



**EAST AFRICAN
CHRISTIAN COLLEGE
RWANDA**

EAST AFRICAN CHRISTIAN COLLEGE (EACC)

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RWANDA

FINANCIAL ADMINISTRATION AND PROCUREMENT REGULATIONS

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1. PURPOSE

The purpose of this document is to provide policy guidelines for financial administration and procurement regulations at EACC.

2. VISION OF EACC

To be a leading international Christ-centered College that fosters knowledge, faith, ethics and service through excellent academic and research programs

3. MISSION OF EACC

To equip servant leaders for the church and the community and produce professional graduates of character and commitment that will serve as agents of transformation

4. CHAPTER 1:INTRODUCTION

These financial regulations and procedures deal with the Management of East African Christian college finances and resources. The East African Christian college is established in accordance with East African Christian college Statutes. The East African Christian college is a corporate body with perpetual succession and a common seal, and shall in its corporate name be capable of:-

- I. Suing and being sued,
- II. Taking, purchasing or otherwise acquiring, holding, charging and disposing of movable or immovable property; and
- III. Borrowing or lending money; and
- IV. Doing or performing all such other things or acts for the proper performance of its functions under, and for the furtherance of, the provisions of the East African Christian college Charter and the East African Christian college Strategic Plan 2018-2023, which may lawfully be done or performed by a body corporate.

The application of these regulations and procedures shall in all respects comply with the provisions of the East African Christian college Charter, and all statutes under this policy document, as well as the East African Christian college Strategic Plan.

The Board of the University has the overall responsibility of managing the affairs of the University, including the financial portfolio. The Council is also responsible for policy formulation and guidance of operations of all subsidiary companies of the East African Christian college .

The Approved East African Christian college financial policies, the East African Christian college Statutes, East African Christian college Strategic Plan SP 2018-2023) and East African

Christian college Charter regulate the management of the resources of the East African Christian college . In particular special attention is drawn to the following provisions:

4.1. The Companies Act

“The East African Christian college shall keep or cause to be kept proper books recording all the property, undertakings, funds, activities, contracts, transactions and other business of the University.

“The University Board of Directors shall be responsible for the proper management of the affairs of The University and shall be accountable for the moneys, the financial business and the management of the University.

4.2. The Audit Policy

For each financial year, the University shall prepare and submit for audit accounts to the appointed Audit Committee of the East African Christian college Board.

The Accounts shall include the following:-

- a. A balance sheet showing the assets and liabilities as at the end of the financial year;
- b. A statement of the income and expenditure for the financial year;
- c. A cash flow statement for the financial year; and
- d. Any other statements and accounts that may be necessary to fully disclose the financial position of the University.

The University shall submit its accounts within three months after the end of the financial year to which the accounts relate.

A Certified External Auditor shall examine and audit the accounts submitted by the University, express an opinion and certify the result of the examinations and audits.

The Certified External Auditor shall prepare a report on the examination and audit and submit the report to the Board of Directors.

Without limiting what may be included in the report, the report shall indicate whether:-

- a) The information and explanations that were required to perform the examination and audit were received;
- b) Proper books of account have been kept and the accounts are in agreement therewith;
- c) The accounts present a true and fair view of the financial position of the University;
- d) Due provision has been made for the repayment of all money borrowed by the University; and
- e) Adequate amounts have been set aside for depreciation and renewal of the assets of the University.

Without limiting what may be included in the report, the report shall identify cases in which:-

- a) Money has been spent in a way that was not efficient or economical; or
- b) The rules and procedures followed, or the records kept were inadequate to safeguard property and the collection of revenue.

The University whose accounts are examined and audited shall pay for the costs of the examination and audit.

If the examination and audit is conducted by an external auditor as appointed under Chapter 2, the payment required under subsection (1) shall be paid to the external auditor and the amount of the payment shall be as agreed between the University's Accounting Officer and the auditor.

(1) The East African Christian college may appoint an external auditor who is not a member of the staff of the University to assist in an examination and audit of accounts.

(2) Only a person registered and practicing as a Certified Public Accountant under the Institute of Certified Public Accountants of Rwanda may be appointed under this section.

(3) Any auditor appointed under this section shall comply with any general or special directions given by the University Board.

(4) An auditor appointed under this section shall report to the Board.

4.3. Sources of East African Christian college Funds

The East African Christian college's main source of funds is capital contribution by the University's Promoters. Other sources include tuition fees, application fees, registration fees, research grants, and other income generating activities.

4.4. Accounting Officer

The Principal, as the Chief Executive of the University, deals with the day to day administrative and academic management aspects of the University. The Principal is also the accounting officer of the University. Deputy Principal (A&F), Deans, Directors, Departmental and Section Heads exercise delegated authority and are responsible to East African Christian college Board of Directors through the Principal for the accounting functions in their respective units.

The duties and responsibilities of the Accounting Officer include:-

- a. Ensuring that the University funds are applied only for the purposes approved by the Board and in conformity with the laid down rules and regulations;
- b. Signing the balance sheet and the financial statements and thereby taking responsibility for their accuracy;
- c. Preparing accurate and realistic estimates of recurrent and development expenditure, which shall be within the prescribed ceilings;

- d. Ensuring that all amounts due to the University, including tuition fees, other fees or other income, are collected promptly, officially received and properly accounted for;
- e. Ensuring that all expenditure incurred by the University is within the approved estimates and is also covered by the authority of the council;
- f. Managing and controlling University resources and ensuring that policies set by the Council are followed;
- g. Ensuring that all reasonable precautions are taken to safeguard the receipt, custody, issue and proper use or disposal of University property and that regulations and statutes relating thereto are strictly observed;
- h. Ensuring that all income and expenditure relating to income generating activities of the University are operated in accordance with approved policies and regulations;

In order to effectively discharge these duties and responsibilities, The Principal is assisted by staff in Finance and Audit Departments. These officials carry out day to day financial control responsibilities as delegated by The Principal through the Principal & Deputy Principal (Administration & Finance).

4.5. Finance Department

The Finance Department of the East African Christian college shall have responsibility to meet the requirements of the East African Christian college Strategic Plan, besides the University's financial objectives.

- i. This department is charged with the responsibility of implementing sound financial controls of the University. It ensures effective management of the University's financial resources, and provides professional guidance to the University on financial matters.

In order to achieve its objectives the department designs and implements sound accounting and financial systems in accordance with international accounting practices, professional standards and guidelines issued from time to time by professional and regulatory bodies.

- ii. The department is responsible for collection, custody and banking of all income due to the University. This includes all income generated through income generating units of the university. All other officers in departments/units of the University undertaking collection of funds exercise delegated authority from the department and must implement all the necessary financial controls in respect of funds collection. The department also ensures that expenditure incurred is in accordance with University policies and guidelines.
- iii. The Director of Finance and Administration is the administrative and professional head of the Finance Department and is responsible for management of finance staff in conjunction with other University administrators in Central Administration, University

Colleges and other units. He is assisted by Deputy Finance Officers and Bursars/Chief Accountants. Accountants and other finance staff, assist these officers in the performance of their duties.

The duties of the Director of Finance and Administration include:-

- a. Maintaining books of accounts and records relating to all income, expenditure and investments;
- b. Ensuring sound financial management of University funds through application of appropriate financial systems and investment options;
- c. Implementing effective financial and stores control systems;
- d. Preparing annual accounts and other financial reports in conformity with relevant professional standards and other statutory requirements;
- e. Preparing University's annual budget in consultation with user departments and submission of expenditure returns;
- f. Ensuring that University financial systems are sound in design and operation and comply with International Financial Reporting Standards and other professional and regulatory guidelines;
- g. Ensuring economic utilization of University resources and other assets.

The internal audit system ensures that there is continuous evaluation and review of all management aspects of the University in compliance with laid down policies, financial regulations, instructions and accounting procedures.

