

U.S.A.I.D. / BAMAKO
Contract N° OTR-000-100-4329-00

Work Order N° 4

MANAGEMENT ADVISORY
SERVICES FOR SAHEL INSTITUTE

PROJECT N° 625-0911

June 1986

Mr. Reuben THOMAS
Director INSAH

Dakar, June 17th, 1986

Sir,

Pursuant to the Management Advisory service, and in conformity with the work order, we have the honor to present our report on the internal control system and procedures of the Sahel Institute.

Our report is arranged as follows :

1. Recapitulation of objectives
 2. Work Carried out
 3. General
 4. Detailed analysis of internal control weaknesses and procedures and recommendations.
- Appendices.

We would like to thank the Director and the whole staff of the Institute and AID mission for the assistance accorded us in the accomplishment of our mission. We remain at your disposal for any further information which you may wish to have on the content of this report.

Sincerely yours,

Aziz DIEYE

GENERAL SUMMARY

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I. RECAPITULATION OF OBJECTIVES

In conformity with work order N° 4 of contract N° OTR-000-1-00-4329-00 of 30th October 1986, we carried out an organization mission at the Sahel Institute (INSAH) in Bamako, Mali, from 6th January 1986 to 18th January 1986.

The objectives of our assignment were to :

- examine the Institute's budgeting system and make recommendations on methods and procedures :
- examine the merits of the chart accounts :
- check how the Institute
 - . draws up its procedures for making financial decisions, implements its budget and authorizes expenditure
 - . organizes the accounting system
 - . organizes the inventory and the data-processing system
- check also how the Institute organizes its personnel management, particularly through the assessment of time and attendance records and its staff requirements.

II. WORK CARRIED OUT

2.1. People interviewed

<u>NAME</u>	<u>POST</u>
* <u>From the Institute</u>	
Reuben A. Thomas	Director Général
Madi KONATE	Administrative and Financial director
Rokia BA TOURE	Director of Communication
Adou GADIAGA	Director of the Central Accounts Department
Abdoulaye SIDIBE	Accrual Accountant Central Management Unit
Jules souleymane TRAORE	Assistant to the Director of Research
Pape Syr DIAGNE	USED Co-ordinator
Alioune Badara CAMARA	RESADOC Co-ordinator
Dramane DOUMBIA	USED Accountant
Kalfa SANOGO	Assistant to the Training Officer
Mamadou Bila TRAORE	Accountant Cashier INSAH
Fatoumata DIALLO	Accountant clerk
Guy LOYNET	Technical Assistant Research Department
Zoumana BAMBA	RESADOC
Fadima DIARRA	EDP Department USED
Nafissatou DIOP	EDP Department USED
Bouréma TRAORE	Personnel Manager

* From USAID

Emmy SIMMONS	USAID Project Officer
Keith RONWALL	USAID Controller
DON VAN NOI	Sahel Regional Finance Manager

These interviews enabled us to :

1. Assess the situation regarding administration, accounting and budgeting at the Institute ;
2. Point out the weaknesses in the internal control system; and
3. Make recommendations.

2.2. Nature of the Work carried out

We assembled and then examined all the documents available in the various departments of the Sahel Institute.

These consisted mainly, in scientific and technical documents (technical reports), administrative and financial documents (financial reports, budgets implementation letters, assessment reports, correspondence etc...)

We interviewed the head of the various departments at the Institute to obtain their opinion and understand their proposals concerning the various organization problems at the Institute.

We drew up a questionnaire and asked all the heads of departments at the Institute to fill it in, in order to have an exact idea of their functions, their qualifications and that their posts are effectively necessary.

Lastly, our data-processing specialist undertook an exhaustive study of the Institute's data-processing policies, the existing equipment, the applications to which it is put and the possibilities of utilizing it for financial management purposes.

III. GENERAL CONCLUSIONS

In this section, we give the broad of the conclusions reached in our report.

I. WEAKNESSES IDENTIFIED IN THE ACCOUNTING SYSTEM

1. The main shortcomings that have been identified in this system are due to the fact that the accounting method is not standardized.

Two accounting systems exist :

- a method specifically conceived for USED and which appears to be an autonomous management system with well organized book-keeping in which one can tell at any time the amounts that have already been expended and the remaining balances.
- a general system which is managed by the Central Accounting Office.

In fact, neither the USED system nor the system adopted by the Central Accounting Office are likely to allow an effective management of the Institute's resources and assets. This first weakness can be explained by the existence of two separate accounting system within the same body which in principle purports to work towards the same objectives.

This separation between two accounting system is exacerbated by the employment of separate accountants, separate accounting plans and different accounting methodologies.

2. The separation of accounting systems is not the only shortcoming. The fact that within each of these divisions, the accounting method adopted provides scattered instead of exhaustive information is another shortcoming since even at USED, the donors' funds are not indexed. Apart from USAID funds, USED manages other funds. It receives financing in particular from Population Council whereas these funds are not managed by the USED accountant.

3. Due to the absence of a standard accounting system, nobody other than those who are responsible for managing the programmes can really know what is going on there. Here the separation of the two accounting systems is reflected in the absence of information and standardization of information.

4. Other shortcomings are due to the presence of isolated institutions : no common accounting plan, no reports released on the same dates, no way of knowing what resources are available.

All of these show that the management of the Institute suffers from major weaknesses.

There is inefficient management when resources are over-scaled compared to the results obtained when surplus resources are available on one hand while shortages are experienced on the other.

The Accounts division releases no management information as the accounting system does not allow a global view of the accounts.

Moreover, the existence of several management systems deprives the General Management of the tool and overall view which it needs in order to allocate resources according to the results to be obtained.

RECOMMENDATIONS

1. The System should be standardized

The standardization of the system requires the centralization of all transactions. The centralization of all transactions does not mean that the transactions need not be recorded autonomously, that is by the different programmes. We are convinced that it is essential for each programme to have its own accounting.

It is important here to make clear the distinction between the management of finances and the management of accounts, both from the practical point of view and from the point of view of responsibility.

The manager of finances is entrusted to the head of department of the programme. He is responsible to the Director of the Institute who delegates authority to him, and his job consists in ensuring the follow-up of the budgets and the day to day management of the programme's finances.

All that needs to be done is to make sure that all transactions are reflected under each programme, that a synthesis is made by the programme so that the project manager can have at his disposal complete information on its management.

By centralization, we mean that the separate accounts divisions should be centralized. It is therefore necessary if the system is to be standardized to place the various accountants under a central accountant.

2. A manual of Procedures is required

The standardization of the system also calls for the setting up of a single accounting plan. This single accounting plan should be codified in such a way that it will be easy to identify transactions by their financing sources, the project to which they relate and the category.

This accounting plan is proposed so that it would permit a certain harmonization of the headings. We have determined five budget headings under which all transactions would be classified.

The reporting system also needs to be unified, that is a system which enables the Institute to synthesize its transactions and to provide a statement which facilitates understanding, at a specific date.

As part of the standardization, we have also suggested that a global control be undertaken by the General Management.

The controls consists in setting up a member of management instruments such as the bank position signal which is already being provided on a weekly basis, but which has a limited effect since the table does not contain the details of planned disbursements.

Provisions should therefore be made in order to enable the General Management to know every month or even every week the exact commitments, the disposable balance of credit agreements, the exact balances of the various financing and the used to which it has been put.

For instance, a statement that makes it possible to know that at such a date such an amount of money was expended under a given section and budget heading.

This standardization of the accounting system, the control system, the accounting plan, the reporting systems, the overall control system, the overall control system will not only involve tangible assets but fictitious assets as well.

For the standardization to make sense, it is necessary to compile a manual of administrative and accounting procedures which will include the various guidelines which must be adhered to in handling all the transactions of the Institute. The manual should facilitate the operation of the Institute. It should enable each employee to have a full conception of what action needs to be undertaken and how.

II. WEAKNESSES OF THE BUDGETING SYSTEM

Since the products of research are to be sold, access to documentation and to the network should be provided on the basis of the cost price of accumulated information.

In future, it is necessary to determine the cost of books and to ensure that only the books for which there are specific customers are published. In this way, the Institute could one day become autonomous, that is, it could manage by itself the resources that it needs for its survival.

It is our view that the absence of co-ordination and planning has an impact on the budgeting system.

Another negative effect is the possibility of duplicating and recycling the same documents, which is likely to be detrimental to the credibility of the Institute.

Rational management systems must be set up in order to avoid fraud and to prove to donors that the funds which they put at the disposal of the Institute are properly managed.

RECOMMENDATIONS

There are at least four recommendations which can be made concerning the budgeting system.

1. The first recommendation is the compilation of a manual of budgeting procedures. This manual provides a means of standardizing budgeting methods. The advantage of this manual is that it constitutes a series of standard instructions to describe the main aspects of budgeting procedures, namely :

- a. The methods by which budgetary transactions should be carried out ;
- b. The responsibilities of the various participants in the budgeting process ;
- c. The procedures for drawing up periodic synthesis statements.
- d. The methods of follow up and control of budgetary transactions.

The intention of this manual is to make available to the Institute as a whole a set of instructions which will enable each person involved to know exactly how to proceed.

Particularly for the drafting of a budget, in terms of the elements to be taken into consideration, the implementation schedule, the means of control in terms of information on the budget and the methodology of budgeting system control.

2. The compilation of this manual budgeting procedures requires the establishment of a Budget Follow Up Committee to enable the Institute to have a budget which does not belong to a single person or a section of the Institute but to the Institute as a whole.

The role and function of this Budget Follow Up Committee will be defined but the aim is to gather in a structure of an operational and conceptual nature all the persons who participate in the management of the Institute.

This Budget Follow Up Committee is a priority committee.

Consequently, it will be charged with monitoring budget follow up periodically, that is quarterly. It will be up to this Committee to determine whether or not the budget being implemented correctly adhered to.

The Committee is also an authority which may decide for example on resource transfer from one heading to another.

We believe that it is essential to set up this system of budget follow up.

3. We feel that it is also important as part of the management of the Institute to encourage more involvement in the Institute on the part of donors. To achieve this, one should not consult them only when introducing an application for financing but they should be encouraged to intervene constantly in the Institute. It may be advisable to ask donors to set up at least their own informal organization whose role would consist in seeing the co-ordination of their interventions.

The organization of donors could be involved at the beginning notably during a meeting on budget approval and on the definition of promises of finance which would be known by all donors and the Institute.

This co-ordination of donors' interventions is essential : thus, it would take place at the beginning of the financial year and it could be carried out during the year on a quarterly basis, and this intervention could take the form of donors receiving, at the end of the year, annual reports which would be certified by the donors concerned.

4. Another way to coordinate donors' intervention and to increase their involvement in the budget management process would be to make programme agreements which would take the form of a pluriannual programme contract that would be signed by each donor and include the respective obligations the parties, that is both the Institute and the donors in terms of the implementation schedules, ways and means, logistics and compliance with a number of preconditions by the Institute.

These preconditions should include for the Institute the possibility of complying with a number of operational accounting modes, the establishment of minimum procedures ; - for donors, the possibility of determining control terms and conditions as well as the terms and conditions of receiving annual reports. This would also make it possible to create some emulation within the Institute and would prove useful for the assessment of the work performance of each of the Institute's staff.

III. WEAKNESSES OF THE STAFF FUNCTION

1. The first weakness is the existence of several statutes.

There are :

- The technical assistants ;
- The international civil servants who are either placed directly under the authority either of UNDP or ECA.
- The Civil servants who are accountable to their governments.
- The employees who are accountable to the Sahel Institute and who are the only members of the Institute's personnel since it is against those staff members that the Institute's disciplinary action can really be exercised.

The other staff members especially the international civil servants who are put at the disposal of the Institute are hierarchically in fact outside the authority of the General Management.

2. The multiplicity of statutes entails a disparity between the systems of remuneration.

There are at least four (4) different systems of remuneration

- The Institute's own system which derives from internal regulations concerning personnel.
- a system which derives from the International Public Employment
- a system which derives from the secondment of staff by some states to the Institute and which ignores how relationships are organized between these states and the secondment of staff

- a system which consists in filling the positions financed by certain institutions which accept that recruitment be made by the Institute but reserve the right to pay on the basis of their own indicial scale.

RECOMMENDATIONS

1. We recommend that the idea of national quotas be discarded ; indeed, this idea of quotas interferes with the notion of competence as the staff recruited behave as though they are the representatives of their country. This quota criteria should be abandoned so that each staff member considers his integration in the Institute as the fruit of his competence and knows he is judged on competence instead of criteria of nationality.
2. We also recommended that a unified staff status be adopted and that all staff members including those seconded by international organization such as Population Council, EDP, ECA, should be merged. To achieve this, the international organizations in question will have to delegate the power to manage their seconded staff to the Director General so as to permit adequate staff supervision.
3. We believe that it is essential to see to it that secondment goes with the delegation of power of assessment.
4. The standardization of personnel management procedures is urgently required. We suggest that a manual of administrative procedures be drawn up defining :
 - . Positions vacant
 - . Recruitment criteria
 - . REcruitment (selection)
 - . In-service training
 - . Assessment of performance

- . Promotion
- . Paid leave and special leave
- . Breach of contract
- . Salary scale and grades
- . Profile of positions

5. It is also advisable to recruit only periodically.

This would make it possible to inject a new dynamism into the Institute while allowing it the possibility of replacing inadequate personnel or the personnel whose real profile does not correspond with the expected profile.

6. As part of personnel management, general means should be pooled.

In other words, resources especially logistical resources such as vehicles, photocopying machines, should be pooled so that everyone feels that he is treated on the same footing.

IV. OTHER RECOMMENDATIONS.

1. On the data-processing system.

The use of data-processing should make recording of transactions faster and allow deeper analysis.

It should also make it possible to control assets effectively specially tangible assets.

For example, it would be possible to manage all motor vehicles through computer. The statements would indicate the cost of a kilometer according to each type of vehicle and the costs related to the various managements by incorporating in these costs a percentage of charges which is normally borne by the programmes and projects.

2. On programme Planning.

It is essential that a global management policy be formulated.

Donors could do this if they were presented with programmes which reflect all the preoccupations of the Institute at a given time instead of isolated programmes.

It should thus be possible to obtain the pooling of resources which would make it possible to avoid financial charges and to ensure that resource allocation is made not as a function of available resources but as a function of the priorities defined for each of the projects.

