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FREEDOM OF INFORMATION CENTER OF ARMENIA

POLICIES and PROCEDURES

A. Personnel

1. Recruitment and Employment

To provide FOICA with the best possible staff, recruitment efforts are taken toward hiring talented and qualified employees who have potential to expand their skills and knowledge and whose employment is in the best interest of FOICA. No discrimination is allowed regarding race, sex, colour, age, religion, physical handicapped condition or marital status.

FOICA requires the highest standards of honesty, integrity, impartiality, and conduct in its employees as they carry out official business. Avoiding misconduct and conflicts of interest is essential.

From the time of hiring, each employee will have access to this policy, so that he/she can adhere to it with full knowledge and information.

The policies described below may at any time be subject to modification if FOICA deems it necessary. In such cases, employees will be fully informed of the changes made.

2. Employees

FOICA's employees designate salaried individuals who, after a probationary period, are given ongoing assignments, either part-time or full-time, and are paid on monthly basis. They will be contracted on long-term basis subject to periodic evaluations and performance assessments. They will have the responsibility towards the day-to-day functioning and/or in any one of more ongoing/prospective projects of the organization.

2.1. Consultants

Consultants are professional experts hired by FOICA on short-term basis only for the completion of specific tasks and assignments related to FOICA or one or more of its projects. Separate and limited contracts, defining their job description, timeline, deliverables, reporting procedures and payment

details will be issued to consultants. They will be paid on daily/monthly/weekly basis depending upon the nature of their assignment. They will not be considered as full-time or part-time employees of the organization.

2.2 Volunteers

Volunteers are individuals who work at FOICA out of their own choice or have been deputed at FOICA by other organizations. They will be assigned tasks from time to time as deemed necessary by FOICA. FOICA will have a limited contract with volunteers and will not provide any compensation except under special conditions. They will not be considered as full-time or part-time employees of the organization.

3. Notice of Vacant or New Position

It is the responsibility of the Board of Members of FOICA to fill vacant positions as well as new regular positions and new temporary positions of a duration exceeding more than six months. The Board must make sure that the positions can be filled under the organizational budget.

For all new positions, a job description shall be established and include the following elements:

- position summary
- description of duties and responsibilities
- conditions of work
- qualifications

The Board must approve notice of a new or vacant position before it is released publicly.

Recruitment for a new or vacant position can be opened to internal and external competition. For external recruitment, positions in the professional category can be advertised publicly through newspapers if they are regular positions, or if there is a limited tendering process for consultation.

4. Eligibility

All applicants must provide a detailed resume furnishing full and accurate information. Any employee found to have withheld information or given false, incomplete or misleading information regarding employment eligibility with FOICA will be immediately terminated for cause with loss of accrued benefits.

5. Hiring Procedures

In order to recruit a new employee, the executive director should write a position description and obtain the approval of the Board. The Director should then request the Board the recruitment process to be taken. The Board undertakes the position classification and advertises the vacancy. Advertisements or postings are done through media, universities, and other networks. Applications in the form of a current CV are submitted to the Board.

Selection criteria will be based on the job description, weighting value of skills based on the importance of the task and time to be spent on each task. The Board first selects all candidates who meet the minimum requirements for the position, then reviews applications based upon the hiring criteria and normally selects at least 3 candidates to be interviewed.

Interview: The method of interviewing, the interview questions and other preparation is pre-determined by the Board and Executive Director. The Board is responsible for the planning and monitoring of the entire selection process. Then an interviewing committee will be appointed by the Board consists of 3 members. The responsibility of the committee is to narrow down the selection of applicants to a short-list of finalists. The committee may use interviews, role-plays, written and verbal tests or whatever means are appropriate for selecting finalists.

Final Selection: The final selection of a candidate for the position is done by the interviewing committee and the Executive Director.

Personnel File: FOICA maintains a personnel file for each current and former staff employee. All documents in the personnel file should be originals rather than photocopies. The file contains all documents pertaining to the individual's employment with FOICA.

6. Appointment Letter and Staff Orientation at FOICA

6.1 Appointment Letter

Any personnel employed with FOICA will be issued an appointment letter prior to his/her employment by FOICA. The appointment letter will officially announce his/her position within the organization, the place of assignment and the effective date of employment. The appointment letter will carry annexes, specifying the employee's job description, terms of reference, salary and benefits and other relevant terms of employment.

6.2 Probationary Period

A probation period of three months shall apply to all new employees from the date of hire. Exceptionally, the probation period may be extended to six months. In case, if a new employee fails to perform in accordance to expectations of FOICA staff/board, he/she will be given a notice, terminating the contract at the end of the probationary period.