5. CHAPTER 2: INTERNAL AUDIT

5.1. Introduction

The Internal Audit function is an independent, objective assurance and consulting activity designed to add value and improve the University's operations. It assists the University accomplish its objectives by applying a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

5.2. The role of the Internal Audit

The role of the department is to manage comprehensive operational and financial audit programs that provide assurance and consulting services designed to add value and improve the University's risk management, control, and governance processes.

The department is headed by the Director of Finance and Administration, assisted by the Chief Accountant and other internal audit staff. The operations of the department are decentralized with each of the University's Colleges having an internal audit section headed by a Bursar/Chief Accountant.

5.3.Reporting Structure

5.3.1

The Director of Finance and Administration is administratively responsible to The Principal for the proper execution of the Internal Audit function at the University, while professionally he is responsible to the Audit Committee of the Board. The Senior Internal Auditor (Chief Accountant/Bursar) is professionally responsible to the Director of Finance and Administration for the proper execution of the College Internal Audit function while administratively, he is responsible to the Principal/DVC Finance & Administration of the University College in which he is stationed as the case may be.

5.3.2

To ensure the independence of the Auditors, each shall be free from any operating responsibilities that may impair his objective assessment in discharging his¹ internal audit functions.

5.3.3

In exercising his responsibilities the internal auditors shall have unrestricted access to all records, books, vouchers, reports or any other information that he may consider necessary in the discharge of his professional duties.

5.3.4

The Internal auditor may call upon any officer of the University to offer explanation and information which he may require in order to effectively discharge his duties.

5.4.THE FUNCTIONS OF THE INTERNAL AUDIT

5.4.1. Professional Functions

The Internal Audit Department seeks to determine whether the University's network of risk management, control and processes, as designed and represented by management, is adequate and functioning in a manner to help ensure that:-

- i. Risks, including strategic risks, are appropriately identified and mitigated or managed;
- ii. Significant financial, managerial, and operating information is accurate, reliable, and timely;
- iii. Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- iv. Resources are acquired economically, used efficiently, and adequately protected;
- v. More effective business strategies are adopted to manage poor performance;
- vi. Programs, plans, and objectives are achieved; and

¹ Although reference is made to 'HIS' the appointment of individuals to the internal Auditors' office is not limited to the male gender.

- vii. Quality and continuous improvement are fostered in the University's control process.

5.4.2. Other Functions

- i. Issuance and control of accountable documents such as receipt books, Local Purchase Orders (LPO's) and stores requisition notes;
- ii. Pre-Auditing of payment vouchers and purchase requisitions;
- iii. Undertaking special investigations on behalf of the University Management;
- iv. Offering consultancy services to the Management of the University in relation to its subsidiary companies, Income Generating Units' (IGU's) and Special Programs.

5.4.3 Reference Documents

In carrying out their professional duties, the Internal Auditors shall be guided by the applicable professional guidelines issued by the Institute of Certified Public Accountants of Rwanda (ICPAR). These include:

- i. The ICPAR Internal Audit Manual;
- ii. Professional Code of Conduct and Ethics.

6. CHAPTER 4: ACCOUNTING SYSTEMS

The University is required to produce Annual Accounts in compliance with the East African Christian college Constitution. These Accounts are subsequently audited by A Certified External Auditor or any other auditor authorized by him. The financial year of the East African Christian college runs from 1st January to 31st December of the following year.

The East African Christian college Statutes state:-

- (i) The financial year of a East African Christian college shall be the period of twelve months ending on the 1st day of January in each year.

The University Statutes state that:-

- 1. The East African Christian college shall cause to be kept all proper books of records of accounts of the income, expenditure and assets of the university.
- 2. Within three months from the end of each financial year, East African Christian college shall submit to the East African Christian college Board of Directors (i) the Audited accounts and (ii) Summary of due Tax Returns and Remittances by the university together with:-
 - a. a statement of the income and expenditure of the university during the financial year; and
 - b. a balance sheet of the university on the last day of the year.

In order to meet this objective, the University shall operate an integrated Financial Information Management System (FIMS) which captures accounting data from all the accounting units/colleges of the University.

The computerized accounting system incorporates the classification of accounts, the expenditure and income accounting system, bank accounts, student ledgers, salaries and wages ledgers and all other aspects of financial accounting within the University.

6.1 Annual Estimates

The East African Christian college Statutes stipulate that:-

- i. East African Christian college shall prepare and submit annual budget estimates of revenue and expenditure to the Board for approval in such form and at such times as the Board shall from time to time prescribe.
- ii. East African Christian college may incur expenditure for purposes of the University in accordance with estimates approved by the Board, and any approved expenditure under any head of the estimates may not be exceeded without the prior approval of The Principal. The following are some of the expenditure categories that require appropriate estimates:-
 - a. For the payment of the salaries, allowances and other charges in respect of the staff of the University;
 - b. For the payment of the pensions, gratuities and other charges in respect of retirement benefits which are payable out of the funds of the University;
 - c. For the proper maintenance of the buildings and grounds of the University;
 - d. For the proper maintenance, repair and replacement of the equipment and other movable property of the University;
 - e. For the proper funding of the cost of teaching and research activities of and in the University;
 - f. For the creation of such reserve funds to meet future or contingent liabilities in respect of retiring benefits, insurance or replacement of buildings or equipment, or in respect of such other matters as the Board may think fit.
- iii. Annual estimates shall be prepared by the Director of Finance and Administration before the commencement of the financial year to which they relate, and shall be submitted to the Board for approval and after the Board has given its approval The Principal shall not increase any sum provided in the estimates without the consent of the Board.
- iv. No expenditure shall be incurred for the purposes of the University except in accordance with the annual estimates approved in pursuance of an authorization of The Principal and with the prior approval of the Board.”

6.2 Classification of Accounts

The accounts are classified in terms of major codes, departmental codes, minor expenditure codes, income codes and expenditure codes, etc., as and when required. The coding system contains all the information necessary for production of detailed accounts.

Trial Balance

Finance Department produces the trial balance on a monthly basis and a final one at end of every financial year, for the purpose of:-

- a. Checking arithmetical accuracy of postings;
- b. Comparison of actual expenditure and budgeted provisions for budgetary control purposes;
- c. Preparation of financial management reports;
- d. Approval of virements on overspent/underspent votes by Board within the approved estimates;

6.3 Preparation of Annual Accounts

The University annual accounts are prepared at the end of every financial year. These are based on East African Christian college accounting policies, which are:-

- (a) Annual Accounts are prepared under the historical cost convention as modified by the revaluation of certain fixed assets;
- (b) Income from grants and fees includes only the amount receivable during the financial year;
- (c) Income from endowments, donations, research grants and other services rendered are included only to the extent of expenditure incurred during the year;
- (d) Income from short-term deposits is credited to the General Revenue Account or used for purchase of fixed assets and for capital minor works to the extent determined by the University Board during the year;
- (e) Fixed Assets are stated at cost or professional valuation. Depreciation is provided for at annual rates estimated to write-off assets over the expected useful lives.

The annual rates are:-

Land:-

- Freehold - Nil
- Leasehold - Life of lease
- Buildings - 40 years - 2%
- Furniture and Equipment - 10% on reducing balance
- Motor Vehicles - 20% on straight-line basis
- Computers - 50% on straight-line basis
- Academic Gowns - 20% on straight-line basis

Depreciation is charged to the Capital Fund.

- (f) Endowment and Trust Fund investments are stated at the market value;

- (g) Stocks are valued at the lower of cost and net realizable value;
- (h) Revenue commitments represent goods and services ordered but not delivered at the end of the financial year;
- (i) The cost of library books is written off to expenditure as incurred;
- (j) Appropriation for Specific Purposes represents revenue generated by departments/Colleges and unspent balances on certain votes carried forward to meet expenditure in the ensuing year;
- (k) The principal pension scheme for the University staff is the Rwanda Social Security Board Pension Scheme. The University's contributions to this scheme are charged to the salaries votes;
- (l) Assets and liabilities in foreign currencies are converted into Rwanda Francs at the rates of exchange ruling at the balance sheet date. Conversion differences are accounted for in the Appropriation Fund Account;
- (m) Valuation of donated equipment is done by University appointed professional valuers or as stated by the donors;
- (n) Deans Committee Research Grants are funds set aside from current and previous financial years. The uncommitted balance on each vote is carried forward until the related research project is complete.