3. Recruitment of an accountant.

It seems to us that the most urgent actions is to recruit a central accountant and to see to it that for each project the accountant is responsible for :

- indexing all financing
- recording the transactions relating to his project
- periodically forwarding these transactions to the central accounting system.

IV. 1. THE BUDGET SYSTEM

DETAILED SUMMARY

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APPENDIX

IV.1.1. DESCRIPTION OF BUDGETING PRACTICES

a) CILSS Budget

This budget is funded by the member state's contributions. It is prepared by the Executive Secretary and submitted for examination by the Co-ordinating Minister prior to approval by the Council of Ministers.

The financial year runs from 1st January to 31st December of each year. The accumul CILSS Budget for the period from 1978 to 1985 is 261 708 (000 CFAP). The budget headings are set out in detail in Appendix 1.

b) USAID Budget

It supports RESADOC and the Central Management Unit Secretariat.

The Director lays down his programme of operations for the whole year. The accountant then consults local suppliers on their prices. After that he calculates the requirements of the budget.

The accountant, under the supervision of the Administrative and Financial Director, works out a draft budget, stating the requirements of the other departments. All this information is assembled by the Administrative and Financial Director.

The preparation of the USAID budget takes about a week. The USED budget also financed partly by USAID, follows a special procedure - that is the budgets are done half-yearly : the first budget serving as a basis for drawing up the second, which follows a special procedure.

For each project in progress in a country, a budget is drawn up based on the previous one, taking into account, however, the needs stated and the adjustments that were necessary in implementing the last budget.

USAID participates at the Central Management Unit at USED, RESADOC and in communications. The global budget between 1978 and 1985 amounts to 1 823 351 (000 CFAP) (see table of budget headings in appendix 2).

c) The Netherlands

They participate in training, particularly in the C.F.P.V. project - "Centre Sahélien de Formation en Protection des Végétaux" (Sahel Centre for training in plant protection) - to the sum of 18 217 (000 CFAF) between 1978 AND 1985.

An initial budget was drawn up to start with in collaboration with the donor but since then no annual budget or financial follow-up has been done by the Institute for this project which dates from 1981.

Budget management and follow-up are done by a technician from the donor country.

d) UNDP/UNSO

The budget for the year is based on the previous one, to which 10 % is added to meet contingencies.

The budgetary year runs from January to December. No limit is set on the transfer of funds between different budget line items, that the donor must be consulted beforehand.

Between 1978 to 1985 UNDP/UNSO provided finance to the global sum of 232 063 (000 CFAF) ; it participates in Research and in training with the FAPIS Project "Formation en aménagement pastoral intégré au Sahel" (Training for integrated pastoral development in the Sahel") (see table of budget headings in appendix 3)

Technical and financial evaluation is also carried out for the projects.

e) E.D.F.

This donor finances conjointly with UNDP/UNSO the research programmes into millet, sorghum, beans (niébé) and maize.

Each year, the department receives from the countries concerned with the research a draft budget sent by their national scientific committee which is composed of grain selectors for : niébé, millet, maize and sorghum and of a developer.

The accountant at the Central Management Unit checks the budget proposals. All these procedures are supervised by the Departmental Management. For the national budgets a 30 % advance payment is allocated. Transfers of funds between different budget line items are accepted after authorization by the Sahel Institute and the donor. From 1978 to 1985 the EDF allocated to REsearch the sum of 655 033 (000 CFAF) (see table of budget headings in appendix 4).
 Technical and financial follow-up is by means of reports.

f) UNDP

For the Communications project the budgeting procedure is as follows :
 - The CILSS experts designated by INSAH make out an evaluation report. A draft budget is then drawn up by the management (the different budget headings are set out in appendix 5).

g) I.D.R.C.

IDRC mainly finances Resadoc and USLD. For the latter project no budget has been drawn up. Between 1978 and 1985 the global IDRC budget amounts 155 216 (000 CFAF).
 IDRC participates mainly in Resadoc. To work out his budget the co-ordinator estimates his requirements in technical equipment and consults various local suppliers. The choice goes to the lowest tender.
 A draft budget is then signed by the co-ordinator and the Administrative and Financial Director and is then sent to the donor for approval.
 The budgetary year runs from 1st January to 31st December (see appendix 6 for budget headings).

IV 1.2 DEFIENCES IN THE BUDGET SYSTEM

1. LACK OF BUDGET PROCEDURE MANUAL

The class does not have any written procedure defining

- methods and means of preparation of the budget.
- procedure for the commitment of its funds.
- means and methods of controlling expenditure performance.

CONSEQUENCE

Make-shift procedure usually govern the preparation of the budget.

Most of the following deficiencies are more or less

2. INADEQUATE DECENTRALIZATION OF BUDGET PREPARATION PROCEDURES

We have observed that each project management prepares his programme and submits it to the Director General. Most often the project is automatically approved and forwarded to moneylenders.

CONSEQUENCES

The various projects existing in the Institute are managed as independent projects.

As a result, they do not follow any order of priority, which means that a programme may be adopted for a given project have not been met yet.

3. LACK OF STANDARDIZED BUDGET PROCEDURES

There is no standardized procedure for the preparation and follow-up of the various project budget.

4. LACK OF ADEQUATE CONTROL PROCEDURES FOR THE PERFORMANCE OF EXPENDITURES

Expenditure performances by the CILSS are not subjected to any appropriate follow-up in relation to the budget breakdown per donors and project.

CONSEQUENCES

An invoice relating to expenditure incurred by a given project may be presented to several moneylenders for financing.

Moreover the institute does not have all the required powers for decision-making.

This deficiency encourages irrational distribution of expenditures

IV 1.3. RECOMMANDATION ON THE BUDGETING SYSTEM

1. INTRODUCTION

The budget is the figure presentation of the programme of action of the given economic unit for a given period (usually one year). It specifies the pursued objective and the human financial and physical resources to be used to achieve such objectives. The budget should be a privileged decision making instrument in managing the CLISS as it will rationalize the choice and performance of expenditure and will be used to assus project activities.

We recommend a budget procedure involving 4 stages :

- 1. Choice and planning of the objectives
- 2. Selection of the required mens
- 3. Control of the performance of expenditures

II CHOICE AND PLANNING OF THE OBJECTIVES

The overall long-term policy of the CLISS is defened by the council of Minister of these State that are involve in the projects.

The ilplementation of such a policy involves annual programme and budget of administration and finance shall pulish a budget preparation note around September 15 th of each year.

This note shall specify :

- Work to be achieved by each unit and
- the scheduling of the work

b. The heads of the various unit concerned shall make their budget estimate in line with the budget preparation note.

c. The Director of Administration shall collect the various result and convene a meeting of the budget arbitration under the chairmanship of the Director General.

The committee shall consist of :

- the Director General
- the Director of the department of administration and finance.
- the various project manager.

At this meeting the committee shall indicate.

- the order of priority of programme (all CLISS programmes put together)
- the amount of disbursement provided for each budget heading.

d. Further to first meeting of the arbitration Committee the Director of Administration and finance shall prepare a draft budget taking into account (see type of draft budget appendix

e. The Committee shall meet for the second time for the draft budget.

f. The adopted budget shall be submitted to the council of Minister for approval around December 1st of each year.

g. The Director of Administration and finance shall establish the finalized budget as adopted by the Council of Minister including all their amendments.

3. SELECTION OF THE REQUIRED MEANS

An advisory meeting shall be organized with the following members :

- project Management
- Members of the Council of Ministers and
- A post of moneylenders.

This meeting shall present the various projects that were proposed by the CLISS and approved by the Council of Minister the meeting shall establish moneylenders contribution to be achievement of such project.

Any programme which the CLISS regard as a priority one and which is included the budget must be implemented . The meeting of the A'dvisory Committee should determine the means that are required for the achievement of such programme even if moneylenders' contributions are inadequate. The "finance from the budget" section shall be completed by the Director of Administration and finance after this meeting.

NOTE

In the budget preparation scheduling the Director of Administration and finance shall take into account the need to prepare documents in advance in order to enable the persons or institutions concerned to examine them before meeting . An example of budget preparation scheduling is appended herewith.

4. PROCEDURES FOR COMMITMENT OF FUNDS

_ See procedure for payments cycles.

5. CONTROL PROCEDURES FOR PROGRAM IMPLEMENTATION

The following documents shall be prepared :

- a quaterly Progress report indications the planned quantitative and qualitative objectives for each programme together with actual achievement during this period.

- a quarterly balance sheet

- a monthly statement of project expenditure follow-up

- a monthly expenditure (for all the project together)

- a detailed monthly statement of subsidies per moneylender and per project.

- a monthly recapitulation of subsidies to come per moneylenders (for all the project together)

- a cumulated statement of collected subsidies.

A Monthly statement of project expenditure follow-up (Appendix I)

This statement is basically mean for internal purposes. It presents monthly expenditures together with the observed difference per heading, programme and account over the same period.

In addition the document will evidence residual budget resources so as to draw the attezntion of the user to any outlay overrun.

B. Monthly statement of expenditures for all the projects. (Appndix II)

The summary follow-up monthly expenditure will show the evolution of an item of expenditures for the entire project.

This will enable the arbitration Commitce to detect chances of outlay overrun in given item of the programme in time and to detect accordingly to request partial resource transfer from a minor programme or from a programme with favorable situation.

C. Monthly statement of the follow-up subsidies receivable per project per moneylenders

This statement is prepared by subtraction operation that were entered in the ledger from subsidies to come.

This implies the existence of a "subsidies receivable" account per project and moneylenders.

With this statement moneylenders can receive weekly or monthly information on the operation they are interested in and which received their prefinancing from the project and which have not been repaid.

This statement shall be forwarded with a copy of expenditure vouchers and of the repayment request.

Achievement of the data processing programme should take into account the following two constraints :

- the need to establish a procedure whereby all the operations that obtained repayment can be written off the data base.
- The need to use letter "R" (recall) for all former operation i. e. for which a repayment request has been already made.

D. Récapitulation of the follow of working expenses per moneylender

This statement will enable each moneylender to follow actual expenditure repayments for all the projects.

In addition to time gaining, computerization of statements C and D will enable the institute to cancel those claims that may cause it to request several moneylenders to fully repay the same expenditures.

E. Récapitulation of subsidies received from moneylenders

This statement is established merging the "Equipment subsidies and "Working subsidies" accounts per moneylenders and project . It shows total subsidies received and can be compared to the overall budget ; allocation to show the amount of subsidies.

IV.2 ACCOUNTING SYSTEM

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APPENDICES

V.2.1. DESCRIPTION OF ACCOUNTING PRACTICES

At present, there are two separate accounting systems at the Sahel Institute

- USED's which manages its funds autonomously and keep its own accounts ;
- The Central Accounting Office's, which manages all the other funds.

1. Accountancy

The main role of the chief accountant at USED is to :

- draw up a financial report every three months for USAID, USED and the other projects.
- make out a request for disbursement addressed to USAID based on the actual expenditure of the previous quarter ;
- carry out the follow up of the budget by expenditure with actual expenditure, and investigate the reasons for the discrepancies ;
- keep the banking books.

2. Central Accounting Office

For the Central Accounting Office, the accounting organization and procedures are laid down in sections 20, 21, 22, 23, 24 and 25 of the financial regulations amended by the 19th Council of Ministers.

The Director of the Central Accounting Office is responsible for the accounting of :

- revenue and expenditure related to the implementations of the CILSS budget ;
- expenditure related to the eventual financing of studies and operations approved by the Council of Ministers.
- the special Sahel Fund.
- the organization's other funds.

The Director of the Central Accounting Office is responsible for recovering revenue and paying expenditure. Each month he sends a copy of the balance of accounts from the ledger and the bank reconciliation to the executive Secretariat and to donors where their own budgets are concerned.

The Director of the Central Accounting Office is responsible for the sincerity and regularity of the account entries, and must keep his accounts in conformity with the regulations concerning public accounting in force in the country where CILSS has its head office.

The payment of invoices is made by bank cheque, except for small expenses which are covered by a petty cash fund.

The petty cash fund, with an upper limit of 150 000 CFAF can only cover expenditure not exceeding 01 000 CFAF. Cash renewal is based on vouchers. Before selling any expenditure authorized for payment, the Director of the Central Accounting Office checks that the person authorizing payment is entitled to do so, that credits are available, the claim for payment is valid and the settlement complies with the regulations.

He suspends payment in the case of insufficient credit lack of justification, objection etc...

Any refusal to pay must be justified, and noticed within 48 hours to the Executive Secretary, who can order payment to be made.

In which case the director of the Central Accounting Office must carry out the order, unless there is insufficient credit, lack of proof of service rendered.

On 31st December of each year, the director of the Central Accounting Office draws up the final balance of accounts of the ledger, and prepares his management account for the financial year in question, the following 30th April at the latest.

Lastly, besides at least two unexpected checks a year, the accounts of the Director of the Central Accounting Office are subjected each year to verification by an auditor, as laid down in the internal regulations and in conformity with the procedure set out in section 29 of the financial regulations.

IV.2.2. WEAKNESSES OF THE ACCOUNTING SYSTEM

1. Indexed major weaknesses

- . INSAH has no double entry book-keeping ;
- . the method of book-keeping used is not exhaustive because information is scattered and not always complete ;
- . INSAH has no consistent administrative and financial management data-processing ;
- . Accounting rules and procedures differ markedly due to the terms imposed by financing institutions ;

It is difficult to determine whether the expenditure incurred with donors correspond with the goods and services required for the project.

- . The budget is not kept in such a way as would allow to compare budgetary provisions with real expenditure
 - . The accounting frame currently in force at INSAH does not make it possible to undertake an adequate analysis of all committed expenditure.
 - . The other projects modeled their accounting method on USED which is not a perfect model of administrative and accounting management ;
 - . An auxiliary accounting is kept without the prior existence of an adequate general accounting ;
 - . INSAH does not keep any accounts of UNDP funds ;
 - . Classification as currently conceived at INSAH does not allow an easy access and a prompt exploitation of information.
 - . INSAH has no administrative and accounting procedures ;
- There are no periodic financial statements ;
- . It is difficult at present to know the overall amount of financing expended
 - . INSAH has no register of fixed assets.

2. Consequences

a) The absence of a double-entry book-keeping which constitutes the major bottleneck at INSAH raises serious problems and deprives it of a management information device .

Indeed :

- * Up to this point, no one can tell what amount of financing it has received from individual financing institutions and what use was made of it.