6.3 Staff orientation

All new employees will get an orientation about the organization's mission and strategies, its structure and the staff within it, the policies and conditions of employment, the internal rules and regulations, etc.

6.4 Remuneration

FOICA believes in attracting and retaining a qualified and effective workforce through a system of payment that is both appealing and fair. All employees of FOICA are entitled to a basic salary, depending upon their skills, qualification and experience. The basic salary will be mentioned in the appointment letter.

7. Conditions of Employment

In accepting a position candidates are accepting the following terms, conditions of employment, and must observe them at all times. Failure to do so will result in dismissal.

Basic Workweek

Regular basic workweek consists of 40 hours of work, exclusive of lunch periods. FOICA's normal working hours are from 10:00 a.m. to 18:00 p.m. Mondays through Fridays. Any change in an employee's basic workweek affecting the total number of hours worked per week will be recorded and kept in the Personnel file.

Office Hours

The office shall open from 09.00 am in the morning until 18.00 in the evening. All employees are expected to complete 8 working hours daily. There will be one-hour lunch-break.

During the winter season, the office hours will be from 9:30 am to 5:30 pm.

Overtime

Various factors, such as workloads, operational efficiency, and staffing needs, may require variations in an employee's total hours worked each day. In such circumstances, the employee may have to work beyond the scheduled office hours. Under such circumstances, the staff working overtime is entitled to payment for working overtime and is authorized by its immediate supervisor for the same. However, no overtime compensation will be provided for staff during field trips. The overtime rate will be paid on hourly basis and will be calculated based on the basic salary.

When requested by supervisor, the employee will be expected to work a reasonable amount of overtime. In such cases, the supervisor will give as much advance notice as is reasonable in the circumstances.

Duties and Responsibilities

The duties and responsibilities of all FOICA employees are described in the job description. These duties and responsibilities may be changed from time to time according to the needs of the FOICA and the employer's qualifications, provided that the new duties and responsibilities to be performed by the employee are of a similar nature to those previously performed.

Gifts, Entertainment and Favors

Employee may neither ask for nor accept for him/her or for any person, any money, office, title, or favour and present of more than nominal value from any person or organization affected by the

performance of official duties, or when a gift is offered with the expectation of obtaining advantage or preferment in dealing with FOICA for any purpose.

Outside Employment and Other Activities

Employee may not perform services for the RA Government on paid basis. Employee may engage in other business activities with the approval of the Executive Director, on the basis of a determination that the activity does not (1) interfere with his/her regular official duties, (2) create or lead to the creation of a conflict of interests. Any such approval must be obtained in advance of accepting outside employment, must be in writing, and a copy must be placed in employee's Personnel File.

Moral, Ethical, and Accountable

The employee should conduct activities morally, ethically, and in the spirit of public accountability, as well as in conformity with applicable laws, regulations and practices common to other organizations and agencies.

8. Salaries and benefits

Salary is determined by the executive director and approved by the Board based on the job classifications. The amount of salary is clearly stated in the Labour contract signed between the employer and employee. The salaries are calculated in Armenian Drams and employees are paid in Armenian Drams.

Salaries of the employees are paid on monthly basis. All salary payments are subject to tax deduction. Payments will be made in cash or transferred to the bank account of the employee.

8.1. Bonus

Apart from monthly salaries, the organization may also pay bonuses to the staff members. All employees shall receive an annual bonus equal to one month's basic salary. Bonus will be included in the monthly salary payment of the month preceding the festival.

However, new staff will not receive any annual bonus until the completion of the six-month probationary period.

8.2. Provident Fund

All regular employees are expected to set aside 10% of monthly pay to his/her provident fund. FOICA will contribute the same amount on monthly basis. Both the employee's and FOICA's contributions are deposited in a savings account under the employee's name. The provident fund can only be withdrawn upon the employee's resignation from FOICA.

9. Disciplinary Actions

9.1. Grounds for Disciplinary Actions

The following may constitute grounds for disciplinary actions under this policy, which may lead to oral or written reprimands, suspension, or dismissal:

1. Unsatisfactory performance of duties;
2. Unauthorized absence without leave;
3. Insubordination and misconduct during duty and off duty;

4. Disobedience or failure to follow instructions;
5. Failure to observe safety regulations;
6. Theft;
7. Loss of, damage to, unauthorized use of FOICA property;
8. Intoxication, gambling, selling or otherwise distributing drugs or narcotics;
9. Giving deliberate false statements or giving deliberate misrepresentation;
10. Engaging in private business activities of prohibited or unethical nature;
11. Violations of principles of equality of the workplace for race, creed, colour, religion, sex, etc;
12. fund embezzlement.