6.4 Year End Finalization of Accounts

- (a) Reconciliation of various accounts shall be on continuous basis and must be completed by the end of **January 31st** each year to allow the completion of annual accounts by **15th February**. The final trial balance shall be completed by the **1st March**.
- (b) **Closing of Cash Books:**

The closing date of cash book is 30th December, each financial year.

- (c) **Accruals:**

Pending payments and income earned but not yet received by 31st December shall be accrued and treated either as Sundry Creditors or Debtors and journalized in the Accounts as follows:-

Pending Payments:-

Debit: Individual expenditure votes with total amount pending.

Credit: Sundry creditors with the total amount.

Accrued Income:-

Debit: Sundry debtors with monies receivable as at 31st December.

Credit: Individual income votes.

- (d) **Fixed Assets:-**

A statement of all fixed assets owned by the East African Christian college as at the end of the financial year shall be incorporated in the final accounts. This shall include fixed assets movements during the year as follows:-

- (i) A schedule of all additions to fixed assets;
- (ii) A schedule of all disposals;
- (iii) A computation of gain or loss on disposal;
- (iv) A schedule of work-in-progress;
- (v) A schedule of all assets donated;
- (vi) Transfer of fixed assets;
- (vii) Depreciation charge for the year.

(e) Stocks:

There shall be a stock taking exercise at the end of every financial year. A statement of all stocks held by the East African Christian college at the end of the financial year shall be incorporated in the final accounts.

In order to achieve this, there shall be need for:-

- (i) A summary of all stocks held;
- (ii) Valuation stock sheets for all stocks;
- (iii) Reconciliation of each type of stock by vote between physical stock and ledger card balance;
- (iv) Details of obsolete and slow moving stocks.

(f) Cash Survey and Bank Balances

- (i) There shall be cash survey in every cash office including petty cash as at 31st December which shall be reconciled with the cash book balances. Cash book balances shall be reconciled with bank balances.
- (ii) Cash and bank balances held by University as at 31st December shall be reflected in the annual accounts.

6.5 Annual Accounts for Subsidiary Companies

The East African Christian college may incorporate subsidiary companies. The University shall exercise control over partially or wholly owned companies in pursuance of its objectives and ensure preservation and enhancement of its investments.

The annual accounts for these subsidiary companies shall be prepared separately but be consolidated and incorporated in the University's annual accounts in accordance with International Accounting Standards on presentation of consolidated financial statements.

7. CHAPTER 5: EXPENDITURE

All expenditure incurred by the University shall be within the estimates approved by the Board or any other officer authorized by the Board.

All such expenditure incurred shall be authorized by relevant Heads of Departments/Units and shall be controlled by Finance Department.

- (a) All payments shall be made on official East African Christian college payment vouchers. The payment vouchers shall be serialized, dated and shall properly describe the payment being made;
- (b) The payment voucher shall be prepared in Finance Department, and be signed by the person preparing it before subsequent approval by the Director of Finance & Administration/University College Bursar;
- (c) Approval of payment vouchers implies that all the requirements mentioned above have been met;
- (d) The expenditure shall be charged to the proper vote/account. The Request to Incur Expenditure (RIE) form shall be used in order to confirm availability of funds and commit the expenditure in the vote book;
- (e) All payment vouchers shall be properly supported and pre-audited before payments are affected;
- (f) Payments may be effected by way of cheques, RTGS, EFT, Cash, or any other method, depending on the circumstances and the applicable rules and regulations stipulated by the University, the Banks, or the Law of the land;
- (g) **The first Mandatory signatory for all cheques of the University and its subsidiaries, project accounts and IGU accounts shall be the Director of Finance and Administration or the Authorized officer of the Finance Department authorized by him.**

7.1 Payment for Goods and Services

- (a) Where payment is in respect of good/services purchased, the goods/services shall have been received and confirmed through an Inspection and Acceptance Committee Report. The Inspection and Acceptance Committee Chairman or Head of Department where the goods/services are delivered shall certify such receipts.
- (b) The certified invoice, accompanied with the inspection report and the delivery note shall be attached to the paying copy of the purchase order together with the original requisition note, and the stores received note where applicable.
- (c) The certified documents shall be forwarded to Finance Office for payment.

7.2 Creditors Ledger

There shall be a creditor's ledger in each relevant finance office. The Senior Accountant, University College Bursar or Accountant shall ensure that an up to date creditor's ledger is maintained and regularly reconciled.

7.3 Payment of Rent and Services for Leased Property

Where the University leases property the following payment procedures shall apply:-

- (a) All lease agreements shall be scrutinized and verified by the University's Legal Officer before submission for approval by The Principal or any other officer authorized by him on behalf of the University.
- (b) There shall be authorization by University's Legal Officer and the Deputy Vice Chancellor Finance and Administration.
- (c) The DVC Finance and Administration may from time to time independently examine the particulars of any lease agreement.
- (d) The University's Legal Officer shall notify the Director of Finance and Administration of any variations occurring within the lease period.

7.4 Salaries and Wages Payments

The Human Resource Section shall be responsible for:-

- (a) Ensuring timely payment of salaries and wages to the employees within the set time lines;
- (b) Ensuring statutory and other deductions are effected and remitted to relevant authorities within the set time lines;
- (c) Ensuring that only genuine employees are paid.

For proper functioning of Human Resource Section, the following guidelines shall be observed:-

- (c) There shall be a separate file for every employee maintained by the Finance Office, Administration Registrar, and College Registrars. The Personnel Division shall assign the personal (Payroll) numbers after identification of the employees.
- (d) Salaries shall be paid as per letter of appointment indicating acceptance of offer with effect from the date indicated in the Staff Movement Advice².
- (e) Removal of employees from the payroll shall be on account of:-
 - Resignation;
 - Death;
 - Retirement;
 - Dismissal;
 - Termination of Services; or
 - Expiry of Contract
- (f) The authorized officers (Director of Human Resources and DVC-F) shall supervise preparation of the payroll. The Director of Human Resource shall ensure that any variation in the payroll is duly authorized.
- (g) Casual employees shall identify themselves when receiving their pay in cash by national identification cards, previous pay slips and employee identification cards.

² In some instance referred to as the staff register

An officer of the University such as the Internal Auditor may pay surprise visits during payment of casual wages.

- (h) After at most two days from pay day, unclaimed wages shall be receipted intact and only paid out after proof of entitlement.
- (i) Monthly payrolls shall be compared with previous monthly payrolls, and any variances authenticated by the Head of the Section.
- (j) Temporary staff shall be paid in accordance with the employment contracts between them and East African Christian college .
- (k) All salaries shall be paid through the bank.

7.5 Salary Advances

- (a) The University shall grant salary advances only under very special circumstances and on approval by the Principal.
- (b) Advances shall be controlled through payroll and restricted to the employees' basic pay.
- (c) Advances shall be recovered within a period not exceeding three months.

7.6 Allowances

The University may pay allowances as approved by the Board and where they are within the University regulations subject to budgeted provisions. These allowances may include among others house allowance, house to office, responsibility, entertainment, acting, leave, clinical, special duty, passage and baggage, subsistence, day trip, per diem while travelling outside Rwanda, honoraria, and telephone. The payments shall be within the ceilings as determined by the Board.