- * It is presently impossible to present INSAH's overall assets.

- * It is also difficult to trace the fixed assets acquired through the resources of the project.

b) The fact that the accounting system is not standardized results in inadequate coordination and deprives the Institute of global and consistent information.

c) There is risk of malpractice if the internal control is unable to trace expenses which have been committed in the interest of the Institute or for another purpose.

d) An inadequate classification entails loss of time but also increased work burden.

e) A manual of administrative and accounting procedures contains standard directives. Not having one prevents standardization or even leads to deviations.

f) It is difficult to know the assets and liabilities of the Institute due to the absence of financial statements.

IV.2.3. RECOMMENDATIONS

1. Need to standardize the accounting systems in force at the Institute

Indeed the current accounting organization shows disparities.

2. Reorganization of the A.F.D.

- It would be desirable to organize the Administrative and Financial Director's Office by designating a head of the Accounts Division and the accountants of each programme.

* Attributions of the Chief accountant

- . He is placed under the authority of the Financial director
- . He supervises the book entry of transactions with customers suppliers, bank. invoicing, investments and all other transactions linked with company exploitation.
- . He is in charge of the balance sheet, the management accounts, the statistics and cash positions of the Institute ;
- . He keeps the daily accounts of the company vis-a-vis a third party ;
- . He prepares the statement of the company's assets and liabilities
- . he cross-checks all the accounts ;
- . He determines the gaps between budgetary provisions and real expenses ;
- . He updates the accounting plan
- . He is responsible for all book entries, of their sincerity and regularity in accordance with the accounting plan ;
- . He oversees and monitors the work done by the employees placed under him (verification of comparative Statements etc)

- . He authorizes correcting entry ;
- . He sees to the scrupulous observance of the internal rules by all the staff placed under his authority
- . He prepares at the end of the year a consolidated balance sheet which will reflect all the balance sheets drawn up according to each financing source ;
- . He monitors and authorizes all cash transactions.

* Attributions of programme accountants

He is in charge of :

- . programme accounts per financing source ;
- . classification of all accounting vouchers, administrative documents, reports per financing source in filing cabinets.
- . keeping the various bank, cash pay and miscellaneous transactions journals ;
- . preparing bank reconciliation statements
- . drawing up a balance sheet per donors

3. New Accounting Frame

* Accounting Plan

We have set up for the Sahel Institute a standard accounting plan which is adapted to its realities and requirements. It takes into consideration the classification of charges according to their nature, the financing source, the programmes and the sub-programmes (see Appendix 1)

* Manual of Administrative and Accounting procedures

It describes :

- . the terms and conditions of carrying out transactions ;
- . the responsibilities of the various parties involved ;
- . the methods of preparing periodic synthetized statements ;
- . we have also laid out the terms and conditions of transactions monitoring by external entities.

This manual can be used as :

- . a management tool as it permits to define the terms and conditions of project implementation but also facilitates understanding and interpretation of the procedures applicable for controlling funds use.
- . a planning instrument as it defines the standards of planning, use and allocation of the funds put at the disposal of the Institute.
- . a communication instrument as it enables the various parties involved to coordinate their action on the basis of common standards and codes.
- . a training instrument for newly recruited employees whom it helps to find answers to their questions.
- . eventually, a management information device which will help the various executives to analyse all the information and results which will get to them in a standard format.

* Accounting vouchers

. The Institute must compile accounting and management information documents such as the balance sheet, the overall operating account, account balances etc...

* Register of fixed assets

. a register of fixed assets should be kept by the Sahel Institute. This register will reflect the equipment, its value and date of acquisition, the depreciation ratios applied, the net book value. If disposed of the register will indicate the value of the resale and approximately the capital gains value and lastly, it will also indicate scrapped fixed assets.

IV.3. DATA PROCESSING SYSTEM

DETAILED SUMMARY

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APPENDIX

Avaiiable equipment

IV. 3.1. INTRODUCTION.

The objective of the mission was to determine the Institute's capacity to carry out financial management with the available data-processing means. We mostly concentrated on :

- the inventory of available resources, including the equipment (hardware-software) and personnel ;
- the use of such resources ;
- user's appraisal of conditions of work and of means made available to them , ;
- futur resource, training and data processing requirements ; and
- the medium term objectives of INSAH.

This led to an assessment of its current problems.

The particular situation of the Institute at least as we perceived it during our meetings with the management, reveals two major categories of problems :

- problems relating to management procedures and
- data processing problems.

The analysis of the data-processing system currently used for management purposes appears in the other sections of this report and proposals are made for the establishment of new procedures.

However, it should be remembered that data processing should be integrated, as an instrument of management, downstream of the organizational process.

Consequently, it should not be considered as a tool for solving problems inherent in poor organization of the information network.

A clean and precise description of the work procedures and functions of each unit of the system would be the best way of ensuring good management, provided methods of work are strictly abided by.

IV. 3.2. DATA PROCESSING PROBLEMS.

We have taken the current situation of the Institute into account and we have classified the various problems depending on their nature :

- . current technical situation
- . application quality index
- . computer operation

I. Solution adopted by INSAH.

The Sahel Institute is specialized institution of the Permanent Interstate Committee for Drought Control (CILSS).

As such, its resources consist of contributions from member states and donor's assistance in financing some projects.

One such projects are identified, specialized departments are entrusted with their implementation.

Data processing was used in this respect to solve specific problems relating to the various projects (EMIS for exemple in the case of USED) or departments (management of a library data base in the case of RESADOC).

So at the start of each project, where there was a need for electronic data processing, the head of the department concerned had to find financing to enable him to carry out the project.

Equipment is acquired or staff recruited within a well-defined framework and for the needs of the particular department.

This fragmented approach helped to strengthen the feeling of belonging to a particular department and this inhibited any initiative involving the creation of an overall data processing system for the Institute.

2. Application quality index.

Users generally have a critical judgment on the means that are made available to them.

In some cases, the results achieved constituted quite a satisfactory response to the specific needs of the projects or departments concerned, particularly in the case of the USED and Research Departments, and to a lesser degree and more recently, in the case of RESADOC. the various discussions that we had revealed the following :

- unqualified final users (they are the recipients of data processing results) ;
- lack of confidence in the system's master data (RESADOC) ;
- the need for additional information (socio-economic data base for USED, etc...) ;
- lack of involvement, on the part of the technical staff, in the use of programme which are meant for them, which leads to concentration of knowledge, which may be detrimental to the institution, and
- under-utilization of the software made available to them.

3. Computer-operation.

A number of problems appeared in this area. First, the existence of three data processing units calls for an analysis department :

a. RESEARCH.

A machine is available but not used.

However, data processing is done on two other units that do not belong to the Institute.

Users are satisfied with the results and do not seem to be worried by the likely departure of the only person who can handle the programmes.

Provisions have been made to transfer all the data to the department's computer but the required means (data collection personnel, training of research people) do not exist.

- b) RESADOC is equipped with three units which have served so far for the management of bibliography master data through a PC-1515 software.

The programme can theoretically handle up to 10,000 references. A number of problems have appeared however, the most important of which being the departure of the person entrusted with the finalization of the results with a view to more appropriate use for the departments needs.

The mission observed that the programme could not handle more than 2,500 references due to loss of information, duplication of data, dissipation of data processing time etc...

As RESADOC is almost unable to use its equipment, the only solution for data base management was to hire disk space and processing time while waiting for the purchase of an HP 3000/370 mini computer in May 1986.

A computer technologist is currently managing the data base on a software unit that has been made available by IDRC.

It must be noted that finance in respect of hiring disk space and processing time will end on 31st March 1986.

- c) As for USED, it has 6 IBM units and a couple of high level computer technologists who are operating standard software units (such as WOOSTAR, TEXTOR, SLMICRO, DBASE II, DBASE III, etc...) designing specific programmes (EMIS, BOBO, EMIS-BAMAKO etc . carrying out first-order maintenance for the equipment and training courses. Data collection staff have been trained to enter the data and a schedule has been established to train them, in programming. Moreover, this is the only department in which any member of the technical staff can use the computer alone for data processing purposes.

The only problem here relates to data medium storage, as diskettes (including security ones) are stored in the same room and next to the computer room, which may be very dangerous for data security.

d) Finally, the other departments do not feel concerned about data processing problems as they have neither the means nor the structures that could give access to such means.

e) It should be noted that the departments that possess their own computers are located at a considerable distance from each other, and that the operating staff are only responsible to the co-ordinator.

This situation inevitably raises a certain number of problems, especially :

- the lack of mobility of operating staff within the Institute. The micro-computer in the Research department is not utilized for lack of data collection staff and of training for the department's executives, although training programmes have been set up by USED and an initiation in programming was even started for their own staff.

The people in charge of the Research department are waiting to obtain financing to put their equipment to use, with the risk, one day, of Mr. LOYNET leaving with his equipment and his programmes.

We know, however, that the computer technologists at USED are quite capable of doing their programmes and that their data collection staff can do the transfer of the data on to the IBM-PC.

Similary, if RESADOC had been able, in the past to count on the computer technologists at USED to help with the work of improving and maintaining its programmes for the management of its bibliographical data base, it would certainly not find itself in the situation today where it is unable to use their equipment and is obliged to appeal to the financing sources for the acquisition of new material requiring the recruitment of another computer technologist.

- the duplication of certain investments. Instead of having a system of batteries at each site to attenuate the problems caused by frequent variations in electricity supply, if finances had been pooled it would probably have been possible to buy a generating set and a transformer establizer to enable the staff to work round the clock in perfect safety.

For this reason at RESADOC, the basic equipment used for data-processing has been duplicated so that the same operations can be done on the two machines at different times, in other to avoid a power out in the middle of the up-dating of the data base causing too much disruption.

Similary all the data storage media could be kept in the same place where all the safety standards would be respected in case of emergency.

- Needs are split up according to sector RESADOC is looking for a new solution because of the increase in the number of its references.

At the same time USED would like to have a socio-economic data base, and the possibility of managing its own departmental accounting.

The Institute, likewise, would prefer to computerize its accounting and the management of its staff and equipment.

The RESADOC department spends too much time drawing up budgets for financing sources, though it has not got enough staff.

All needs are studied separately by department.

RESADOC wants to buy a new machine but has not got all the finance needed. USED is interested in participating but is worried about the problem of responsibility for the equipment and time-sharing for its operation.

In the present staff of affairs the Institute will have to buy its own equipment for its accounting and will certainly have to recruit staff to operate it.

IV. 3.3. RECOMMENDATIONS ON DATA-PROCESSING MATTERS.

1. Establishment of administrative procedures.

The use of data processing as a financial management tool requires good knowledge of the data processing circuit.

Part one of this report has analyzed the operations of the Institute and revealed its deficiencies and problems and suggested solutions for the establishment of new procedures.

2. New approach to data processing.

Credit grants exclusively tied the specific needs of a given project have not made it possible up to now to set up a unified data processing system, which is the only way of guaranteeing rational use of the means available and a sound continuation policy.

the first conclusion in this regard is that the Institute does not have means of its own to carry out data processing management due to its current structure. But the paradox is that its various departments taken as a whole have the potential that could enable the Institute to achieve its objectives.

But the feeling of belonging to a specific source of financing is such among the staff that the Institute has never been able to maintain over all control of all the available resources.

The second conclusion is the lack of organization in the operating sector of the data processing departments. At the present time there is no real organization plan for the work. For this reason staff who are normally responsible for development work have to see to the carrying out of certain applications, which does not help to improve efficiency and security within the data-processing system.

Moreover, it must be stressed that the computer technologist's frequent interventions elsewhere than at the Institute, and the use of the equipment by people who do not belong to the Institute, do not contribute towards optimum use of the machine.

In our opinion a new policy should enable a single data processing unit to take charge of all the Institute's problems.

This joint approach should enable the Institute :

- to standardize operator training policies (from data processing to the use of software).
- to involve executives in mastering data-processing in their areas of interest ;
- to identify the information requirements of the various donors in order to improve their relations with the Institute both from the point of view of budget preparation and of periodic follow up ;
- to prepare manuals on data processing methods in order to avoid the concentration of knowledge in the hands of a single person.

It is important to realize, however, that before this solution can be applied certain problems will have to be solved, which will require in particular :

- the creation of a data processing department with the same statute as the other technical departments, to be responsible for :
 - . defining an overall data processing plan for the Institute which takes into account the needs expressed by the other departments ;
 - . planning a schedule of the work to be undertaken for each information sub-system.

- the establishment of a site where all the data-processing equipment can be kept together, in a place which provides all the necessary guarantees of security and at the same time easy access to information ; ideally all the Institute's services would be grouped in the same building ;

- the setting up by the Central Management Unit of a structure responsible for the management of all financing concerning data processing (acquisition of equipment, operating staff's salaries, miscellaneous costs of the department).

Each new budget drawn-up will therefore have a data-processing section whose percentage will be defined according to the project's importance and its eventual requirements concerning automatic data processing.

The aim is for the department to obtain an autonomy which will enable it to plan a strict and fair schedule of the work submitted to it by all the Institute's departments ;

- personnel management in this department is no less important than in the others. We believe that within INSAH there are people with the requisite skills for the setting up of this technical department.

We consider that their competence on the IBM machines is sufficient, but investment will be necessary to train them if the HP/3000/37 computer is taken into account.

- the purchase of transformer stabilizer and a generating set would be advisable to attenuate effects of extreme variations in electricity supply and frequent power cuts.

3. Information system.

User's needs in financial management may be covered by an application having the following characteristics :

- management of the accounts of each department and consolidation of these accounts for the Institute ;
- possibility of connexions with secondary sub-systems (debtors, creditors, wage earners etc...) ;
- accounting plan to be freely determined by users ;
- comparison of budgets with actual expenditure which would also facilitate the preparation of new budgets;
- free determination of accounting periods by users ;
- possibility of making out balance sheets in several currencies ;
- parallel and continuous management of 2 fiscal years;
- protection through passwords ;
- publication of the various statements on demand ;
- Management of a transmitting code for entries in the books and for publications, in order to determine the source of information or documents.

