5.2 The conditions under which TNRF equipment may be availed for private use shall be as stipulated in the Administration Policies.