7.7 Advances for Research/Official Duties

- (a) No advance shall be granted unless the vote to be charged has adequate funds to meet the expenditure. In case of advances from donor-funded votes, the purpose must be as per terms of agreement between the donor and the East African Christian college ;
- (b) The official application form shall be completed and shall state the amount, a detailed budget and reason for taking the advance;
- (c) The advance holder shall account for it within the prescribed time limit which is normally 2 (two) weeks after the accounting date stated by the applicant unless express authority for extension is granted by the Director of Finance & Administration;
- (d) No further advance shall be granted to the advance holder before the previous one has been accounted for;
- (e) All accounting for advances shall be through the Head of Department/unit or the next authorized officer;
- (f) Recovery of outstanding advance shall be instituted on the holder of the advance 14 days after expiry of the prescribed time limit;
- (g) An up-to-date register for advances shall be maintained;
- (h) Over-expenditure in excess of 10% of the amount advanced shall not be permitted;

- (i) Expenditure of research money will be subjected to University regulations, procurement regulations and as long as it does not contradict the M.O.U with the donor;
- (j) All other official advances shall be controlled in the same manner as prescribed in (a) and (i) above;
- (k) All fixed assets procured through grant funds belong to the University and shall be accounted for through Grants and Capital Sections;
- (l) IOU used in the place of advances to obtain money, are irregular and prohibited.

7.8. Foreign Currency Transactions

7.8.1.Foreign payment requirements.

University staff who are to travel outside the country on official duty may require to obtain foreign currency through the University. The following procedures shall apply:-

- i. A letter of authority from the Principal approving this transaction shall be required;
- ii. Upon receipt of the Principal's approval, the Director of Finance and Administration shall liaise with the University bankers and request for the foreign currency needed.
- iii. The Director of Finance and Administration or any officer authorized shall follow up the debit advices related to foreign currency transactions and payment vouchers shall thereafter be raised and marked "for posting only";

7.8.2.Importation

Where the University requires to import goods from foreign countries the following payment procedures will apply:-

- i. Chairmen/Heads of Department shall seek authority from Deputy Principal (A&F) to pay in foreign currency. All imports shall be subject to procurement regulations, documentation and letters relating to importation.
- ii. All foreign procurement should meet requirements of tender committee, STUDENTS GUILD Committee or College procurement;
- iii. The University will liaise with the bankers for issuance of the letters of credit, where applicable;
- iv. Payment vouchers marked "for posting only" will be raised on receipt of debit advices.

7.8.3.Foreign payments for services rendered.

The University may require payments in foreign currency to be made in respect of services rendered. The following shall be required to effect payment:-

- i. The relevant Department shall submit to Finance Department certified invoices/letters;
- ii. The Finance Department shall requisition for drafts, RTGS or EFT for foreign currency from the banks, where applicable;

- iii. Payment vouchers marked “for posting only” shall be prepared on receipt of debit advices from the banks.

7.9. Mileage Claims

University policy on official travel requires that University transport be used for official duties whenever possible but where transport is not available; a member staff may claim reimbursement for use of his/her personal vehicle upon provision of proof of payment. The reimbursement shall be based on the official rates for all approved (proven by a signed RIE).

7.10 Submission of Personal Claims

Personal claims shall be submitted within the relevant financial year or otherwise be forfeited. These include mileage, telephone, medical, overtime, among others.

7.11 Petty Cash Payments (Standing Imprests)

Standing imprests shall be maintained by relevant Sections of Finance Department, or as determined by the Finance Officer, for meeting cash payments within the University.

- (a) The imprest shall be applied for emergency and other petty payments not exceeding RwF.50,000.00 or otherwise approved by Director of Finance and Administration or any other authorized officer;
- (b) The imprest shall be replenished on monthly basis and shall be reconciled against cash balances and payment vouchers;
- (c) Adequate internal controls over the imprest shall be exercised. These include:-
 - i. Surprise checks.
 - ii. Regular checking by the authorized officer.
- (d) Official cash payments through I Owe You (IOU) shall not be permitted;
- (e) All standing imprests shall be surrendered on or before 31st of December of every year;
- (f) Revenue collected shall not be used as imprest.

7.12. Non Cash Payments

- (a) Except for payments through standing imprests, all other payments shall be by cheques, Payment Order, EFT, Bank Draft or letter of internal transfer. All such payments shall be controlled through a movement register maintained by an authorized officer;
- (b)
 - i. Signed cheques, and Payment Orders, duly signed by signatories, shall be released by an authorized responsible officer ONLY;
 - ii. (ii) University authorized agent shall deliver EFT, RTGS, internal letter of transfer to be effected in the bank. The agent shall deliver upon authorization from Director of Finance and Administration.
- (c) Cheques shall not be cancelled for cash payments EXCEPT for exceptional cases authorized by the Principal.

7.13. Financial Information Management

All payment vouchers are captured in the correct account in the Financial Management Information System (FIMS). The East African Christian college shall at all times maintain an up-to-date FIMS.

The Director of Finance & Administration is charged with the responsibility of processing all financial transactions and the production of all accounts up to final trial balance. The ICT Department shall be responsible for the management of the FIMS and shall report to the Director of Finance & Administration on monthly basis.

It is headed by a Senior ICT Officer whose duties, among others, are safe custody, preservation and retention of all accounts and records database. He is also responsible for custody and maintenance of all the hardware and software in the ICT Department.

Duties of Information & Communication Technology Department include:-

- (a) Back-up of all University accounts and records databases of all university Departments;
- (b) Safe custody, preservation and retention of all information management systems offsite back-ups;
- (c) Production of timely and accurate management system reports.
- (d) To provide necessary ICT support to the department as and when required.

8. CHAPTER 6: PROCUREMENT AND STORES CONTROL POLICIES

Procurement means the acquisition of goods, works and services.

For the purpose of complying with the Procurement law, every department is required to obtain and keep readily available to staff, among others, the following documents:-

- i. Approved Procurement policies & procedures.
- ii. Procurement Plans which are guided and approved by Management and Board

In applying procurement procedures, special attention shall be paid to the following:-

- (a) While the price paid is important, what is far more important is obtaining value for money. The right quality to meet the specified need is vital and it is important to ensure that goods, works and services are delivered in line with planned schedules. It is also important to procure the correct quantity of materials having regard to the advantages of bulk procurement.
- (b) In addition to the price, the procuring entity needs to take into account quality, quantity, source time, internal and external factors, which are crucial to its decision making.
- (c) When selecting a supplier the procuring entity shall endeavor to identify an organization that will meet its needs in quality, quantity timing and dependability at the lowest cost through Technical Evaluation process.

8.1 Procurement Plans

Procurement planning is mandatory for all departments.

Procurement planning serves to ensure that:-

- a. Determining what will be procured, at how much and when.
- (b) Funds to be committed in all procurements have been budgeted for.
- (c) Splitting of orders to circumvent approval ceilings is not allowed and cannot subsequently be excused. All departments must ensure they prepare in advance their Procurement Plans which they will follow during the financial year. These plans must be approved before they are applied. The Procurement Plans must be filed with Finance, the Stores (warehouse) and/or other authorized receiving departments.

Adhoc purchases are not permitted.

In case of emergency purchases supporting documentations must be prepared and approved before execution.

Heads of Departments who are charged with procurement responsibilities must ensure that procurement plans are prepared in line with their annual budgets and implemented. They must

therefore monitor the implementation of procurement plans on a quarterly basis and make adjustments as necessary.

Procurement planning is the responsibility of all those charged with procurement responsibilities of the organization. Procurement is a complex function and requires participation of all actors. It is also important for all actors to co-ordinate in performing their roles for the success of the procurement function.