IV. 4. CYCLE OF PURCHASE.

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IV. 4.1. PAYMENT PROCEDURE(SUPPLIERS)

At the Sahel Institute the payment cycle for suppliers can be divided into two (2) sub-systems :

- Central Management Unit and other departments sub-system.
- USED sub-system

1. Central management Unit and other departments sub-system.

The procedures employed is as follows :

- * A memo is made out by the head of department stating his requirements and sent to the Central Management Unit.
- * the memo is received by the administrative and financial director who transmits it on to Mr. SIDIBE, the Accrual Accountant.
- * Mr. SIDIBE who is in touch with the suppliers, makes out a pre-numbered purchase order in five (5) copies signed by the administrative and financial director :
 - Two (2) of them, the white one and the green one, are sent to the supplier.
 - the other three (3) are filed chronologically at the central Management Unit.
- * The supplier carries out the order and delivers the goods. He also brings :
 - an invoice in triplicate
 - the delivery note (1 copy only)
 - plus the white copy of the purchase order.
- * Mr. SIDIBE compares the purchase order with the consignment note, proceeds with the actual counting of the goods and signs the consignment note.

- * If the goods belong to the Central Management Unit they are entered in the stock files by Mr. KONARE, assistant accountant.
- * If they are for another department, Mr. KONARE fills in the register and sends the goods to the department concerned ; the receiving clerk signs the transmittal register.
- * M. SIDIBE fills in the payment voucher in four (4) copies, has it countersigned by the AFD, authorizes payment and has it signed by the Director of the central Accounting Office.
- * The Director of the Accounting Office checks the documents enclosed with the order to pay and signs the cheque.
- * The supplier comes to collect the cheque and marks on the invoice "payment received".
- * The delivery note, the purchase order, the payment voucher and the memo are filed according to the budget.

2. U.S.E.D.

Local purchases.

The order process

Any purchase of goods is declared when such a need is expressed by a division of the department.

The applying division writes a memo which expresses the purchases to be effected.

This memo is sent to the coordinator who should authorize the purchase before a purchase order is issued. the authorized memo is forwarded to the accounts department. for it to make the order.

The chief accountant inquires about prices from the various suppliers who reply by sending proforma invoices. He chooses the most favourable price proposal among the various bids. The purchase order is made out in four (4) copies which are pre-numbered and sent to the coordinator for signing.

The purchase order is then divided as follows :

- . Three (3)... to the supplier
- . One (1)is kept on the order book.

Concurrently, the memo and the pro-forma invoice are filed in the chronological order.

Goods delivery

The suppliers deliver the merchandizes along with a delivery order. This delivery order is signed by the employee who takes delivery of the merchandize (the employee who had written the memo or the secretary).

The delivery order is then handed over to the accountant who appends it to the purchase order and the pro-forma invoice.

Receipt of invoice and payment.

On receiving the invoice, the secretary records it in the incoming correspondence register then hands it over to the accountant.

the accountant takes out the previous related documents and verifies the conformity and accuracy of the invoice then sends it to the coordinator who should authorize payment.

When payment is authorized by the coordinator, the accountant issues a check for payment and three (3) copies of an order to pay. All these documents are put together with the invoice and sent to the chief accountant and the coordinator for signing.

The supplier comes to collect his check and signs at the same time the order to pay and receipts the bill.

Recording of purchases.

The accountant records the purchases in his bank book and allocates them under the appropriate accounts.

The accounting documents are filed in the numerical order of the order to pay.

External purchases.

Order.

After receiving the memorandum signed by the coordinator, the chief accountant sends a telex to the supplier. This telex serves as a purchase order.

The supplier delivers the merchandize along with the invoices, however, the latter are received before the ordered items.

The invoice is registered at the secretariat then handed over to the accountant who cross-checks with the memorandum and the telex. He then prepares a bank transfer order, makes out an order to pay in three (3) copies.

All these accounting documents are sent to the chief accountant then to the coordinator for signing

The bank transfer order is sent to the bank while the purchase is recorded in the bank book and the accounting documents filed according to the numerical order of the order to pay.

However, most of the external purchases are effected through the INSAH employees during their travels.

The employee concerned is given a check corresponding with the cost of the merchandize, plus 10% to allow for price fluctuation according to the place of purchase.

The employee signs the order to pay attached to the memorandum and collects the check.

IV. 4.2. WEAKNESSES OF THE SYSTEM.

1. there is no order register which is based on the numbers of the purchase order so as to make it possible to control the completeness of the orders.
2. Neither is there a pending order register that can help to verify pending orders and delivery orders.
3. The physical control of the merchandize received must be carried out by someone other than the person who is responsible for filling out the purchase orders.
4. There exists no list of suppliers' prices.

IV. 4.3. RECOMMENDATIONS.

1. It would be desirable for INSAH to use double-entry accounting as it makes it possible to set up a list of all transactions with suppliers and to follow up corresponding financial flows.
2. Individual suppliers'accounts should be set up and reconciled with the collective suppliers'account on a monthly basis.
3. An order register which is based on the numbers of purchase orders should be kept so as to make it possible to control the completeness of orders.
4. A pending order register which allows to tally on a quarterly basis, pending orders with delivery orders should be set up.
5. Someone other than the person responsible for filling out purchase orders should be asked to effect the physical control of delivered merchandize ;
6. At the beginning of each fiscal year the main suppliers should be asked to submit the prices of elements of common use and to make a list of the prices that will be used in filling out the purchase orders.
7. Pre-numbered forms should be printed in order to be used both for memoranda and orders to pay.

The order to pay is recorded during the delivery of the merchandize. When the employee returns from his trip, the invoice is cross-checked with the memo and the merchandize received.

The accountant then adjusts the cost to the invoice. the invoice is put together with the memo and filed numerically.

IV.5. STAFF - RELATED MATTERS.

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IV. 5.1. INTRODUCTION

In the 1985 organization-chart, staff management was the responsibility of the Staff and Equipment Service which is responsible to the department of Administration and Finance.

Theoretically , the new chart should not entail any change in positions (Appendix 1 and 2).

The director of the department of Administration and Finance is to be directly responsible for personnel management where senior executives are concerned, while the middle executives and other employees come under the personnel department.

The various staff categories are the following :

- Malian civil servants on secondment ;
- Civil servants other member States on Secondment
- Malian personnel recruited by the Institute, and
- Technical staff who have entered into a contract with Donors.

There are 88 employees for 1985.

The analysis of the Institute's personnel gives the following breakdown according to certain criteria relevant to the Institute :

- an Inter-Governmental Institution
- an Institution with a departmental Structure

P E R S O N E L

BREAKDOWN OF PERSONNEL BY DEPARTMENT

<u>CENTRAL MANAGEMENT UNIT</u>	<u>35 People</u>
. General Management	6
. Central Accounting Office	4
. Administrative and Financial Management Department	25
	<hr style="width: 10%; margin: 0 auto;"/>
	35
2. <u>COMMUNICATIONS DEPARTMENT</u>	<u>10 people</u>
3. <u>TRAINING DEPARTMENT</u>	<u>4 people</u>
4. <u>RESEARCH DEPARTMENT</u>	<u>9 people</u>
5. <u>RESADOC</u>	<u>11 people</u>
6. <u>USED</u>	<u>19 people</u>

2. BREAKDOWN PER NATIONALITY.

1.	Mali	71	80%
2.	The Gambia	1	1%
3.	Burkina Faso	5	6%
4.	Niger	3	4%
5.	Senegal	3	4%
6.	Mauritania	2	2%
7.	Chad	1	1%
8.	Cap Verde	-	-
9.	France	1	1%
10.	U.S.A.	1	1%
		-----	-----
		88	100%
		=====	=====

3. BREAKDOWN PER DEPARTMENT AND NATIONALITY.1. Directorate.

<u>Director</u> :	The Gambia	1
	Mali	5
		<hr/>
		6

<u>Accounting Department</u> :	Burkina Faso	1
	Mali	3
		<hr/>
		4

<u>D. A. F.</u> :	Niger	1
	mali	24
		<hr/>
		25

2. Communications.

	Mali	9
	Senegal	1
		<hr/>
		10

3. Training

	Mauritania	1
	Mali	3
		<hr/>
		4

4. RESEARCH :

Niger	1
Burkina Fasso	3
France	1
Mali	4

	9
	=====

5. RESADOC

Senegal	1
Burkina Fasso	1
Mali	9

	11
	=====

6. USED

Senegal	1
Tchad	1
Mauritania	1
Mali	14
USA	1
Niger	1

	19
TOTAL	88
+++++	+++++

4. BREAKDOWN BY PROFESSIONAL CATEGORY

Senior executives	26
Middle executives	29
Employees	33
	<hr/>
	88
	=====

IV. 5.2. ANALYSIS OF STAFF PERFORMANCE

In order to analyse the performance of the Institute's staff in general, and of its executives in particular, we distributed a questionnaire (in appendix) to all senior and middle executives of the Institute.

The replies obtained enabled us to determine :

- Actual work performed by the executives
 - * Administrative duties
 - * Professional duties
 - * Others
- Actual staff requirements of the Institute

At the date of the report, only 17 questionnaires had been completed and returned out of the initial 57.

However, discussions that we had with Heads of Department, together with the analysis of the files of the staff have given rise to the following preliminary remarks :

1. - The Institute does not have a system that makes for optimum staff management.
 - a. Personnel management is not entirely the responsibility of the personnel department : the DAF is responsible for the management of executive staff while the other categories come under the personnel department.
 - b. The Sahel Institute has no direct influence over the salaries of certain executives.

c. Criteria for judging performance are not defined.

d. There are several different types of status

As a general rule, executive staff come under the authority of the organization which finances its programme.

2. - There is a lack of balance in the way the staff is made up

a. There are far too many employees.

b. There are too many executives compared with subordinate staff.

* Senior executive	26	30 %
* Middle executives	29	33 %
* Other employees	33	37 %
	88	100 %

In the category "Other employees" there are a large number of drivers and office-boys.

3. - There are no official criteria for the assessment of staff performance

4. - Actual time at work is not taken into account since the statement of absences is not used as the basis for the calculation of salaries.

5. _ Staff files (permanent data) are not always complete or updated.

6. There is no consistent policy towards the payment or reimbursement of per diem allowances.

eg/ there is no uniform daily rate for per diem

O. SIDIBE's 5-day trip to Dakar : CFA F 150,000

i-e CFA F 30,000 per day

P.S. DIAGNE's 9-day trip to Dakar : CFA F 250,000

i-e CFA F 27,777 per day.

In short, the weaknesses in the system seem to be mostly caused by the absence of a consistent staff management policy, which in turn is caused by the variety of status.

In fact only employees who were directly recruited by the Institute are its members of staff and are liable to its sanctions, since they are paid through the CILSS budget.

This has the following obvious consequences :

- Excess charges in respect of staff ; and
- lack of efficiency resulting not only from the lack of personnel management objectives, but also from the fact that each member of staff believes that he can only take orders from the Institution which finances his position at the Institute.

This is why, before making recommendations, we have attempted to provide :

- a. a definition of personnel policy
- b. the profile and job description of the personnel manager as required by the Institute.

a. Definition of Personnel Policy

Personnel policy is rarely systematically defined. We shall try by the means of the following table to explain what should be understood by personnel policy.

For ease of understanding, let us first look at the signification of the three essential dimensions of the "Personnel" function.

By "acquisition" we mean the task of finding and putting at the firm's disposal men who will achieve its objectives ; in other words it is the service consisting in providing manpower.

"Integration" means what should be undertaken by the organization to enable it to obtain a minimum consensus, working towards the same aims.

The object of "development" is that work should be carried out efficiently.

PERSONNEL FUNCTION

Dimensions of the "Personnel" function	Means	Objectives
Acquisition	<ul style="list-style-type: none"> - psycho-technical tests - interviews to judge competence 	To obtain the assistance of staff whose behaviour is compatible with the style of INSAH
Integration	<ul style="list-style-type: none"> - Information - Participation (delegation) - Training - executive/subordinate relations - Good salaries as inducements 	To prevent staff turn over mainly by psychological motivations but also by financial inducements
Development	<ul style="list-style-type: none"> Well developed Training schemes 	To obtain long term productivity and a certain influence on local society that is assimilation of the Institute into its environment (the country in which it is located)

Profile and Job Description of the Personnel Manager

JOB Description

Personnel Manager

Title of post : Personnel and equipment manager.

Immediate supervisor : Administrative and Financial Manager

Responsible for : All the staff of the personnel department and the equipment

I. General description of his function

The Personnel and equipment manager, under the authority of the Administrative and Financial Director, is in charge of the management of manpower and equipment at the Sahel Institute.

He is responsible for the smooth running of the whole of the personnel and equipment department.

He sees to it that the internal regulations of the Sahel Institute are respected and abided by.

He works out and co-ordinates the appropriate structures for the administration, management and control of the staff and the equipment.

2. Details of his functions

2.1 He is responsible for making out files on all the staff and keeping them up to date.

2.2. He sees to it that regulations concerning staff and the collective bargaining agreement governing working conditions are respected.

2.3. He is responsible for the upkeep of the fixed and movable assets and for keeping an inventory of them.

2.4. He takes part in preparing and negotiating contracts and leases.

2.5. He proposes training schemes for the staff.

3. Qualifications Required

He should :

3.1. Be a national of one of the CILSS member countries.

3.2. Have a diploma in higher education

3.3. Be at least 30 years old

3.4. Have 3 to 5 years experience and be well versed in legislation and social laws and normal practice concerning personnel management.

IV. 5.3 RECOMMENDATIONS

1. Harmonization of personnel management procedures

Harmonization will necessarily entail :

A. The preparation of a manual of administrative procedures which would define the following procedures :

- Positions vacant
- Recruitment criteria
- Recruitment (selection)
- In-service training
- Assessment of work performance
- Promotion
- Paid leave and special leave ;
- Breach of contract
- Salary scale and index-linking
- Job profiles
- Establishment and up-dating of personnel files (permanent data)
- Paye income tax
- Advances and loans to staff
- Controls on the payment of salaries and wages .

The advantage of having a manual is that it provides the Institute with a standard reference document and makes it possible to define the way. The different participants should carry out their duties, it helps to understand and interpret control procedures and lastly permits the different participants to act in concertation according to common codes and standards.

B. Consultations between all the donors and the Institute to define a single salary scale for all the staff.

Salaries should be aligned, and to this end donors should be asked to support the CILSS budget so that those who are paid by this budget do not feel frustrated or penalized.

For it is a fact that the low salaries of staff who are paid by the CILSS budget compared with salaries paid to the staff of projects financed by certain donors (USAID, IDRC, UNAPF, etc...) may in the long run make it a problem for the Institute to attract competent Sahelian executive staff.