9.2 Procedures for Termination and/or Disciplinary Action

1. FOICA will ask the employee for a written explanation on the offense deemed committed by the employee concerned, identifying the charges against him/her and the particulars of the facts relied upon to support it.
2. The employee is given 3 working days to submit his/her explanations.
3. Based on the written explanations submitted by the employee concerned and the strength of evidence presented, FOICA may choose to decide on the charges or pursue further investigation of the case.
4. FOICA can, shall it feel necessary to, suspend the employee in question from duty during the period of investigation subject to the following conditions:
 - a. should the employee be in a position to tamper with the evidence against him/her.
 - b. should the employee's continuing presence in the organization be deemed inimical to the interest of the organization.

10. Travel Rules & Regulations at FOICA

10.1. Travel

Staff members may be asked to travel away from their usual workplaces on authorized missions. The policy on payment of travel allowances adopted FOICA applies to all employees regardless of job category or status. It also applies to the consultants, when mentioned in their agreement.

After reimbursable expenses are made, the person making an expense claim shall use the appropriate forms available.

The expenses will not be reimbursed if proper justifying documents (original receipts) are not attached except for per diem. Eligible expenses include:

10.1.1 Per diem

All employees and volunteers are provided per diem to cover the cost of food for each night spent outside the city as approved by FOICA.

10.1.2 Accommodation

All employees and volunteers are entitled to claim expenses incurred for accommodation for official trips outside Yerevan. Maximum claims for accommodation shall not exceed AMD20,000. Claim for accommodation will be reimbursed upon submission of bills/receipts.

10.1.3 Mode of Transport

FOICA will pay only surface transport as far as possible, i.e. minibus. If any individual is using personal vehicle for FOICA related work, they can be reimbursed the actual fuel cost based upon the mileage. Some maintenance will also be awarded if required. However, the private transport must be shared by more than one FOICA member or employee.

11. Leave and Holidays

Annual Leave

All employees of FOICA are entitled to paid annual holiday in accordance with the Labor Code of RA.

Sick Leave

Sick leave may be granted for the following reasons:

1. inability to work due to sickness or injury;
2. for medical, dental or optical examination or treatment;
3. when, through exposure to contagious disease, employee would jeopardize the health of others;
4. care for a family member or arrange for/ or attend the funeral of a family member.

Reporting Absence: Absence because of illness must be reported to the President assistant as soon as reasonably practicable on the first day of incapacity for work. The employee must also keep them well informed as to the probable duration of absence so that continuing arrangements can be implemented to cover his/her absence. Absences for more than three consecutive working days need to be supported by a doctor's statement.

Excused Absence

Excused absence is an absence from duty authorized or approved by administration and does not result in a charge of leave of any kind or in loss of basic salary.

Maternity/Paternity Leave

Female employees who have been with FOICA for at least three months are entitled to paid maternity leave in accordance with the Labor Code of RA.

Bereavement Leave

In the case of death in the immediate family, the employee receives paid leave in accordance with the Labor Code of RA. The immediate family is defined as the employee's spouse, parents, children, grandchildren, and the corresponding in-law relatives.

Emergency Leave

Emergency leave is granted to employees for any serious illness of a parent, child or spouse and/or personal emergencies. A total of 7 days per year can be allowed for emergency leave.

Public Holidays

All employees are entitled to 16 days of paid leave due to public holidays. Public holidays are specified in advance by the President in consultation with staff members.

Employees who are required to work on public holidays are entitled to compensatory day off. FOICA will keep records of number of hours/days worked by its employees on public holidays. Request for compensatory leave shall be substantiated with this record and approved in advance by the President.

In the event that a public holiday is declared by the Government on a certain day without prior notice, FOICA staff cannot consider it a holiday until and unless notified by the President or the Board. All public holidays are subject to the approval of the President or the Board.

Leave without Pay

1. Leave without pay may be granted to employees up to 36 days per year.
2. Leave without pay that is taken for a month or more shall not be counted as time worked, hence no benefits shall accrue to the employees during such period.
3. Employees on probation are not entitled to leave with or without pay but can accrue such leave during the probationary period.
4. Leave without pay is applicable when the employee has exhausted all his annual and sick leave.

Absences

1. An employee who is unable to come to the office is required to notify the office of the reason for his/her absence.
2. Unauthorized absences are grounds for disciplinary action. The following procedures shall apply:
 - An employee that has been absent for two consecutive working days without notice nor explanation shall be personally sought of by the President. He/she shall be asked to put in writing the reason(s) for his/her absence.
 - If, after seven consecutive days of absence, the employee continues to fail to explain the cause of his/her absence, the employee will be considered to have resigned from his/her position.
 - In cases where the employee cannot give any satisfactory answer to the cause of his/her absences, in the judgment of the President, the employee may be subjected to disciplinary action.