The annual procurement plan should have the following details (where applicable):-

- Contract package
- Estimated cost
- Proposed procurement method
- Dates for completion of key procurement activities including:-
 - (i) Preparation of tender documents
 - (ii) Opening tenders
 - (iii) Selection of consultants
 - (iv) Working drawings
 - (v) Receiving proposals/tenders
 - (vi) Tender evaluation
 - (vii) Tender Committee adjudication and contract award
 - (viii) Signing of contract agreements
 - (ix) Implementation process to completion
 - (x) Payment to supplier/contractor

8.2 Choice of Procurement Procedure

Procurement will generally be done using any of the following methods:-

- (i) Open Tender
- (ii) Quotations
- (iii) Restricted/Tendering
- (iv) Direct Procurement
- (v) Request for Proposals
- (vi) Specially permitted method (to be approved by Public Procurement Disposal “Act” upon justified request).

The above methods are described as follows:

8.2.1. Open Tender System

The preferred procurement method of the University is the Open Tender System. Where any other procurement method is used, a record of the reasons for the choice of that other procedure shall be made prior to its use and approval in writing given by the Tender Committee. The process of the open tender system in the East African Christian college shall be as follows:-

- (a) Submissions of requirements in line with procurement plans by the user departments to the Procurement Officer. The submissions shall incorporate technical specifications.
- (b) Invitation of tenders through the local media in at least two (2) national newspapers of wide circulation with clear details of tendering procedures.
- (c) Opening of tenders shall be done by a committee of at least three responsible officers appointed by the accounting officer in the presence of tenderers one of whom shall be an officer not directly concerned with processing of the Tender. Each tender shall have a different opening committee.
- (d) Evaluation by Technical Evaluation Committee comprising experts in the particular area concerned.
- (e) Tender awards by the University Tender Committee.

8.2.2. Examination and Evaluation of Tenders

The tender examination and evaluation criteria that would be followed by the procuring entity should be disclosed in the invitation to tender.

Where possible a tender should be evaluated for technical qualification, followed by the financial evaluation.

Technical evaluation should be done by a Technical Evaluation Committee appointed for that purpose. The committee should be professionally qualified to rate all the tender offers in relation to quality and performance.

The Technical Committee should be furnished with the following by the Procurement Department:-

- i. Tender documents
- ii. Samples
- iii. Any literature received from tenderers
- iv. Qualification of candidates to participate in Public Procurement shall be based on the following criteria:-
 - Possession of the necessary professional and technical qualifications and competence;
 - Financial resources, equipment and other physical facilities;
 - Managerial capability, experience and personnel to perform the contract;
 - Legal capacity

In order to speed up tendering process to be in line with tender price validity, technical evaluation committee should be given a specific time frame within which to give its written and signed report.

8.2.3. Confidentiality

During or after procurement proceedings, no procuring entity and no employee or agent shall disclose the following:-

- (a) Information relating to a procurement whose disclosure would impede law enforcement or whose disclosure would not be in the public interest;
- (b) Information relating to procurement whose disclosure would prejudice legitimate commercial interests or inhibit fair competition;
- (c) Information relating to the evaluation, comparison or clarification of tenders, proposals or quotations; or
- (d) The contents of tenders, proposals or quotations.

8.2.4. Quotations

A procuring entity may use a request for quotations for a procurement if:-

- (a) The procurement is for goods that are readily available and for which there is an established market; and
- (b) The estimated value of the goods being procured is less than or equal to the prescribed maximum value for using requests for quotations.

8.2.5. Direct Procurement

A procuring entity may use direct procurement if the following are satisfied:-

- (a) There is only one person who can supply the goods, works or services being procured; and
- (b) There is no reasonable alternative or substitute for the goods, works or services.

A procuring entity may use direct procurement if the following are satisfied:-

- i. There is an urgent need for the goods, works or services being procured;
- ii. Because of the urgency the other available methods of procurement are impractical; and
- iii. The circumstances that gave rise to the urgency were not foreseeable and were not the result of dilatory conduct on the part of the procuring entity.
- iv. The total cost of the goods to be procured in bulk is below the RwF 50,000.00 threshold as provided for under the Petty Cash Payments (Standing Imprest –Section 5.11)

8.2.6. Restricted Tendering

The procuring entity may use this method when:-

- (a) Competition for the contract, because of the complex or specialized nature of the goods, works or services, should be limited to qualified candidates;
- (b) The time and cost required to examine and evaluate a large number of tenders would be disproportionate to the value of the goods, works or services to be procured (Section 6.2 (iii)).

8.2.7 Request for Proposals

The procuring entity may use this method when it seeks to obtain consulting services for which open or restricted tendering is not suitable because of the difficulty in defining precisely the services.

The proposals shall be addressed to not less than three, and not more than seven candidates selected by the procuring entity.

The request for proposal shall contain at least the following information:-

- (a) Name and address of the procuring entity.
- (b) A description of the services required, normally through terms of reference.
- (c) Criteria for evaluating the proposals.
- (d) The place and deadline for the submission of proposals.
- (e) The candidates shall be given adequate time to prepare their proposals.
- (f) The place and deadline for submission of the proposals should be indicated.

Each procurement activity for goods, works and services should be assigned:-

- i. The responsible and relevant officials with appropriate training
- ii. Time within which it should be completed.
- iii. Appropriately equipped office.
- iv. Regular and up to date reports.

8.3. University Tender Committee

Membership Structure

Chairman: A Head of Department appointed in writing by the Principal.

Deputy Chairman: The Head of Finance Department appointed in writing by The Principal.

Other members: The Head of Administration, The Deputy Principal Academic Affairs, Three Heads of a Faculty or School appointed in writing by the Principal.

Secretary: The Officer heading the procurement unit of the University

The quorum of the tender committee shall be five members including the Chairman.

8.3.1. The Functions of the Tender Committee shall be to:-

- (a) Review, verify and ascertain that all procurement and disposal has been undertaken in accordance with the Public Procurement and Disposal policy, and the terms set out in the tender documents;
- (b) Approve the selection of the successful tender or proposal;
- (c) Award procurement contracts in accordance with thresholds prescribed in First Schedule;
- (d) Ensure that funds are available for the procurement under consideration;

- (e) Ensure that the procuring entity does not pay in excess of prevailing market prices;
- (f) Review and prove aggregation of procurements where proposed;
- (g) Review and approve the use of lots where packaging into lots has been proposed;
- (h) Review the selection of procurement method and where a procurement method, other than open tender, has been proposed, to ensure that the adoption of the other procurement method is in accordance with the Procurement and Disposal policy, and any government guidelines stipulation;
- (i) Approve the list of tenderers in cases of restricted tendering pursuant to regulation of the Public Procurement and Disposal policy;
- (j) Approve the list of persons qualified to submit proposals pursuant to the Public Procurement and Disposal policy;
- (k) Approve the list of persons to be given requests for quotations pursuant to regulation (Section 6.2(v)) of the Public Procurement and Disposal Regulation, 2006;
- (l) Approve negotiations under the Procurement and disposal policy and as may be stipulated by the Board;
- (m) Approve the amendment of contracts previously awarded by the Tender Committee, in accordance with the Procurement and disposal policy;
- (n) Review the quarterly reports on quotations that have been awarded by the Procurement Committee;
- (o) Undertake any other functions and duties as are provided under the Procurement and disposal policy or as may be stipulated by the Board.

8.4 Purchase Procedures

- (a) Whenever a department requires the use of certain goods or services it shall raise an internal stores received and issue note to procurement division if it believes the items are in store. Where the items are not in the warehouse, procurement division shall advice the department to fill an Request to Incur Expenditure (RIE) form.

This form shall be taken round by the user department to the relevant sections to confirm that the items/services were in the procurement plan and that they fall within the budgetary provision for the department for the year. The relevant approval according to the threshold levels is then granted on the RIE form. This RIE form is then used in the Procurement Office to raise a requisition note (to supplier).

- (b) Every requisition note shall be approved by the Head of Department/Unit before submission to the appropriate Finance Office. In case of requisition notes to be charged against donor-funded votes, the approval shall be from the project leader in conjunction with the Head of Department/Unit. Every requisition note shall indicate:-
 - i. The name of the supplier;
 - ii. The account code to be charged;

- iii. That Request to Incur Expenditure from the account has been given by the Authorized Officer;
- iv. That funds are available.