The advantage of this alignment is that it would provide more social justice and avoid discouraging staff and avoid wastage that is, paying people whose work output is uncertain because it is not measured.

2. - National quotas should be abandoned

We are convinced that the idea of national quotas will have to be abandoned so that the Institute can function efficiently and achieve the objectives that were set from the start.

What are national quotas ?

The system of national quotas consists in recruiting staff on the basis of a fair sharing out of the number of posts available between nationals of the different member states.

So, if there are 88 posts to be filled at the Institute, there should theoretically be approximately 11 jobs for each member State.

Moreover each important position considered as acquired by right even after the person who held the position has left ; and this fact was authenticated by the training department.

The nationals of member states appointed by these states usually come from their civil service, and they assure at the Institute with the idea that they owe their recruitment to the fact that they are citizens of that particular member state.

They tend to consider it their duty to continue to serve their own country which constitutes in fact their only guarantee of keeping their position at the Institute.

CONSEQUENCES

This state of affairs gives rise to several consequences that are prejudicial to the efficient management of the organization :

1. Recruitment is based on national quotas sometimes to the detriment of choice being given to the most competent.

The case has arisen where a post was given to a competent national of a particular re-assigned to another national from the same state, who did not in fact possess the required competence to take over the post from the previous occupant.

It sometimes happens that between two candidates who do not have the same qualifications the choice goes to the one whose country does not have its full quota of staff, although the other candidate is more competent.

2. With the system of recruitment based on nationality it is difficult for the Director General to have real authority over his colleagues.

To avoid upsetting the balance between national quotas the Director will always hesitate to terminate the contract of an employee from a member state even if he is apparently incompetent. There have been cases where the Director gave orders for the dismissal of staff but was obliged to withdraw them because of national considerations and pressures.

3. - As a result of the allocation of posts and therefore of department on a national basis the Institute is divided by a feeling of belonging to national groups.

This aspect of things is a characteristic feature of the present situation at the Institute, where the attentive observer, on going into a given department, has the impression of walking into a group of people defending their flag.

This does nothing to encourage a community spirit and results in the Director General feeling that he is not really the boss of the Institute and almost having to be invited to visit a head of department.

We believe that to achieve greater efficiency in the management of the Institute, it would be advisable to abandon the idea of national quotas, or at least apply it less rigidly, considering competence more important than the fact of belonging to a particular state.

The decision to abandon national quotas could be taken by the Council of Minister.

3. - Establishment of a single set of regulations governing personnel

The single set of regulations concerning personnel springs from the need to harmonize personnel management procedures.

The main objectives of these regulations are :

a. Establishment of a system of recruitment

This does not mean that donors will no longer finance the posts of project directors or co-ordinators for which they are responsible. On the contrary, they will continue to do so via the Institute.

The sums allocated will be paid to the project head office which is in charge of recruiting the people who best fit the job profile.

The donor will, of course, have a say in the matter ; he will retain the right to accept or refuse a candidate and he will be supplied with all the document on which the recruitment is based.

b. Alignment of salaries

The problem has already been dealt within recommendation N°2.

We stress that this should be an important preoccupation for the Institute as it may have, in the long run, an impact on the quality of Institute Staff.

We believe that the level of salaries proposed by the donors should be maintained and that the donors should be asked to make an effort to finance salary increases for the other Institute executives.

The advantage of this single set of regulations is that it makes it possible to treat all the staff in the same way and constitutes in itself a management tool in the sense that it makes it possible to keep or to recruit staff by psychological motivations and to a lesser extent by financial inducements so as to achieve long term efficiency. Otherwise as the donors progressively withdraw from the Institute it risks seeing its best executives leave.

4. Assessment of staff performance

We know that the Director of the Institute has his own system of staff evaluation.

This system is not official and is used by the Director for his own purposes.

The Director's powers regarding the assessment of staff are not defined.

We feel that the procedures for the assessment of staff performance should be official.

This responsibility should be entrusted to the Director General who will inform the executive secretary of his conclusions and the latter will have power to confirm or refuse the Director General's decision.

5. The personnel department should be given full responsibility for the management of all personnel

This means that the situation whereby matters relating to senior executives are dealt with by the department of administration and finance while those relating to middle executives and other employees are dealt with by the personnel, and equipment department should imperatively be terminated.

A real personnel department should be set up.

The main functions of this department will be :

- . to manage time and attendance
- . to destine the Institute's short, medium and long term staff requirements
- . to assess staff performance and make proposals to Central Management with a view to sanctions or promotions to be made.

6. "Pooling" of general equipment

Within the framework of this reinforced personnel and equipment department on the one hand and the single set of regulations governing personnel on the other , equipment for general use should be pooled.

Two conditions should be fulfilled in our opinion :

- a. Construction of a head office where all the general equipment (photo-copying machines, vehicles, supplies, etc ...) and all the departments would be at the same place.
- b. Negotiations between the Central Management Unit and the donors so that when budgets are drawn up a section is included for financing the acquisition of general operating equipment for the department or projects.

In this way, everyone will be on the same footing and it will avoid the dispersal of financial resources that the Institute could use to attain other research objectives.

IV.6 REPORTS

CONTENTS

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	2. USAID Report	31
	3. UNDP/UNSO Report	31
	4. EDF Report	32
	5. UNDP Report	32
	6. IDRC Report	32
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	2. Consequence	33
IV .6.3.	<u>RECOMMENDATIONS</u>	34

APPENDIX

IV.6.1. DESCRIPTION OF THE SYSTEM

1. CILSS Report

An annual report on the technical and financial implementation of the budget is drawn up by the Central management Unit, and sent to the CILSS member countries.

2. USAID Reports

At USED

A quarterly financial report is drawn up backed by the relevant accounting vouchers. This report provides a statement of the budget, the funds received from USAID, the expenditure and the balance.

The technicians also visit the site of the projects to check how the work is processing.

Forecasts are compared with expenditure and a quarterly technical evaluation report is made out on the progress of the projects and on the problems encountered.

At the Communications Department

A monthly financial report is made out in the Communications Department.

3. UNDP/UNSO Reports

UNDP/UNSO participate in Research and training.

As far as research is concerned the project sends an evaluation report to UNDP every six months, describing the project's progress.

Technical reports are also written up and published.

Furthermore a quarterly statement of expenditure is made out. Lastly a final annual report is sent to the donor.

As far as training is concerned, the funds are managed by the UNDP/UNSO representative. Requests for the release of funds are made quarterly for the payment of grants to students at the "Ecole Inter Etat des Sciences et Médecine Vétérinaire" (Inter State School of Veterinary Sciences and Medicine).

Consequently a quarterly and an annual financial report are made out by the accounts department based on vouchers sent by the EISMV.

4. EDF Reports

The EDF finances research only.

An annual financial report on the use made of funds given by the EDF is made out by the Director of the Central Accounting Office.

An annual technical report on the execution of the project is also provided by the Institute.

Three reports on activities a year are also made out to show the progress of the research work.

Lastly at the end of each year a meeting of the scientific and technical council is held to draw up a record assessment which is sent to the EDF.

5. UNDP Reports

UNDP participates mainly in the Communications department. A quarterly financial report is made out by the department and sent to the donor.

6. IDRC Reports

IDRC participates mainly in Resadoc.

A financial report is made out at the end of each year. Forecasts are compared with actual expenditure and any discrepancies explained.

An annual technical report is made giving information on the execution of the technical project. Lastly a half-year report is prepared by the coordinator and sent to the Central Management Unit.

IV.6.2 WEAKNESSES OF THE SYSTEM

1. Weaknesses of the periodic reporting system

We have noticed some disparities both in the frequency, content and presentation of the reports destined to the various donors.

Indeed, while some financing institutions such as UNDP require quarterly reports others are content with half-yearly or yearly reports (see appendix 3). Besides, the documents required vary according to the financing source.

2. Consequence

Inadequate coordination

- increased work burden
- absence of reliability
- the same situation may be presented differently to various donors.
- risk of recycling the same justifications for several donors who receive separately various reports.

IV.6.3. RECOMMENDATIONS

We recommend to standardize all the reports drawn up by INSAH and which are destined to the donors, we mean that standard documents should be compiled and sent at specific dates to all financing institutions. They could serve as a basis for drawing up reports which must include

1. An application for funds which should be sent to donors.

2. A quarterly statement of funds received from financing institutions

This statement must contain the following information :

. the balance of the last quarter, advances received from the donors, expenditure incurred over the quarter and the balance available at bank as well as available cash.

3. A bank reconciliation statement which must indicate the position of each bank account.

4. A quarterly statement of expenditure with an indication for each budget item of the expended item, the amount, the name of suppliers, the available balance and all supporting documents.

5. Bank statements

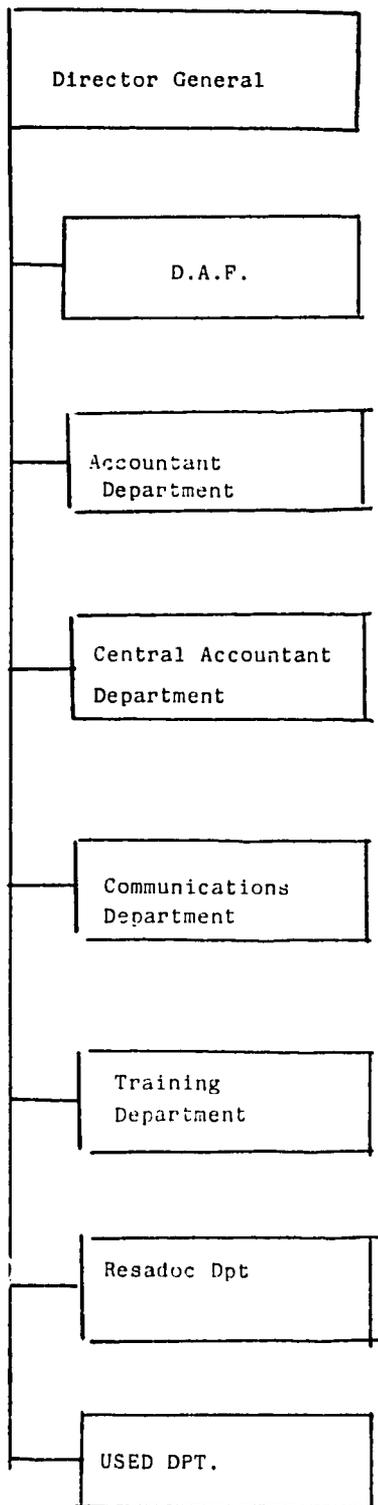
6. A quarterly report on fixed assets.

7. A quarterly report on the financial and technical implementation could be based on the information supplied above.

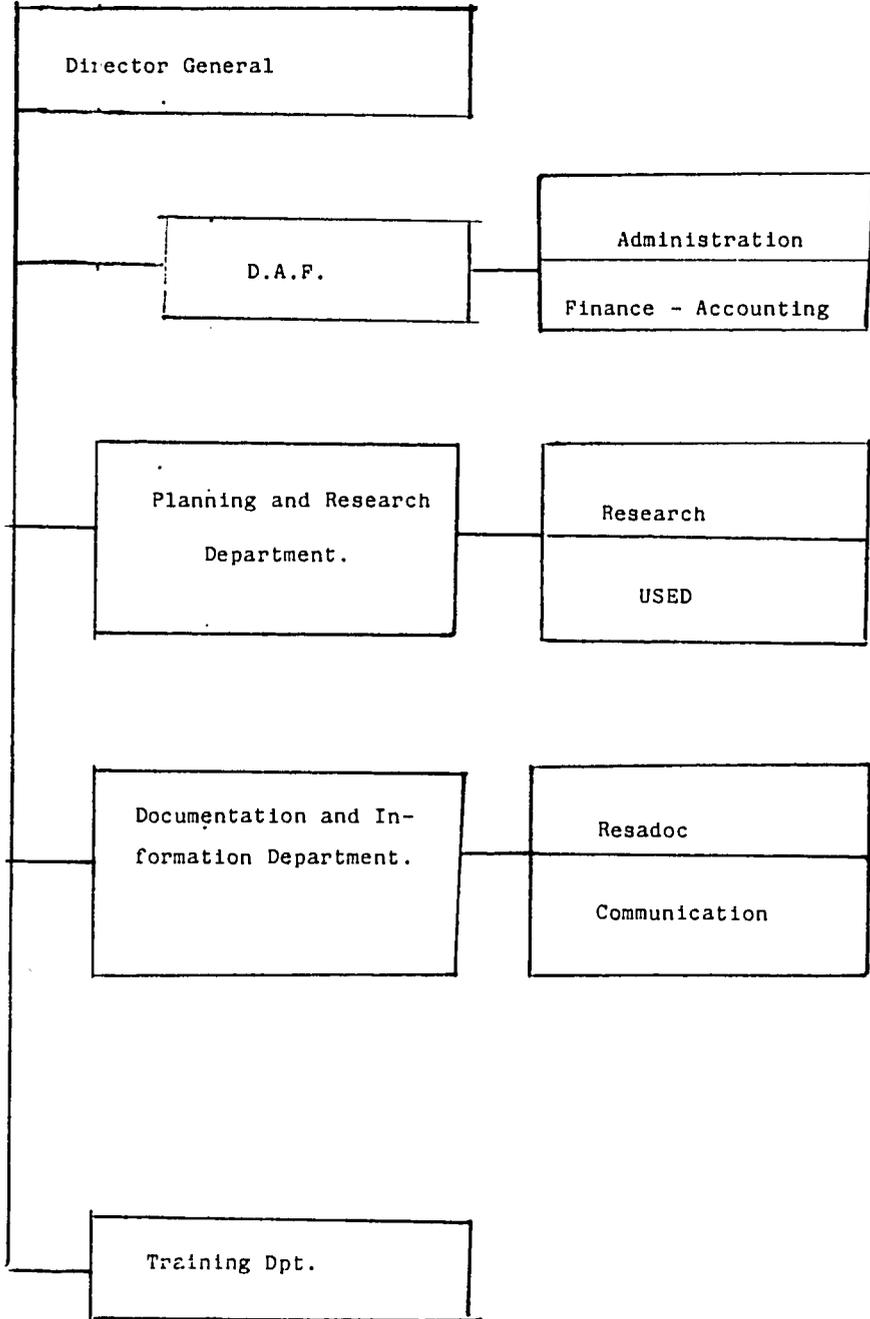
8. At the end of the year, an overall report on incurred expenditure and funds released by donors in favour of the project should be drawn up.