12. Staff Movement

12.1 Assignments and Transfers

According to project needs, any employee can be transferred temporarily or permanently to any location where FOICA conducts its activities. The transfer may be the result of a promotion, a change in role due to service requirements or other reasons.

A permanent transfer to a new place of work that includes a new job mandate shall result in a contract renewal. In addition, the employee concerned shall be notified one month in advance of his change in situation.

12.2 Interim positions and promotions

An employee may be called on to temporarily perform a job in a higher category. That does not automatically give him the right to the salary and benefits of this position. However, after a reasonable amount of time, FOICA shall reclassify the employee in the category of the new job or return him/her to his/her former duties.

An employee who receives a promotion can be required to complete a trial period in the new position. If the trial period is successfully concluded, the employee will be reclassified in the new job category and at a salary scale level higher than his former position. If the trial period is not satisfactorily completed, the employee will be reinstated in a position at the same level as his former position.

13. Conflict Management Policy in FOICA

13.1 Conflict Resolution

Whenever a dispute arises among the FOICA staff, it shall be resolved in a constructive manner, i.e. the solutions shall lead to positive changes. Employees who feel unfairly treated or who have complaints about a situation or about working conditions should notify the President immediately.

13.2 Staff Behavior

FOICA expects its employees to adopt attitudes and behavior that maintain the good image of the organization. FOICA employees shall display an exemplary level of professionalism and integrity.

Furthermore, besides the usual rules every good employee needs to follow (respect, courtesy, punctuality), there are particular procedures of conduct for members of the organization which must be observed.

(1) Political Activities

Since FOICA is a non-political organization, employees shall not participate in activities of a purely political nature on work premises or during working hours. It is also prohibited to use the organization's materials for these purposes.

(2) Discrimination and Harassment

Under the principles established by FOICA, no employee, man or woman, has the right to put pressure on another, make intimate advances, give preferential treatment or show sexual favoritism at work.

(3) Conflict of Interest

To avoid putting themselves in a conflict of interest with the objectives and operations pursued by FOICA, employees shall respect the following guidelines:

- It is prohibited to use FOICA property for illegal or unauthorized purposes.
- It is prohibited for FOICA employee having confidential information to disclose it without express authorization beforehand.
- Employees cannot at any time accept a job from another employer if this job interferes with their work schedule and their duties and responsibilities.
- Employees shall avoid putting themselves in situations where they may gain profit or derive direct or indirect interest by influencing a contract award.
- Employees cannot solicit or accept tips, gifts, favors or other forms of gratuities for services rendered or required to be rendered in performing their duties within the organization.

14. Grievances

If an employee feels unfairly treated by circumstances that infringe on his/her rights or change his/her employment conditions, he/she should discuss the situation with his/her immediate supervisor. If, after the matter has been discussed and corrective measures taken, an employee feels it has not been satisfactorily settled, he/she can submit a grievance to the President, who will discuss and provide appropriate solution. All grievances shall be handled internally because there is no recourse to external mediation or arbitration.

15. Performance Evaluation System Policy

15.1 Performance Evaluation System

The performance evaluation system is a means by which FOICA can increase its efficiency and that of its employees. The purpose of the system is for the organization to fulfill its mission by attaining its objectives and for employees to grow and feel fulfilled through proactive performance supervision.

The system enables, among other things, the harmonizing of individual employee objectives with those of the organization, the measuring of employee potential and work performance and the support of employee improvement by working with them on their development needs. The annual performance evaluation seeks specifically to:

- promote communication between employees and their supervisors;
- clarify expectations concerning objectives and performance;
- improve employee performance through on-going monitoring and feedback;
- assess and reward individual performance;
- allow employees to express their career aspirations.

The performance evaluation focuses on the individual employee in relation to the tasks and responsibilities assigned to him. It is not necessarily a comparison of one employee's performance with that of another. Thus, the employee's work performance is to be assessed in relation to absolute procedures, that is, according to the evaluator's performance criteria and not according to relative procedures.

The performance evaluation also allows FOICA to assess the quality of human resources in their department or organization, note important information concerning expectations and needs and clarify decisions concerning transfers or work assignments.