The requisition note shall be sent to the relevant Finance Office for processing.

- (c) Funds committed in all procurements must have been budgeted for.
- (d) The respective Finance Office will commit funds in the vote and ensure strict compliance with the University procurement procedures.
- (e) The authorized officer in charge of purchasing shall prepare and issue an L.P.O on the basis of the requisition note.
- (f) Responsibility for initiating the need for the purchase of goods/services shall rest with the user-department, whereas the role of the procurement division will be to take charge of the actual process of acquiring the items.
- (g) Direct procurement (single sourcing) may be applied:-
 - where only one candidate can supply or provide goods or services;
 - During times of emergency or disaster.Single sourcing should not be used to avoid possible competition or aid in discrimination among candidates.
- (h) The University shall not be bound for goods/services supplied without an official order.
- (i) Payment for goods/services will only be made on receipt of duly certified invoices, supported with evidence of receipt of the goods/services.
- (j) Certification of an account by a head of department/unit shall mean:-
 - i. That the goods have been received, examined and approved as being in accordance with the specifications and that the prices are in accordance with the order or contract;
 - ii. (ii) That the work done or service rendered has been satisfactorily carried out and that, where applicable, the materials used were of the required standard;
 - iii. That the account is arithmetically accurate.
- (k) Authority to approve procurement of goods and services shall be limited as follows:-
 - Head of Departments -up to RwF.1,000,000/=
 - DVC -up to RwF.5,000,000.00
 - VC/Chancellor -over RwF.5,000,000.00

The above ceilings are subject to review from time to time.

8.5 Receiving Procedures

Once Procurement Procedures are certified and a Local Purchase Order is issued, the supplier (vendor) is required to deliver the goods/services to the Central Stores/Warehouse. The following procedure is followed:-

- i. The delivery is checked against the L.P.O for confirmation that the specifications requested have been adhered to.

- ii. If goods are acceptable in terms of quality, quantity and specifications then the delivery note is signed by an authorized officer in the receiving department.
- iii. The goods are then stored in an appropriate place in the store.
- iv. A Store Received Note (SRN) is raised by the Stores and is subsequently attached to the invoice and Delivery Note.
- v. The store personnel then certify the invoices for the following aspects:-
 - (a) Calculations and cross costs.
 - (b) Vote allocation.
 - (c) Confirmation that the L.P.O tallies with the order just received.
 - (d) Head of Department then approves the invoice for payment.

The procurement process will be considered complete once the supplier has been paid.

8.6 Issuing Procedures

Each department will be required to file with the Store/Warehouse its procurement plans. The stores, using the approved procurement method, will make necessary orders based on each particular procurement plan.

Whenever a department requires any goods or services the following procedure will be followed:-

- (a) The department will raise an Internal Stores Requisition Note. The Internal Stores Requisition Note will detail the goods being requested, quality, quantity and other specifications.
- (b) The Internal Stores Requisition Note will require the following approvals before submission to the Stores/Warehouse:-

Approval by the Head of Department or Unit requesting for goods;

- i. In cases of donor funded projects approval by the Head of the Research (Project Leader);
- ii. Confirmation from Budgetary Section that funds are available from the account code to be debited and from Grants Section in case of donor funded projects;
- iii. The Internal Stores Requisition will then be sent to Audit for pre-auditing before it is presented to the Stores/Warehouse for issue of goods;
- iv. Once the goods have been issued the stores personnel will post the relevant Bin Cards and then send a copy of the Internal Stores Requisition Note for posting in Finance Department.

8.7. Stocks and Stores Accounts

The Finance Department shall be responsible for proper accounting for stocks and stores. Departmental stores should requisition for items required by the departments. The following stores procedures shall apply:-

- (a) All requisitions for stores shall be on the prescribed Internal Stores Requisition and Issue Notes:-
- (b) All departments shall be answerable to the Finance Department for the custody and proper accounting of stocks and stores under their charge and shall implement all stores procedures;
- (c) The stores shall maintain adequate records for stock control such as Stock Control Ledger and bin cards;
- (d) All goods shall be inspected by the Inspection Committee Officers to determine compliance with quality and quantity specifications;
- (e) A delivery note signed by the storekeeper or any other authorized officer receiving goods shall accompany any invoice submitted for payment. The delivery note shall be signed at the time of delivery of goods;
- (f) A Stores Issue Note shall accompany all goods from the store;
- (g) All receipts and issues of stores must be recorded in the Stores/Ledger/Bin Cards immediately after each transaction takes place;
- (h) There shall be regular stock counts by the Storekeeper or Senior Accountant in charge. Any discrepancies between the physical stock and the bin cards shall be investigated for appropriate action;
- (i) There shall be an annual stock-taking at the end of every financial year, the result shall be incorporated in the annual accounts. An independent officer together with the Internal Auditor shall attend and participate in the annual stock-taking.

8.8. Other Rules to Note on Public Procurement Rules and Regulations

- (a) Public Procurement records must be kept for a period of 6 years from the date any procurement proceedings has been concluded or as per donor regulations for donor-funded projects.
- (b) Record of proceedings can be made available to participating candidates who participated but information given should be restricted to summaries.

9. CHAPTER 7: INCOME

The main source of income for the East African Christian college is capitation from the University Founder(Anglican Church of Rwanda). Other income includes tuition and other fees, research grants and donations, and income from Income Generating Units (I.G.U.s).

All income received must be receipted on the official East African Christian college receipts.

9.1 Cash Collections

- (a) All cash revenue received shall be banked intact and promptly.
- (b) Tuition and other fees shall only be received in form of bank slips, banker's cheques or through credit transfers.
- (c) Collection in form of cash should be discouraged except in circumstances where collection in this form is inevitable.

- (d) Payments out of cash collection are strictly prohibited.
- (e) Encashment of personal cheques shall not be allowed.
- (f) The receiving cashier shall at all times maintain only one receipt book, which must be surrendered before obtaining another one.
- (g) There will be regular random checks by section heads on all receipt books in use by cashiers.
- (h) There shall be a register for all official receipt books maintained by Audit Department.
- (i) Regular checks shall be carried out by internal auditors on all receipt books in use by cashiers.
- (j) Where manual receipts are issued the receiving cashier shall at all times maintain only one receipt book which must be surrendered before obtaining another one. Same as the cases of manual system, electronic receipts shall be accounted for.
- (k) There shall be daily checks by Section Heads on all revenue collected by cashiers.
- (l) Internal Audit shall carry out regular checks on all aspects of revenue collection.
- (m) Director of Finance and Administration and Chief Accountant/Internal Auditor, shall regularly check the receipts registers and cash books as to the accuracy of posting and banking on a daily basis. Any shortages or surplus shall be investigated and necessary action taken.
- (n) An up-to-date cash book shall be maintained at all times.

Where revenue is received through banking in slip, it shall be the duty of receiving officer to ensure the slip is genuine before issuing the receipt.

Where revenue is received through direct credits to the bank, the receiving officer shall ensure that,

- i. The bank statements are checked daily for such credits.
- ii. Shall ensure that the remitter is identified and is issued with a receipt in acknowledgement.
- iii. Correct beneficiary is identified and official records updated.

9.2 Safes and Cash Boxes

- (a) All cash including cheques shall be kept in cash boxes or safes depending on the value and risk.
- (b) The safebox shall have at least two different locks, which shall be kept by two senior officers.

9.3 Loss of Accountable Documents

Any loss of accountable documents shall be reported immediately to the Chief Security Officer, Finance Officer, or the Director of Finance and Administration and, if need be, especially where there is loss of money, the police. The investigations will be carried out by the police, security and Internal Audit Department.

9.4 Debtors Ledger

There shall be a debtors control section in each finance office. The Senior Accountant, Bursar or Accountant (including SMUs) shall ensure that an up to date debtor's ledger is maintained and regularly reconciled.