9. An annual financial and progress report could also be drawn up

APPENDIXES

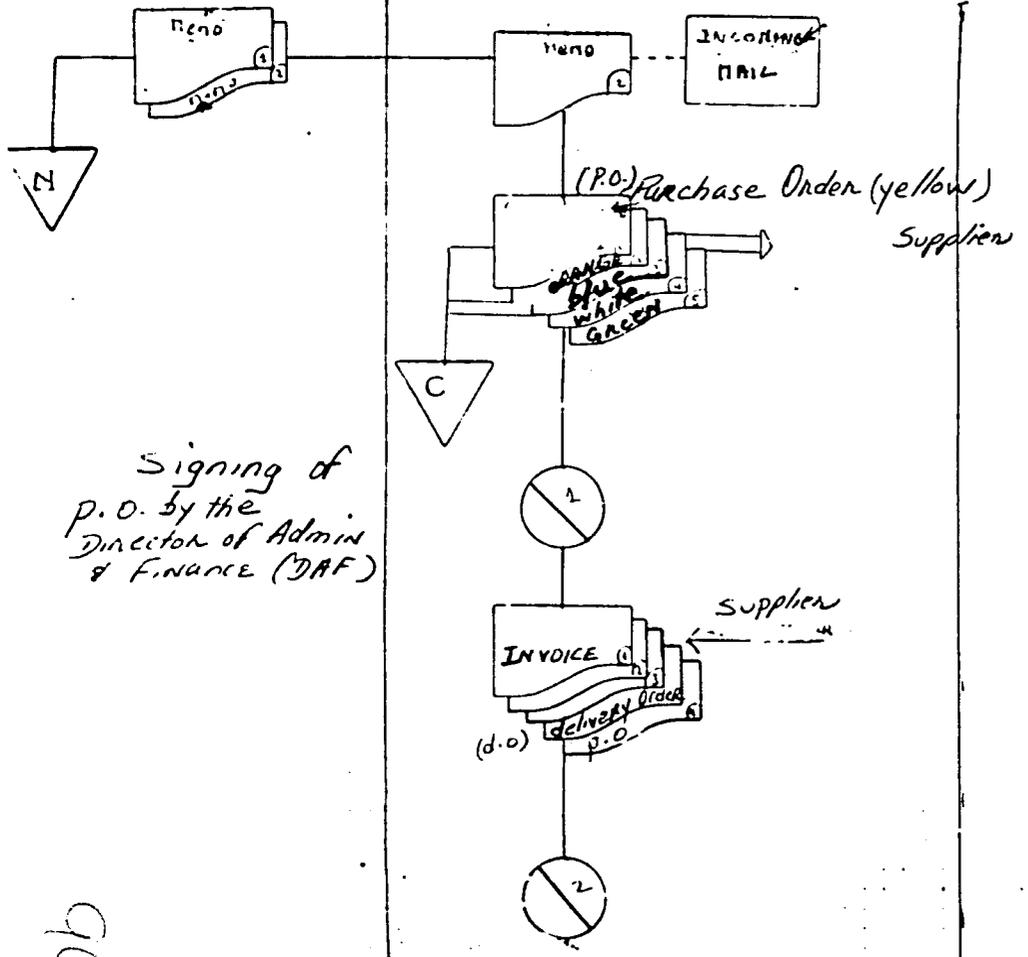


NEW ORGANIZATION CHART.



	Hours/Days	Days/Weeks	Weeks/Months	Months/Years	Participation in weekly work
IES					
- Relation with executives	5,20	6	4	10	3,47
- Relations with colleagues	0,45	5	4	10	7,5
- Relation with other executives at same level	0,30	5	4	10	5,0
- Correspondence (receipt how acted on, replies)	2,00	5	4	10	20,0
- Communications by telephone	0,45	5	4	10	7,5
- Direct communications (spoken)	0,30	5	4	10	5,0
- Drafting of memos	0,15	5	4	10	2,5
- Report on working session	0,15	1	4	10	0,4
- Control administrative documents	2,00	5	4	10	10,4
- Control accounting documents	5	4	10	15,0	
- Office meetings (departments) co-ordination (central management Unit)	1,00	2	4	10	3,2
- Outside meetings (third parties)	NA	1	4	10	4,8
	NA	1	4	10	4,8
S					
- Design (conception)	NA	NA	NA	1	1,2
- Implementation	NA	NA	NA	1	1,6
- Studies	NA	NA	1	10	4,8
- Programme follow up (technical)	NA	NA	1	10	2,4
- Programme follow-up (financial)	1,00	5	4	10	10,0
- In-service training (received seminary, course)	NA	NA	NA	NA	NA
" " " (given, seminary, course)	3,00	NA	NA	1	1,2
- Missions (travelling)	NA	NA	NA	1	1,20%
- Publications (written documents)	NA	NA	NA	NA	NA
- Technical assistance	NA	NA	NA	NA	NA
- Lectures	NA	NA	NA	NA	NA
- Conférences	NA	NA	NA	NA	(S/mission)
ES					
- Interim replacements	NA	NA	1	10	20700
- Organization of meetings	NA	NA	NA	NA	NA
- Other duties : give details	NA	NA	NA	NA	NA
- Can you summarize briefly on a separate sheet the objectives of your mission and to what extent it was successful					

APPENDIXES



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flowchart global / détaille
client
description Payment Procedure (Purchases)

Initials
date
Row
char
ref.
5/3

Purchase ledger
(P.L.)

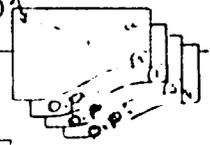


P.L. is signed by the receiver

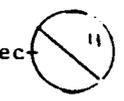
Inventory Card

Register (R)

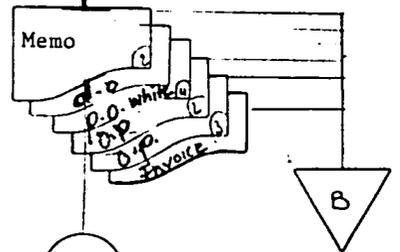
Order to Pay (O.P.)



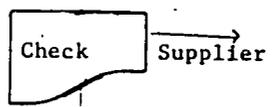
Register of Commitments (R.C.)



Signing of Order to Pay by the Director General



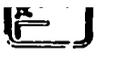
Checking of vouchers attached to the invoice



Signing of check by the Head of the Central Accounting Unit



CP



INPUT

UPDATE

OUTPUT

All Departments

Accountant

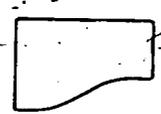
Memo

Check -
(Weekly)
(W)

DAF
Mr. Sidibe - accountant

DAF
Mr. Sidibe, - accountant

P.O.



Register of
Commitments

Supplier
Invoice
(W)

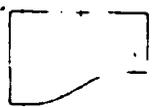
DAF
Mr. Sidibe -accountant

O.P.

Supplier

D.O.
(W)

Mr. Sidibe -accountant



Register of
Commitments

Transaction / Document	Completeness	Accuracy	Validity Authorization	MASTER FILE Update & Ledger Posting	Ledger/Master File Maintenance	
- Memo						
1) Description Equip & Material	No	Not quantified	Signature Department Head	N/A	N/A	
Purchase Order a) Details of order b) quantities c) prices	A number system is not employed to ensure control	No mention of verification	Signed by the Director of Administration & Finance	N/A	N/A	
Order to Pay	Are not prenumbered	Checked by accountant	Signed by the Director General	N/A	N/A	
Check	Several holders	Checked against invoice	Signed by the accountant	N/A	N/A	
N/A - Not applicable						

Flowchart global / détaillé
 Client : INSAH/USAID
 Description : Payment process

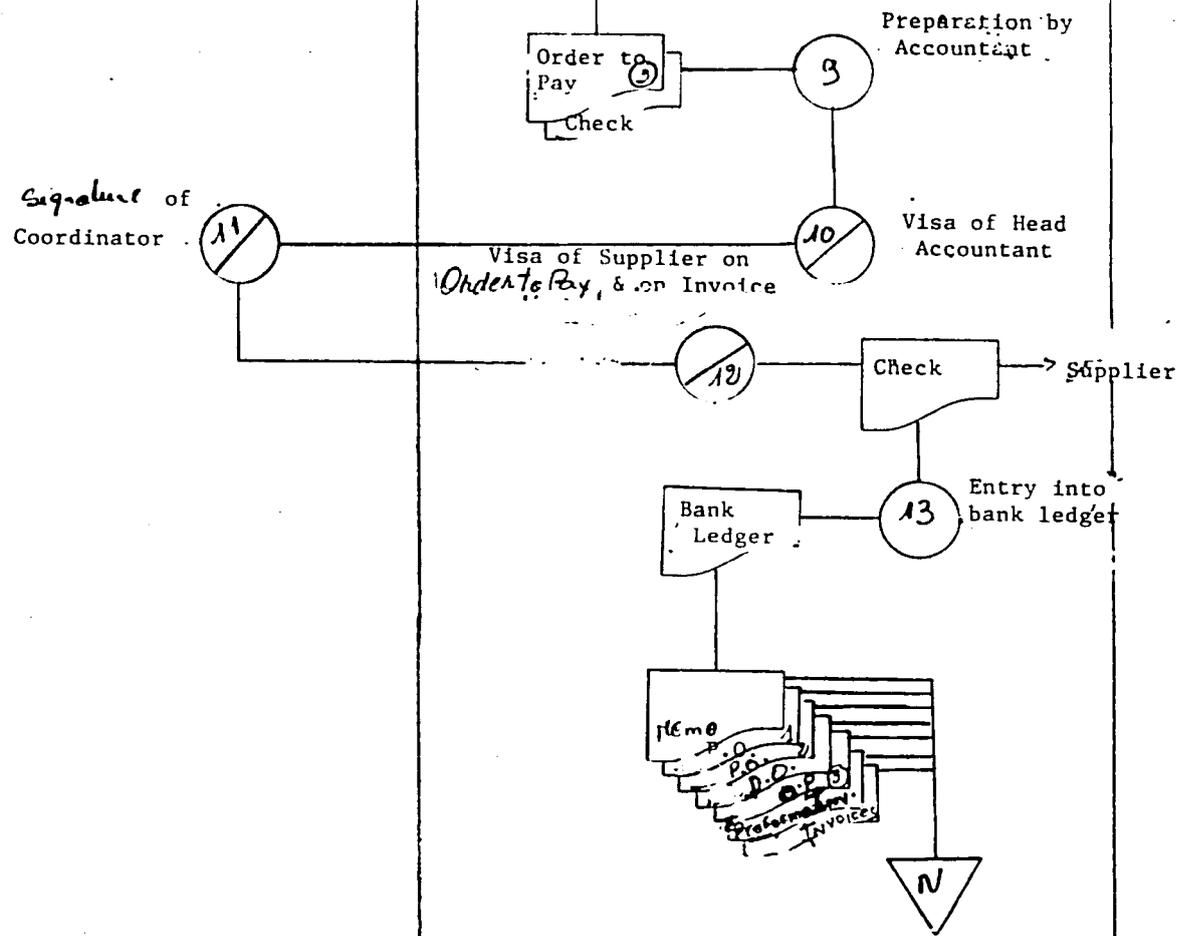
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Program Management	Accounting Division	Secretariat
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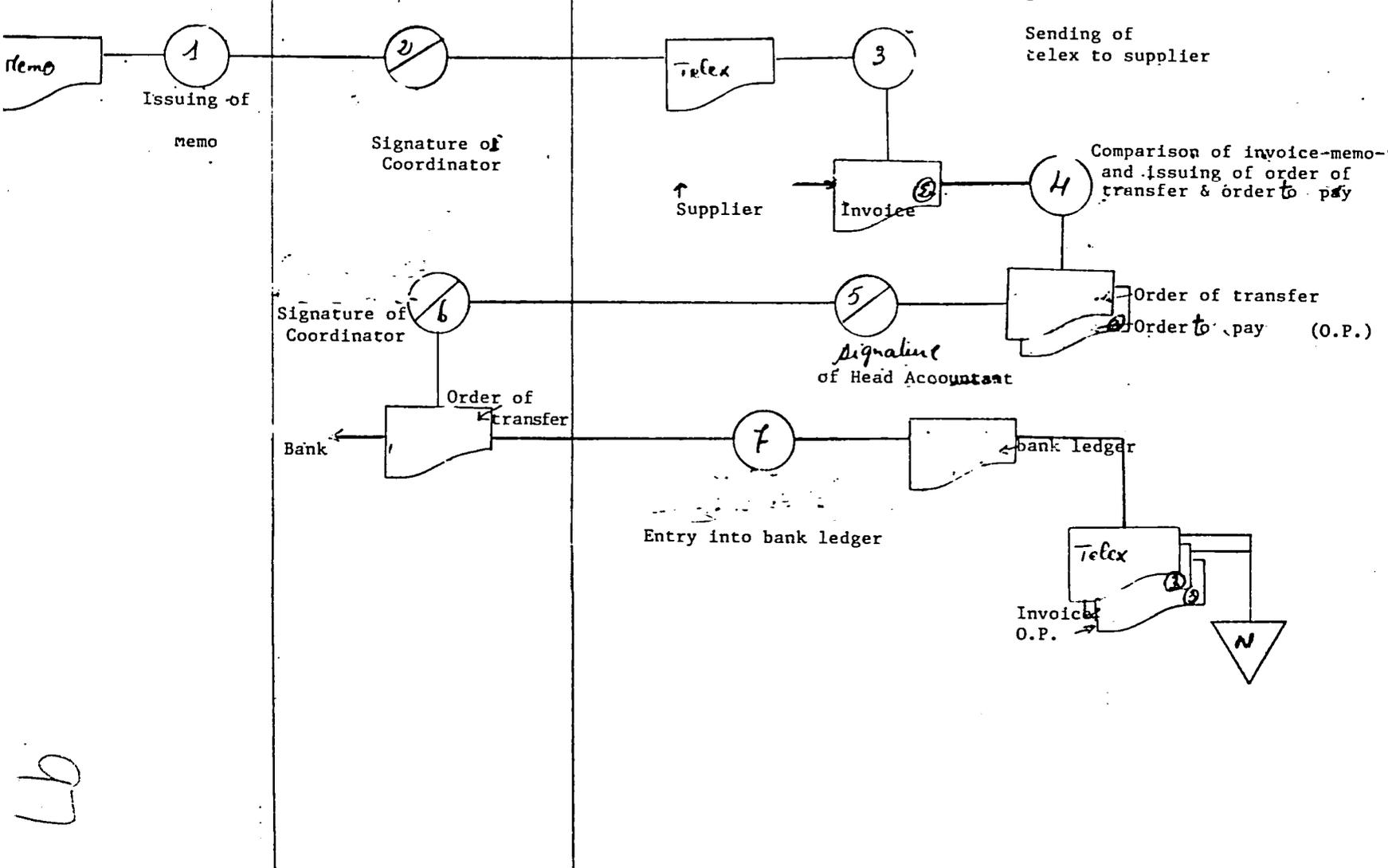
Flowchart global / détailé

date	N/D	New Chart ref.
2		



1/6

Division Management of Program Accounting Service



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APPENDIX

AVAILABLE EQUIPMENT

USED Department

- 1 IBM micro-computer with monochrome screen, including :
 - . a diskette reader
 - . a 5 megabit hard disk
 - . a 448 K memory unit
 - . an 80 column and 80 character/second printer
- 3 IBM micro-computers with monochrome screen, including :
 - . 2 diskette readers
 - . a 448 K memory
 - . an 80 column and 80 character/second printer
- 1 IBM micro-computer with graphic colour screen including :
 - . 2 diskette readers
 - one 10 megabit hard disk
 - . a 320 K memory unit
 - . a printer with nail characters
 - an 80 column and 160 character/second printer
- 1 IBM micro-computer with graphic colour screen, including :
 - . 2 diskette readers
 - two 10- megabit hard disks
 - . a 640 K memory unit
 - . a 132 column and 160 character/second printer.