15.2 Elements of the Performance Evaluation System

A performance evaluation system is composed of three main stages that generally take place over a period of a year:

(1) Performance planning

The performance planning stage enables employees and supervisors to come to an agreement on what is to be accomplished during the year and how it will be carried out. The following procedures and tools are used to facilitate this stage:

a) Job description or list of duties

Each employee must have an up-to-date job description defining the purpose of the work and the responsibilities involved.

b) Setting of objectives

For each key responsibility associated with a position, at least one objective should be established for a particular period. The objectives should be clear and quantifiable, and the assessment criteria should be mentioned.

c) Individual action plan

The individual action plan is a planning tool used to specify the steps to be taken to achieve the objectives set beforehand. The action plan should be prepared jointly with the immediate supervisor. It may also involve new initiatives facilitating improved productivity or personal capacity development.

(2) Performance Monitoring and Management

Staff performance and productivity should be managed on an on-going basis throughout the year. The following elements, among others, are involved:

a) On-going Supervision

This means taking the time to observe, examine sources of difficulty and seek solutions.

b) Regular Communication

This involves regular exchanges so that employees can receive feedback about their performance and receive the necessary supervision.

c) Periodic Evaluation

This involves formal, scheduled meetings between an employee and supervisor to discuss activities carried out, end results and the adjustment of the action plan and objectives, if necessary. A minimum of one meeting every six months is suggested to ensure satisfactory results.

15.3 Annual Performance Evaluation

The annual performance evaluation is the analysis, based on documentation from previous stages of the process, of an employee's work record. The evaluation addresses two fundamental questions. The first relates to the past and involves verifying what was accomplished qualitatively and quantitatively during the year. The second relates to the future and consists of identifying means to be considered to ensure the employee continues to grow and develop.

The performance evaluation form should include all the sections needed for the evaluation. This includes a section relating to performance evaluation in relation to the objectives established at the outset and in relation to the responsibilities of the position, a section that specifies or targets what is needed for the employee's development and finally a section allowing the employee and the evaluator to express their comments and affix their respective signatures. The form should also include a performance level classification and a definition of each of these levels.

The annual performance evaluation does not have any financial impact on salaries. It is first and foremost a tool to evaluate the employee's performance and take remedial action if necessary.

16. Skill Training and Professional Development

Depending on available funds, FOICA should foster the professional development of its employees in order to be as effective as possible in its activities. The training programs chosen should address the actual needs identified and expressed during performance evaluation sessions.

Bond

As part of the staff and organizational development activities, FOICA may at times decide to send a designated staff person for trainings and/or further studies both abroad as well as at local level. FOICA will bear the full/partial costs of the trainings/studies for this. However, the designated staff sponsored for the trainings/studies is required to sign a bond with FOICA that requires him/her to complete the full tenure of working with the organization.

B. Office Administration Policy and Procedures

1. Office Management Authority

Office Administration Authority and Duties cover the area of general administration/ management of the Project, office maintenance, logistical support of the project staff, inventory of the assets/supplies, human resources management. Authorities and duties of Office Administration specifically include:

- Ensuring full implementation of adopted policies;
- Coordination of procurement of goods and services for the office (furniture, goods/supplies, equipment, various services). Authority to approve procurement of up to \$1000, and authority to order and receive procurement over that amount;
- Coordination of the motor pool, in-country (vehicle requests/provision) and international travel, inventory/property of the office/residences,

2. Procurement

Procurement and acquisitions must be concluded with adequate planning and appropriate budget and fiscal management. Procurement for the Center's general needs normally is done by designated staff. Procurement for specific project activities may be done by designated project staff.

All equipment and supplies purchased by FOICA must be approved and project -related. It is the duty of the employee to insure that goods are procured at a fair price.

To ensure availability of funds and that expenditures are prudent, reasonable, and approved, all staff must obtain prior approval from the Project Coordinator responsible for the account from which the expenses will be paid. This can be done on a Purchase Request/Request for Advance form or in a written memo that is filled out completely, signed and turned into the Chief Accountant

Purchases over \$1,000

Expenditures over \$1,000 must have 3 bids prior to approval of the purchase request. The item must be purchased at the best price, unless there is a valid reason to pay more than the lowest bid. If there is a valid reason, the reason must be explained by memo. The bids must be included with the receipt. All expenses over \$1,000 must have signed approval of the Project Coordinator and will be paid by transfer. In case no alternative bids are available, purchase will be made with the approval of the Project Coordinator.

Acceptable Receipts

Every expense must have a receipt attached to document the item(s) purchased, quantity, price, totals, and place of purchase. The receipt must be a stamped receipt generated from the store of purchase. In some cases, a vendor-generated receipt may not be available. In these cases a Receipt for Procurement form can be used. This receipt must be filled out completely and signed by both the purchaser and the seller.