9.5 Credit Control

The University shall institute a credit control system within the finance office for effective debt management. The credit control office shall operate independently and ensure prompt recovery of all University debts. Any unrecoverable debts shall be referred to the legal office for effecting the process of litigation.

9.6 Cash Survey

For the purpose of preparing final accounts cash survey shall be conducted at the beginning of each financial year before commencement of normal business.

9.7 Blank and Paid Cheques

- (a) All blank cheques shall be kept under lock and key and shall be under the custody of a Director of Finance & Administration, Chief Accountant or any other designated officer.
- (b) An up-to-date register indicating all receipts and issues of blank cheques shall be maintained by the custodian of such cheques.
- (c) Collection of blank cheques from the bank shall be done by two senior officials one of whom must be a signatory of the bank account.
- (d) All issues of blank cheques to the cashiers/accountants shall be recorded in the blank cheques register, and acknowledged by the person collecting them.
- (e) Paid cheques files shall be maintained by the Chief Accountant/College Bursar, or any other designated officer of the University.

9.8 Dishonoured Cheques

- (a) A register for dishonoured cheques shall be maintained.
- (b) When a cheque is dishonoured, the cash book shall be credited immediately and other necessary entries effected.
- (c) The drawer(s) of dishonoured cheque(s) shall be informed for immediate cash replacement.
- (d) Dishonoured cheques shall be referred to the credit control department for recovery.
- (e) Any unrecoverable debts shall be referred to the legal officer for effecting the process of litigation.
- (f) All costs, including bank charges, associated with replacement of a dishonoured cheque shall be borne by the drawer.

9.9 Bank Accounts

- (a) There shall be a committee for vetting requests for opening new bank accounts which shall make recommendations to the Accounting Officer of the University. This shall apply to the mainstream University, its subsidiaries and projects. The committee shall comprise the

Procurement director, the Director of Finance and Administration, the relevant Head of Department/Unit and any other officer(s) appointed by the Principal. Bank accounts shall only be opened with the approval of the Principal.

- (b) The signatories of the University bank accounts shall be
- ❖ The Principal,
 - ❖ Deputy Principal(Administration & Finance),
 - ❖ Deputy Vice- Chancellor(Academic Affairs),
 - ❖ Administration Registrar,
 - ❖ The Director of Finance & Administration. (Mandatory)
 - ❖ Director of Human Resources (Approvals ONLY) for Wages and Salaries

In all cases the signature of the Director of Finance and Administration or his Deputy shall be mandatory.

- (c) The Finance Officer, Deputy Director of Finance and College Bursars shall maintain records of all bank accounts opened in their areas of operation. In all cases the Finance Officer shall have administrative authority over the management of those accounts.
- (d) Bank statements and credit/debit advices shall be collected from the bank by an officer other than the cashier on daily basis.
- (e) Scrutiny of the entries in the bank statements shall be carried out daily where possible by a Senior Accountant, Accountant (including SMUs) or College Bursar immediately upon receipt of the statements and investigations shall be instituted on any suspicious entries
- (f) Preparation of bank reconciliations shall be done by Designated Officers and shall be checked by Senior Accountants/College Bursars. The Internal Auditors shall independently check the bank reconciliations.
- (g) Bank reconciliations shall be prepared on a monthly basis, and copies shall be distributed to Finance Officer.

9.10. Accounting for Income

The Income Section and all sections dealing with collection of revenue shall process Credit Voucher (CV's) showing a summary of each day's collections and ensure they are posted into accounting system.

9.11. Security Precautions

There shall be at all times adequate security arrangements in respect of East African Christian college property including cash in hand. This may, where necessary, include securing the services of Rwanda Police or a competent insured security firm to assist the regular internal security personnel.

10. CHAPTER 8: STUDENTS FINANCE

Every person who wishes to be registered as a student for a degree, diploma, certificate or other award of the East African Christian college shall pay the University registration fees, tuition fees and such other fees as the council may from time to time determine.

10.1 Collection of Fees

(a) The responsibility for the actual collection of fees rests with the Director of Finance and Administration.

Director of Finance and Administration will ensure that all fees due are fully collected and accounted for.

The Deputy Vice Chancellor Academic Affairs, Deans, Directors of Schools and Institutes and Head of Departments should ensure that no student gets service by attending classes or taking exams when they have not paid the fees due. To fulfil this requirement, they are at liberty to mobilize the resources and staff that work under them. It is irregular for any member of staff to teach or offer any other services to any student who has not paid.

(b) The University shall have the right to withhold:-

- i. Registration for courses;
- ii. Attendance of classes;
- iii. Sitting examinations;
- iv. Release of examination results; and
- v. Conferment of any degree, certificate or award, until any outstanding fees are settled.

(c) All tuition and other fees payable by or in respect of students shall be paid into respective college fees account, and any other office having such responsibility. College Bursars shall deal with all students finance matters in their respective colleges.

10.2 Postgraduate Students

Postgraduate students' financial records shall specifically be maintained by the Students Finance Section. Postgraduate students are either sponsored by East African Christian college or by other sponsors.

(a) East African Christian college Sponsored Postgraduate Students

Any student awarded the East African Christian college scholarship shall upon acceptance of such scholarship be entitled to disbursements of allowances as stipulated in the Scholarship Award Letter, and as per the following conditions:-

- i. First year students shall be paid their stipend on the strength of East African Christian college scholarship award letters, together with the staff movement advices from the relevant departments.

- ii. A student's stipend shall be stopped when a Staff Movement Advice is received from the Department/Board of Postgraduate Studies that the student is absent from classes.
- iii. Students shall be paid book and research allowances which shall be accounted for in accordance with University advance accounting procedures, and no advances shall be allowed unless previous ones have been accounted for.
- iv. East African Christian college sponsored students shall pay non-tuition items to EACC Fees Collection Account.
- v. East African Christian college sponsored students shall be paid second year stipend and other allowances on condition:
 - a. That scholarship has been renewed;
 - b. That they have paid non-tuition items for second year.

(b) Privately Sponsored Students

- i. Privately sponsored students shall pay University fees to EACC fees Account.
- ii. (ii) The Students Finance/Colleges shall provide periodic reports on fees collection to the Finance Officer.
- iii. Privately sponsored students shall be paid stipend, research and book allowances when:-
 - a. The allowances have been remitted to the University;
 - b. The letters of sponsorship clearly specify the entitlements.
- (iii) The allowances shall be stopped:-
 - (a) When the department issues a Staff Movement Advice;
 - (b) When the funds for stipend, research and books are fully utilized.

10.3 Undergraduate Students Fees

- (i) All undergraduate students shall be required to pay tuition, examination, medical and other fees at their respective College Bursars' offices by banker's cheques or direct deposit to the fees collection bank accounts.
- (ii) Bursars/SMU Accountants shall provide monthly returns regarding fees & accommodation fees to the Finance Officer.

10.4 Refunds

Fees refunds are made as per the East African Christian college policy as follows:-

- i. When students have cleared and graduated and any excess fees originates from the students.
- ii. Excess fees arising from bursaries, donations, and Sponsor are paid back to source.
- iii. Excess fees for students may be considered for transfer to the bookshop or next academic semester/year.

11. CHAPTER 9: FIXED ASSETS AND INSURANCE

11.1 Fixed Assets Register

(a) A computerized Fixed Assets Register shall be maintained by the Director of Finance & Administration, Internal Auditors and College Bursars. Additions to the fixed assets during the year shall include purchased and donated items and shall be recorded in the register.

(b) Adequate disclosure as to the nature of the assets, the costs, proper description and conditions shall be indicated.

(c) For fixed assets disposed of the related costs and accumulated depreciation shall be dealt with appropriately in the annual accounts and in the fixed assets register.

11.2

Each office shall keep and maintain at all times an inventory of all assets therein.

11.3. Identification of Fixed Assets

All items of fixed assets shall be given an identification number, which shall be marked on them. The computerized register shall be up dated with numbers of new items.