RESADOC Department

- 3 IBM micro-computers with monochrome screen including :
 - . a 512 memory unit
 - . a 10-megabit hard disk
 - . a 640 K memory

- . a 180 character/second printer
- . 2 tape decks
- . a 70 + 70 megabit memory expending disk

- The HP 3 000 / 37 configuration should include :

- . a 1 megabit memory unit
- . an SPL computer
- . a 300 line/minute matrix printer
- . a 132 megabit hard disk
- . with IBM PC s used as terminls.

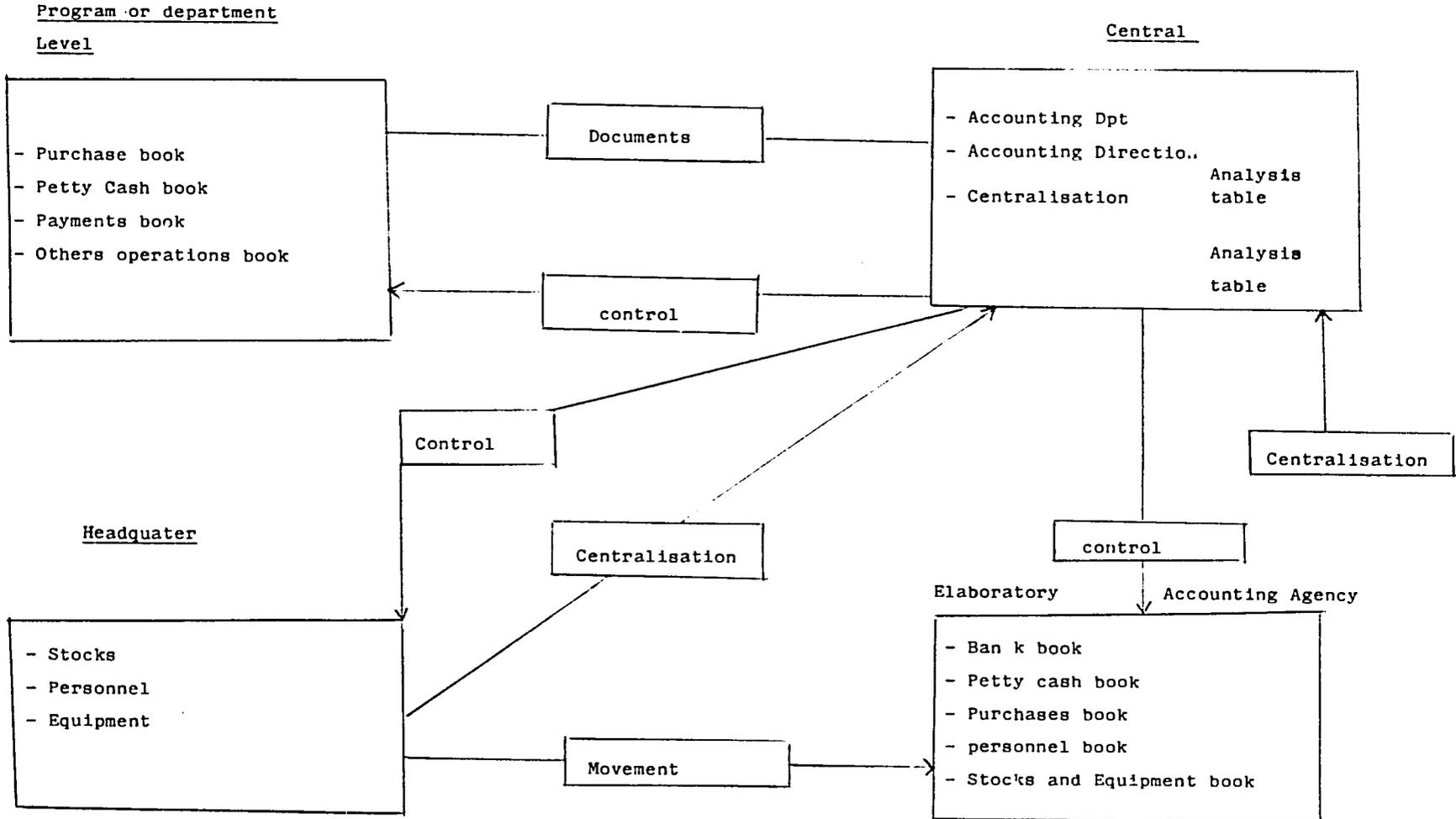
RESEARCH DEPARTMENT.

- 1 IBM micro-computer with monochrome screen and two diskette readers.

APPENDIX

ORGANISATION

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SCHEDULE OF ACCOUNTING DEPARTMENT.

Central Level

Accountant

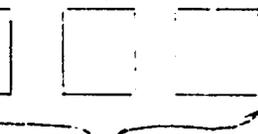
Accounting department D.G.

Accounting department. R.P.D.

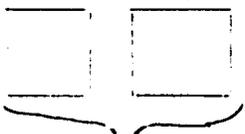
Accounting department. I.D.D.

Accounting department. Training

Project Department Level



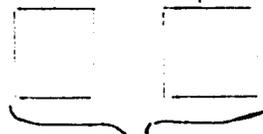
Program's accountants



Program's accountants

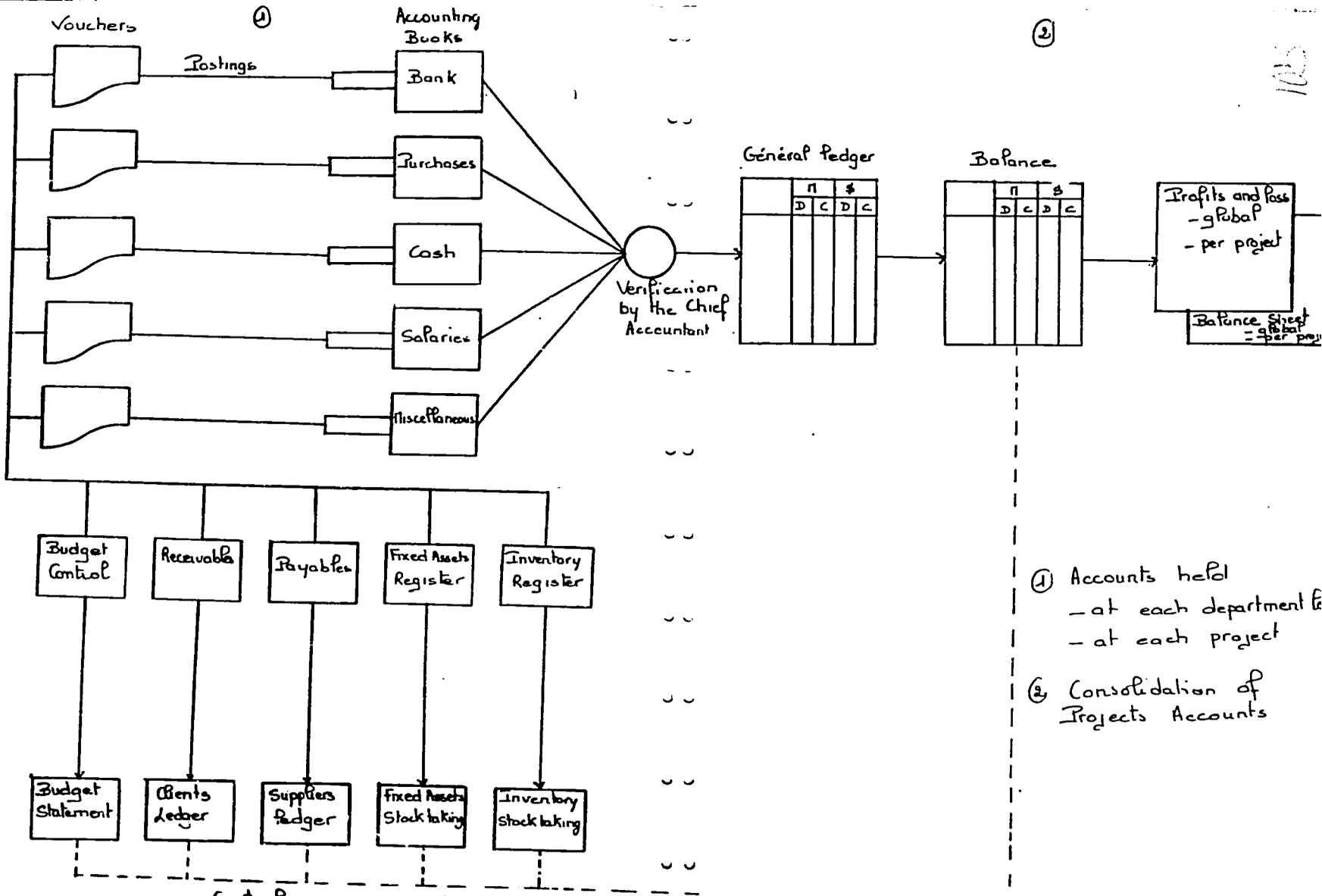


Program's accountant



Program's accountant

- D.G. General Direction
- R.P.D. Research and planification Direction
- I.D.D. Information and documentation Direction.



APPENDIXES

TABLE OF BUDGETARY HEADING (CLISS)

INSAH / USAID.

	:	
Département	:	
	:	Central Ménagement Unit
Heading	:	
- ADMINISTRATION	:	
	:	
	:	. Personnel Expenditures
	:	
	:	. Equipment Expenditures
	:	
	:	. Central Expenditures
	:	
	:	
	:	

TABLE OF BUDGETARY HEADINGS (IDRC)INSAH / USAID.

Département :	
Programmes :	RESADOC.
	<u>Regional coordination center</u>
	. Coordinatio
	. Mission coordination
	. Administratives support
	<u>Base Data</u>
	. Base management
	. Management mission
	<u>Documentation research mission</u>
	. Sagesfanding of no conventional
	. Travel allowance
	. Transport equipement
	<u>Training</u>
	; training of compter programme
	. Avance commission for training personnel

BUDGET HEADINGS	ACCOUNTS	BUDGET ALLOCATION	DISTRIBUTION	BETWEEN	FUNDING	AGENCIES
<u>EQUIPEMENT</u>						
	22300000	Office furniture				
	22310000	Office Equipment				
	22400000	Transport Equipment				
<u>PERSONNEL</u>						
Salaries	65100000	Wages and salaries				
Allowances	65020000	Allowances				
Payroll taxes	65030000	Payroll taxes				
Overtime	65060000	Overtime				
Transport, travel and hospitality	62100000	Transport of personnel				
	65100000	Travelling allowance				
	65110000	Official Hospitality				
<u>TECHNICAL ASSISTANCE</u>						
Technical Assistance	63350000	Research technical training agencies				
<u>MISC. OPERATION EXPENSES</u>						
Office supplies	61540000	Office supplies				
Postage	63320000	Postal and telecommunication charges				
Electricity	61550000	Electricity				
Water	61560000	Water				
Fuel	61580000	Fuel and lubricants				
Repair and maintenance	63100000	Repair and maintenance of vehicle				
	63101000	Installation and maintenance of facility				
	63102000	Maintenance of office and residential furniture and equipment				
Annex facility	63000000	Rent - Office facilities				

FUNDING RECEIVED BY DEPARTMENT AND BY DONOR IN CFA FRANCS.