3. Inventory

FOICA Maintains an inventory file by:

1. On Inventory Form, recording:

- a. Existing equipment
 - b. New purchases
 - c. Items not in use
2. The Chief Accountant keeps copies of all invoices of equipment purchased.

The inventory form includes:

- Number to each piece of equipment.
- The vendor name where the item was purchased.
- What the item is (for example: computer, desk, copier).
- Identifying numbers, which are usually on the back or bottom side of most items.
- Purchase Date, the date when the equipment was purchased.
- Cost - how much was paid for the item.
- The purpose of the new purchase (e.g., replacement).
- Not In Use, if any item listed is not in use any more.
- Reason, why the item is not in use (e.g., broken).

Use of property

Employee may not directly or indirectly, without the written approval of the Executive Director, use or allow the use of FOICA property of any kind. Employee has a positive duty to protect and conserve FOICA property, including equipment, supplies, and other property entrusted or issued to employee.

4. Office Maintenance

Maintenance of Supplies and Equipment

All employees are responsible for proper use and day-to-day care of supplies and equipment. If an employee believes that maintenance or repair is needed on FOICA equipment, the employee should order maintenance through the Office Administrator. The Office Administrator will oversee that the maintenance is done, either by a qualified employee of FOICA or by an outside service provider.

Removal of Equipment

If any equipment is to be removed, either temporarily or permanently, employees need to ask a prior permission from the Office administrator.

5. Communications

Use of Office Communications Equipment

Telephone, mobile phones, Internet, e-mail, computers and other FOICA communications equipment are provided for the Centre's activity-related use to facilitate the furtherance of FOICA's goals.

Personal Use

FOICA staff may use FOICA facilities for personal use during breaks, or after hours with approval, as long as the facility is not needed by another employee for Project related use and provided the employee reimburses the project for any expense (long distance calls, etc.). Individuals who are not

employees are forbidden from using FOICA equipment for personal purposes. Any exceptions must be approved by the Executive Director.

Guidelines

FOICA provides the following guidelines to its staff to control telephone use.

- a. Telephone users are requested to keep their conversations short in order to keep the cost down and to keep the lines open for other people in and outside the office that need to use the telephone.
- b. In general, employees should avoid using phones for non-official calls. However, the non-official calls will be billed to employees at prevailing rates.
- c. In order to minimize communication costs as much as possible, email should be used rather than fax or direct long distance calls.
- d. Copies of all in-coming and out-going official communications (fax, letters sent or received) should be filed. The employees sending / receiving important e-mails should be responsible to print and file such e-mails. A copy should go in the central file system.
- e. Efforts should also be made to keep fax messages short and to send long documents by fax only in urgent cases.
- f. Regarding international phone calls, the need for the official call should be discussed verbally with the President, unless exceptional circumstances make this impractical.

Telephone and Fax Protocol

If employees make personal calls from office phones or use office mobile phones for making personal calls the reimbursement of the expenses is to be done by employees based on the detailed bill obtained from the Telephone Company.

If employees use personal mobile phones for business purposes the reimbursement of the expenses is done based on the details provided by the Telephone Company after the corresponding agreement is authorized by the Executive Director.

Office staff mobile phone bills for up to \$30 per month (subscription fee excluded) will be covered by FOICA project. If \$30 per month limit is exceeded the detailed bill will be considered. Employees will pay for personal calls exceeding \$30 per month, business calls will be covered by FOICA.

The Office Administrator should submit call logs by employees to the Chief Accountant by 25th of each month. Reimbursement for the usage of personal phones for business purposes as well as for the usage of business phones for personal purposes will be transferred to the employee's personal account along with salary payments or will be deducted from the employee's salary accordingly.

All long distance calls and faxes must be approved by the Executive Director. If an employee finds it necessary to make a personal long distance call or fax from FOICA, he/she must get the approval of the Executive Director, the call must be logged as personal, and the employee must reimburse the expenses of FOICA upon receipt of the bill. In two-weeks time upon receipt of the bill the employee must check

the calls and return the bill either to the Office Administrator for his/her filing (if there are no personal calls made) or to the Chief Accountant along with the payment (if there are personal calls made). Any abuse or misuse of communication equipment will be subject to disciplinary action.

Computer use

Using computer equipment requires particular care because of its fragility and high cost. Access to the equipment should thus be strictly reserved to FOICA employees only. Those employees who are unable to handle commonly-used software will be given an orientation by the senior staff on request. At least one FOICA employee will be trained in handling minor maintenance of computers and accessories at the office.

Computer security

- a. In order to safeguard the computers against viruses, the external drives (CDs/DVDs/floppies/pen drives) that are at FOICA office are only to be used. In the same way, no external drive from any source other than from sealed packets shall be used in the computers, unless it is first scanned with a latest anti-virus software.
- b. In order to safeguard computers from viruses, antivirus software has been installed in the computers. The virus list for this program should be updated on a regular basis. It is the duty of the employee who has been assigned a computer to update the virus list on her / his computer.
- c. There should be at least two backups of all important documents. One copy should be on the hard disk of the computer assigned to the concerned employee and a second copy on a CD/DVD kept in the office.
- d. The computers of the FOICA should normally be used by its employees. Consultants and volunteers should seek prior permission of FOICA employee before using his/her computer in the office.

6. Procurement Policy

6.1 Methodology

FOICA shall follow certain methods in purchasing goods, equipment and services required for the needs of the organization or its projects. Use of competitive bidding shall be a priority practice. The first criterion in choosing a supplier shall be the lowest bid. However, if a supplier does not provide the required level of service or an adequate guarantee, then other criteria shall also be considered. FOICA shall specify in the purchase file the reasons the lowest bid was not chosen.

- For purchases under AMD 50000, a price survey by telephone of two suppliers will be sufficient for determining the supplier.
- For purchases above AMD 50000, a quotation/invoice shall be obtained from three local suppliers.
- Purchases from a sole source shall be explained in the purchase file.

The purchase file shall contain all the documents pertaining to each transaction, i.e. the purchase requisition, quotations, contact information of suppliers purchase contracts or orders, invoices, delivery slips and any other pertinent documents. At least 3 price quotations from different service providers will be requested. The selection is made based on the best quality and price ratio.

6.2 Purchases

Employees making purchases as part of the project activity or organizational work shall follow these mechanisms:

- a. Requisition form – the employee requesting a purchase fills this form, has it approved by the President and sends it to finance division.
- b. Order form – the finance division issues the order form, after it is signed by the President. The concerned employee or the finance division will make the purchase successful on the basis of the order form.
- c. Delivery slip – After the purchase has been made, a delivery slip will be issued by the finance division for the supplier, who will sign it and give it back to the finance division.

7. Fixed Assets Policy

The Fixed Assets Policy will aim for:

- Precise identification of goods that are part of the asset base;
- sensible use of goods;
- periodic taking of physical inventory;
- effective maintenance of goods;
- replenishment of goods when required.

7.1 Procedures

At FOICA, the management of material resources is the responsibility of the staff. The procedures involved in managing these resources are:

- receiving and recording goods;
- using goods properly;
- maintaining goods;
- taking inventory of goods;
- disposing of goods.

Material resources are managed by means of records or files.

7.2 Asset inventory

The purpose of the inventory is the physical monitoring of the items belonging to a project. The inventory makes it possible to detect differences between information about goods in the records and the actual state of goods.

Inventory is usually done once a year and is the responsibility of the finance division.

7.3 Procedures

The inventory procedure is composed of the following steps:

- a. Creation of record cards on which is found:
 - type of item
 - description of item
 - identification code
 - service user or name of manager
 - assigned location
 - previous placement of item
 - notes on condition of item

- record updates
 - minutes of physical inventory
- b. Final removal of an item
 - c. Replacement of an item
 - d. List of annual needs

7.4 Removal of items

The inventory procedure described above permits the identification of dilapidated or defective goods whose presence in office presents more inconveniences than advantages, for various reasons:

- steep rise in operating or maintenance expenses;
- excessive cost of repair;
- any other objective reason.

The President should give the authorization to take out of service, transfer or dispose of any items, and that should be noted in the book of assets.

8. Finance Policy

8.1 Sources of Funds

FOICA receives funds from the sources that are established by FOICA's bylaws.

8.2 Types of Accounts

The following three types of accounts will be maintained by FOICA:

1. Central Account

All income accrued to FOICA will be deposited in the Central Account. The President and Treasurer are authorized to operate the bank account. Two signatures of either of these officials will be required for fund disbursement.

2. Savings Account

FOICA will keep fixed deposit savings account for its trust fund.

8.3 Payments for Staff Salaries

1. Payment Calendar: Staff salaries are paid within seven days following the completion of the month. Individual cheques are to be issued to the employee concerned.
2. Staff payroll: Staff payroll (salary sheet) is prepared by the Accountant as the basis of payment. The staff payroll contains information on the employees' basic salary for the month, allowances if any, deductions and net salary payable. The staff payroll is checked by the Treasurer and approved for payment by the President.