From 1978 to 1985	Central Management	USED	RESADOC	TRAINING	RESEARCH	COMMUNICATIONS	TOTAL	%
CILSS	261 708						261 708	9 %
UNDP	113 967					38 882	152 849	5%
EDF					655 033		655 033	19%
UNDP/UNSO				93 836	138 227		232 063	7%
USAID	298 000			1 311 784	182 650	30 917	1 823 351	55%
NETHERLANDS				18 217			18 217	0,5%
IDRC		3 233	151 983				155 216	4%
P.C.(Population: council)		15 275					15 275	4%
INED(National Institute for Demographic Studies-Paris based)		300					300	
PNUAP (Un funi for Pop Studies)								
GTS			787				787	0,1%
	673 675	1 330 592	335 420	112 053	793 260	69 799	3 314 799	
%	20%	40%	10%	4%	23%	3%		

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PROJECT
BUDGET YEAR

CENTRAL MANAGEMENT

INITIALES

DATE

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BUDGET HEADINGS	CORRESPONDING ACCOUNTS	BUDGET Allocation	DIVISION	BETWEEN	FUNDING	AGENCIES
<u>Material and equipment</u>	22300000 Office furniture					
	22310000 Office equipment					
	22320000 Funitures, modifications ins-					
	22400000 tallation					
	22400000 Véhicules					
<u>PERSONNEL</u>						
Wages and Salaries	65010000 Wages and salaries overtime					
Allowances	65020000 Allowances					
Payroll taxes	65030000 Payroll taxes					
Medical expenses	65040000 Médical expenses					
Fring benefits	65050000 Fring bénéfices					
Travel Allowances	65100000 Travel Allowances					
Personnel work clothes	65113000 Personnel work clothes					
<u>CONFERENCE, SEMINAR, ETC, EXPEN- TURE</u>						
Conference and hospitality expenditures	64910000 Conference and meetings expen- ditures					
<u>MISC OPERATING EXPENSES</u>						
Office supplies	61530000 Office supplies					
Travel and transport of personnel	62100000 Transport of personnel					
Correspondance telex telephone	63320000 Post and telecommunications					
Subscriptions (publications)	63370000 Subscriptions (publication)					
Electricity	61550000 Electricity					
Water	61560000 Water					



PROJECT USED

BUDGET YEAR

INITIALES

DATE

BUDGET HEADING	CORRESPONDING ACCOUNTS	ALLOCATION	DISTRIBUTION	BETWEEN	FUNDING	AGENCIES
<u>TRAINING</u>	65113000 Grants and other costs from refresher and training courses					
	62100000 Transport of personnel					
<u>EQUIPMENT</u>	22300000 Office furniture					
	22310000 Office Equipment					
	22400000 Transport equipment					
<u>PERSONNEL</u>						
Salaries	65010000 Wages and salaries					
Allowances	65020000 Allowances					
Payroll Taxes	65030000 Payroll taxes					
Medical expenses	65040000 Medical Expenditures					
Overtime	65600000 Overtime					
Travelling allowance	65100000 Travelling allowance					
<u>CONFERENCES, SEMINARS, MEETING EXPENDITURE</u>						
	64910000 Conferences and seminar expenditures					
	64920000 Meeting expenses					
<u>TECHNICAL ASSISTANCE</u>						
Technical assistance	63350000 Research technical training agencies					
<u>MISC. OPERATING COSTS</u>						
Supplies	61540000 Office furniture					

PROJECT
ACCOUNT BUDGET

COMMUNICATIONS

DATE
"REVIEWED BY"

BUDGET HEADING	CORRESPONDING ACCOUNTS	ALLOCATION	DIVISION BETWEEN FUNDING AGENCIES
TRAINING			
al : Introduction to data procesing ethods	65113000 Grant and others costs from refreshen and training courses		
TRAVEL			
Travelling Expenses	62100000 Transport of personnel 65100000 Travelling expenses		
EQUIPMENT			
	22300000 Office furniture 22310000 Office Equipment 22400000 Transportation Equipment		
PERSONNEL			
Wages and salaries	65010000 Wages and salaries		
Allowances	65020000 Allowances		
Payroll taxes	65030000 Payroll taxes		
Travelling Expenses	65100000 Travelling Expenses		
CONFERENCE, SEMINAR, ETC, EXPENSES			
Travel	62100000 Transport of personnel 65100000 Travelling expenses		
GEN. OPERATING EXPENSES			
Publications	64900000 Publications and reports (Secretariat, translation, printing)		
Office supplies	61540000 Office supplies 61560000 Water		
Water, light and fuel supplies	61550000 Electricity 61580000 Fuel and lubricants		
Telephone, telex, postal, courrie services	63320000 Postal and telecommunications costs		
Maintenance of durable equipment	63100000 Vehicules and repair 63101000 Installation and maintenance of premises		

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A P P E N D I X

SUMMARY STATEMENT OF REPORTS

FUNDING	AGENCY	TYPE OF REPORTS			MONTHLY	TIME SCHEDULE FOR REPORTS			DEPARTMENT	COMMENTS
		TECHNICAL	FINANCIAL	PROGRAM		QUARTERLY	ANNUAL	ANNUAL		
	ILSS			X				X	GENERAL MANAGEMENT	
	ISAID		X			X			USED	
	"	X				X			"	
	UNDP / UNSO		X		X			X	COMMUNICATIONS RESEARCH	
	"		X					X	"	
	"		X					X	TRAINING	
	"		X					X	"	
	EDF		X					X	RESEARCH	
	"	X						X	"	
	UNDP		X			X			"	3 TIMES ANNUALLY
	IDRC		X					X	COMMUNICATION RESEARCH	
	"	X						X	"	
	"	X					X		"	
							X		"	THIS REPORT IS SUBMITTED TO THE CENTRAL MANAGEMENT UNIT

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SUMMARY OF RECOMMENDATIONS AND SCHEDULE OF
IMPLEMENTATION.

The table summarizing the recommendations and their implementations is set out as follows :

- OBJECTIVES. The table give, for each section of the terms of reference, the objectives to be attained by consultations.

- RECOMMENDATIONS. Summary of the recommendations given in the first "General conclusions".

- POTENTIAL
 - High - To be implemented urgently.

 - Medium - To be implemented in the medium terms.

 - Low - Low degree of urgency, be implemented in the long term.

- OTHER COMMENTS. Additional recommendations and where necessary explanations of the importance of the recommendation and its implementation.

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THE FINANCIAL AND ACCOUNTING PROCEDURES MANUAL

OBJECTIVES	RECOMMENDATIONS	Potential			Other comments
		high	Average	Low	
	<p>b. <u>Préparation of an Administrative and Accounting Procedures Manual</u></p> <p>Standardization of the system necessitates the adoption of an Administrative and Accounting Procedures Manual.</p> <p>The focus here is on the <u>uniform accounting plan</u>.</p> <p>The accounting plan will be codified in a way which will enable distinguishing transactions by :</p> <ul style="list-style-type: none"> - source of funding - project or programme - category. <p>The importance of this manual is that it serves as outline of a series of standardised instructions designed to cover the principle aspects of project activities :</p> <ul style="list-style-type: none"> - Terms of implementation of operation - Responsibilities of the different participants - Procedures for preparing periodic summary statements - Terms for supervising/monitoring operations. 				<p>A manual of management procedures may serve in many ways, such as a :</p> <ul style="list-style-type: none"> - <u>Management tool</u> <p>It enables defining the terms of operation by stipulating the duties and responsibilities of each person.</p> <ul style="list-style-type: none"> - <u>Planning tool</u> <p>It establishes standards for the planning, utilisation and disbursement of the funds provided the institute.</p> <p>The system of planning is of capital importance in drawing up the budget and determining how it is divided in covering the annual programmes of activities.</p> <ul style="list-style-type: none"> - <u>Communication tool</u> <p>It enables the different participant to act in accordance with established terms and codes.</p> <ul style="list-style-type: none"> - <u>Training tool</u> <p>It provides answers to questions which may arise and makes it possible to become familiar with the definition of responsibilities</p>

RECOMMENDATIONS AND METHODS OF IMPLEMENTATION

OBJECTIVES	RECOMMENDATIONS	Potential			Other comments
		high	Average	Low	
<u>Budgetary System</u> wide the Institute with a proper and effective budgetary system	a; <u>Preparation of a Budgetary Procedures Handbook</u>				
	This handbook is to be an integral part of the Administrative and Accounting procedures Manual.				The section on accounting outlined the advantages of adopting a manual of administrative and accounting procedures.
	This part focuses on the <u>drawing up</u> and monitoring of the budget.				
	- <u>Drawing up of the budget</u>				It is necessary to likewise (point out) the importance of establishing comprehensive budgetary procedures.
	. schedule of provision				
	. Responsibility for coordinating the preparations				They make it possible to define the global objective of the institute.
	. Performance objectives				through the drawing up of long term budgets
	. Multi-annual forecasts				
	. Annual Forecast.				They likewise enable determining the resources necessary for achieving the objectives (human, financial and material).
	. Quaterly provision				
	. Readjustment of the budget				
	- <u>Monitoring of the Budget</u>				These long term budgets will be drawn alongside annual, bi-annual or quarterly ones, in order to allow for modification as the objectives are gradually achieved.
	Objectives				
	. Budgetary follow-up chart (Monthly or quarterly report) (Report on the technical and financial aspect on the implementation)				
	b. <u>Establishment of a unit for managing or following up the implementation of the budget.</u>				
Drawing up of a budget should be a collective effort.					
Consequently procedures should enable the institute to ensure that its budget is not the work of only one person or one part of the organization, but rather that it is one of the entire institute					

RECOMMENDATIONS AND METHODS OF IMPLEMENTATION

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OBJECTIVES	RECOMMENDATIONS	Potential			Other comments
		high	Average	Low	
	The budget management on monitoring unit would come under the responsibility of the administrative and finance Director.				
	This unit would be responsible for :				
	- drawing up budgets in collaboration with the heads of programmes and projects, the directors of departments and the central management unit ;				
	- determining performance criteria through the establishment of operating reports (signaling to management diverging, counter-productive on potentially detrimental trends)				
	- Following-up on the implementation of the budget and ensuring that the required corrections are made.				
	C. <u>SETTING-UP OF AN INSAH/FUNDING AGENCIES COMMITTEE</u>				
	It is important to set-up such a committee in order to avoid the practice of involving funding agencies only at the request-for-funding phase. Indeed they should be regular participants if coordination and harmonization is to be achieved in terms of :				
	- financing projects which meet the objectives of the Institute ;				
	- avoiding duplicate finding ;				
	- standardizing at least a minimum number of indispensable procedures ;				
	- implementing uniform formats for reports and summary statements.				

RECOMMENDATIONS AND ...

OBJECTIVES	RECOMMENDATIONS	Potential			Other comments
		high	Average	Low	
<u>HUMAN AND MATERIAL RESOURCES MANAGEMENT</u> Provide the Institute with qualified personnel suited to its new structure	a) <u>Eliminate the system of National quotas</u> . Recruitment based on qualifications, rather than nationalities		X		
	b) <u>Establishment of uniform personnel regulations</u>		X		
Provide the Institute with a tool for managing its materials and equipment	c) <u>Establishment of a personnel evaluation system</u>	X			
	d) <u>Preparation of a personnel management procedures manual</u>	X			
	<u>Pooling of general resources</u> . <u>combining of resources</u> - Vehicles - Photocopiers				

INSAH

RECOMMENDATIONS AND METHODS OF IMPLEMENTATION

OBJECTIVES	RECOMMENDATIONS	Potential			Other comments
		high	Average	Low	
<u>Provide The Institute With A Centralised Electronic Data Processing Unit.</u>	a) <u>Establishment of Administrative Procedures</u>				
	. Préparation of a procedures manual of a users' handbook.	X			
	b) <u>Eliminate The sentiment of belonging to a particular funding agency</u>	X			
	. Pooling of general resources				
	c) <u>Establishment of An Electronic Data Processing Unit (EDP)</u>	X			
	. Désign a training program for the personnel involved				
	. Survey the management information needs of the different finding sources.				
	. Involve the users in order to ensure mastery of this tool.				
	d) <u>Création of an EDP département with the same level of qualified staffing and authorization as the other technical departments</u>	X			
	e) <u>Création of the physical space necessary for housing together all the EDP equipment</u>	X			
	. Construction of a headquarters.				
	f) <u>Acquisition of a stablizer and a generator in view of the excessive voltage fluctuation and frequent light shortages experienced.</u>	X			

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RECOMMENDATIONS AND METHODS OF IMPLEMENTATION

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OBJECTIVES	RECOMMENDATIONS	Potential		
		high	Average	Low
	<p><u>Structuring and Strengthening the system</u></p> <p>The accountant must have at least a university degree (diplôme d'Etudes Supérieures - DCES) of the equivalent and at least five years experience in an organization which receives multilateral fundings.</p> <p><u>Bookkeepers</u></p> <p>The central accounting unit should have a bookkeeper for each department :</p> <ul style="list-style-type: none"> - Central Management (secretariat) - Planning and Research Department - Documentation and Information Department - Training Department. <p>Each department will have the bookkeeper for the programmes and projects which it manages, reporting to the head of that department.</p> <p>Bookkeepers should have at least a secondary school technical certificate (le Brevet de Technicien Supérieur - BTS or DUT) and two years experience in an organization which receives multilateral funding.</p>			<p>This standard public accounting system does not provide for effective controls when the two accounting sections are not reconciled. It makes it possible to only ensure that the person who authorizes payments is not the same one who makes payments.</p> <p>We believe that this form of control is insufficient. The person who authorizes payment is not always in a position to know the amounts already committed or disbursed and the sums still available.</p> <p>This is why, in order to achieve greater effectiveness, it will be necessary to regroup all accounting operations under the central accounting agency — operations such as</p> <ul style="list-style-type: none"> - the monitoring of commitments (unpaid invoices) ; - the recording of daily operations - reconciliation of the two accounting sections. <p>The Administrative and Finance Director will be responsible for strictly administrative tasks and will supervise the preparation and follow-up of budgets.</p>

RECOMMENDATIONS AND METHODS OF IMPLEMENTATION

OBJECTIVES	RECOMMENDATIONS	Potential			Other comments
		high	Average	Low	
<p>1. <u>ACCOUNTING</u> Provide the Institute with a proper and effective accounting system</p>	<p>a. <u>Standardization of the System</u> Standardization can be achieved by centralising all the operations separated into different accounting sections.</p> <p style="padding-left: 40px;">* <u>For each department or programme</u> There will be a accounting unit employing the same methods as the central unit.</p> <p>The accounting system will make it possible to :</p> <ul style="list-style-type: none"> - Present an overview of all transactions based on the ledgers (bank ledgers, petty cash ledgers and ledgers for various operations. - Prepare periodic summary statements through the balancing of accounts <p style="padding-left: 40px;">* <u>For the central unit</u> The present structure of the central accounting agency may be maintained, but needs to be improved and strengthened.</p> <p>The Central Accounting Agency regroups all accounting operations programmes and projects into summary statements which, through a system of coding, makes it possible to identify the different projects and funding sources.</p>				<p>It is necessary to point out the difference between accounting and financial management</p> <p>The <u>accounting system</u> will be managed by the project accountant and will cover entries of daily operations, the preparation of accounting memorandums and periodic accounting statements.</p> <p>The <u>financial system</u> falls under the overall management responsibilities of the Director of the Institute. He delegates the day management of the financial aspects of programmes to the heads or coordinators of projects.</p> <p>The division between the handling of committed and disbursed sums should be eliminated.</p> <p><u>At present at the Institute</u> :</p> <ul style="list-style-type: none"> - Accounting records of payments made are maintained, the accountant who is responsible for making such payments.