3. Advance Pay: FOICA's employees may take advance payment of up to 3 months (after completion of 3 months probation), if urgently required. The advance must be returned/reimbursed before the end of that particular fiscal year.
4. For travel purposes, FOICA employees shall be given cash advances for expenses covered on official trips. Request for cash advances is prepared by the personnel concerned, recommended by the Treasurer and is approved by the President. All cash advances for travel are to be liquidated within a week following the completion of the trip.
5. Tax Deduction at Source: FOICA will deduct tax at source where applicable as per Government rules.

8.4 Payment for Contractual Services

Payment for contractual services is done through cheque disbursements. The schedule of payment depends on the Terms of Reference (TOR) agreed upon by the personnel concerned and FOICA. Payments are covered by a Request for Payment Form prepared by the accountant and approved by the President.

8.5 Procedures for Fund Disbursements

- All requests for payments are to be made using the appropriate forms.
- Requests for payments are to be properly substantiated with bills/receipts and essential documents.
- Requests for payments are prepared by accountant and submitted to President for checking and approval.

8.6 Cost Distribution Policy.

The General policy of covering administrative costs is using a ratio for the costs connected with office operational expenditures and calculation of necessary supplies needed for the implementation of the projects of FOICA. The general policy also uses estimation of office space usage needed for implementation of the projects.

FOICA calculates operational costs on communal expenditures (such as water, electricity, sewage, etc.) based on the ratio of the sum of salaries received under the projects funded by USAID to the total of salaries received by FOICA staff. FOICA pays salaries to its staff based on the time sheets (actual work hours).

Supplies for the implementation of the FOICA projects are purchased based on the needs of the projects. The FOICA employees are jointly accountable for requesting, economic use and maintenance of assets and supplies allocated to the project. Supplies and equipment purchased by FOICA are solely for project related use. Abuse or misuse of project assets or supplies is unacceptable and employees may be subject to disciplinary action. Costs of supplies for various projects are made separately and separate documentation is prepared and maintained.

The calculation of the office rent bill is based on the principle of usage of office space for various programs. Since the FOICA' project "Access to Information for Community Involvement" will be the major project of FOICA in coming three years, FOICA office space will be used for the USAID funded projects.

9. Book Keeping and Recording

9.1 Book Keeping

The recording system of FOICA's financial transactions allows monitoring bank balances, status of funds receipts and expenditures, and a comparative statement of budget vs. actual expenditure on a regular basis.

FOICA will maintain records of fixed assets, petty cash disbursements, supplies, inventory, the use and maintenance of office equipment.

9.2 Accounting

The following sets of financial reports will be prepared by FOICA:

- A. Quarterly financial reports will be prepared for review by each individual project manager of FOICA's specific projects as well as of its core activities. This quarterly report will be reviewed by the Board of FOICA. Financial reports to donors will be submitted as prescribed in the agreement between donors and FOICA.
- B. Annual Balance Sheet and Statement of Income and Expenditures will prepared for each fiscal year.

9.3 Auditing

Books of Accounts of FOICA shall be audited annually by an independent auditor appointed by the General Assembly.

FOICA may hire internal auditor in order to streamline its accounting systems and procedures.

10. Anti-fraud and corruption:

FOICA considers that all instances of fraud, corruption, and other dishonesty endanger the achievement of FOICA's policies and objectives. The organization is determined to demonstrate that it will not tolerate fraud, corruption, or abuse of position for personal gain.

FOICA maintains robust control mechanisms to both prevent and detect fraud and corruption. All employees have a responsibility for maintaining agreed, documented control systems, and protecting the assets and reputation of FOICA and are expected to be alert to the potential for fraud and corruption.

Periodic Risk Assessments: FOICA regularly assesses risks, including; assess, update, and record existing and potential risks to the organization's human and material assets, dignity and reputation.

If an employee knowingly is involved in fraud or corruption this will be regarded as a serious disciplinary offense and dealt with in accordance with FOICA's disciplinary procedures.

If someone connected FOICA is offered or asked to pay a bribe, they must refuse and explain that bribery runs totally counter to FOICA policies. If someone suspects that fraud, bribery, or corruption is, has, or is likely to take place, they must report at the earliest opportunity the matter to the employer. The interests and well-being of those making a report will be fully protected by FOICA Policy.

11. Responsibility

Each FOICA staff member has a financial and program responsibility to the Executive Director and chief accountant. Executive Director and Chief Accountant are accountable to the Board. Staff members including Executive Director are expected to fulfil their financial management duties to the best of their ability. Director and Chief Accountant present financial report and next year draft budget to the Board of members by the end of financial year. Director of the organization carries individual responsibility for financial breaks.