11.4. Custody of Certificates for Fixed Assets

All title documents in respect to fixed assets of the University shall be kept in custody of a University appointed custodian. The custodian, which shall be one of the University banks, shall be appointed by the University Board.

11.5. Service contracts for Fixed Assets

Certain items of fixed assets shall require to be on annual service contracts. Service contracts proposals shall be submitted to the University Legal Officer for legal advice before the contract is entered into. The Deputy Vice- Chancellor (A&F), in case of Central Administration, and Principals of Colleges shall sign the contracts.

11.6. Work-in-Progress

The Heads of user departments shall duly certify documents for payment. Uncompleted works in respect of construction shall normally be included in the annual accounts as work-in- progress. A schedule/statement of work-in-progress as per the professional certificates shall be prepared by Finance Department at the end of each financial year. This shall cover all the ongoing capital projects.

11.7. Insurance of Assets

It is the East African Christian college policy to insure its assets inclusive of motor vehicles, buildings, equipment and cash in transit. All insurance covers shall be awarded through the East

African Christian college tender system. For the time being insurance matters are dealt with centrally.

11.8. Insurance Covers

(a) Motor Vehicle Insurance

All East African Christian college motor vehicles shall have comprehensive insurance covers. In all cases the insurance cover shall be renewed promptly on expiry.

(b) Life Assurance Cover for all University Employees

There shall be an insurance cover for all University employees who meet death or accident while on official duty. The methods and rates of compensation applied shall be as per the insurance policy.

(c) Other Insurance Covers shall include:-

- i. Fidelity Insurance Cover;
- ii. Public Liability;
- iii. Employees;
- iv. Fire & Burglary.

11.9. Management of Insurance Policies

The Chief Accountant shall be responsible for:-

- i. Proper maintenance of insurance records;
- ii. Custody of insurance policies and other insurance documents;
- iii. Evaluation of insurance requirements and submission of the same to the secretary of the tender committee.
- iv. Processing and remittance of insurance premiums as per policy;
- v. Follow-up of outstanding insurance claims.

11.10. Insurance Claims

Where a loss occurs which is likely to lead to an insurance claim the user department shall promptly report not later than 24 hours to the Senior Accountant, Capital Section.

The Senior Accountant shall promptly report the loss to the insurance company within 48 hours from the occurrence of event

12. CHAPTER 10: LOSSES, WRITE OFFS AND DISPOSALS

12.1. Losses

Losses refer to:-

- (a) Loss of finances, e.g cash, cheques, government securities, investment certificates and precious metals such as gold;
- (b) Loss of other assets such as equipment (e.g computers, typewriters, furniture and fittings);
- (c) Theft of stores and other items;
- (d) Loss of vehicles, plant and machinery due to theft;
- (e) Damage to movable and immovable property excluding normal wear and tear;
- (f) Loss of monies due to non-collection;
- (g) Payments and compensations to third parties arising from vehicle and other accidents, litigation claims, professional fees and fines to the extent that these are not recoverable from the insurers or other third parties.
- (h) Unauthorized use of stores, vehicles, buildings, equipment or other property;
- (i) All other losses including those due to rapid obsolescence of equipment and inventories;
- (j) Payments made or liabilities incurred without or in excess of any statutory, administrative, or any other authority, and similar payments arising from incorrect certificates, and irregular or excess issues of stores or rations.

12.2. Reporting of Losses

When a loss is discovered a report shall be made to the Chairman/Head of Department with copies to the Deputy Principal (A&F), Director of Finance and Administration and the Chief Security Officer.

In all cases an investigation will be instituted by the relevant investigating body, e.g Internal Audit, and the Security Section where necessary. In the case of Colleges the report shall be made to the College Principal and in Central Administration to Deputy Principal (A&F).

12.3. Write Offs

Write-offs refer to approval to charge losses to the respective expenditure votes. The write-offs shall be incorporated in the financial statements. No write-offs shall be made except with the approval of the East African Christian college Board.

12.4. Disposal

- (a) Disposal refers to sale or discarding of obsolete, damaged or otherwise unserviceable items which are no longer required by the University.
- (b) Departments shall identify assets belonging to this category and seek authority from Deputy Principal (A&F) for disposal. Where authority is granted, the Deputy Vice- Chancellor (A&F) shall constitute a disposal committee which shall include external experts where necessary, a representative from the user-department, Internal Audit and Finance Department.

- (c) For consumables or perishable items, the Chairman/Head of Department in consultation with finance and audit, shall decide the most appropriate disposal action. Technical personnel may be invited where necessary.
- (d) All other immovable property of the University shall not be sold or otherwise disposed of without the authority of the East African Christian college Board of Directors.

12.5. Disposal of Accountable Documents

Accounting records and other accountable documents may be disposed of after six years from the date of issue or after a longer period as the East African Christian college may deem necessary. However soft copies may be retained as long as technology allows.

13. CHAPTER 11: INVESTMENT OF FUNDS

The East African Christian college Strategic Plan, Section XXXX, provides that:-

- (1) A East African Christian college may invest any of its funds in securities in which for the time being trustees may by law invest in trust funds, or in any other securities which the Treasury or any other authorized body may, from time to time, approve for that purpose.
- (2) A East African Christian college may, subject to the approval of the Treasury or any other authorized body, place on deposit with such bank or banks as the East African Christian college may determine, any monies not immediately required for the purposes of the university.

Whenever such funds are available for investment the University may consider the Most reliable and viable investment options as follows:-

- (a) Financial institutions;
- (b) Government securities;
- (c) Public quoted companies.
- (3) There shall be an investment committee constituted by the Principal to develop and determine policy and operational guidelines with respect to investments for execution by the Finance Office. Investment funds shall include those of Projects, IGUs and other subsidiaries, Colleges, Students Guild, and Bookshop.

13.1 Factors to be considered before Investment is placed

- (a) Stability of the firms;
- (b) University's past experience with the institution.
- (c) Rates of interest prevailing in the market;
- (d) The amount of the surplus being invested;
- (e) Accessibility to the funds, when required.

13.2 Accounting for Investments

- (a) Every investment shall have its own records;

- (b) An up-to-date investment register shall be maintained;
- (c) The investment certificates shall be under lock and key;
- (d) Regular follow up of investments shall be done so as to re-invest or recall the investment when due.
- (e) Proper accounts shall be maintained for the investments.

13.3 Investment Losses

- (a) Where investments are irrecoverable the same shall be referred to the credit controller for follow-up. However where litigation is necessary the matter shall be forwarded to the Legal Office.
- (b) Where losses are incurred through investments, necessary provision shall be made in the accounts.

14. CHAPTER 12: SUBSIDIARY COMPANIES

The East African Christian college may incorporate subsidiary companies. The University shall exercise control over partially or wholly owned companies in pursuance of its objectives to ensure preservation and enhancement of its investments.

As separate legal entities, these companies shall draw their mandates from the companies Act, and their memorandum and articles of association in pursuance of the objectives for which they are set by the University. Subsidiary companies shall be run by boards of directors appointed by the university Council. Financial Regulations applicable to subsidiary companies shall be in compliance with the East African Christian college Financial Regulations. In particular, regulations in respect of:-

- Capital Development
- Investment
- Procurement

Shall be in accordance with the East African Christian college Statutes, the East African Christian college Strategic Plan, the procurement and disposal policy and any other statutory guidelines as issued from time to time.

Revenues, income, fees, accruals and all other receivable accruing to the subsidiary companies shall be subjected to the procedures outlined in Chapter 7 of the Financial Regulations.

All other expenditure incurred by the subsidiary companies shall be in accordance with Chapter 5 of these regulations.

14. FINANCIAL PROCEDURES MANUAL

14.1. INTRODUCTION

The East African Christian college as a University exists for one primary reason; to fulfil its Mission and Vision. The University shall seek to identify needs and resources to fill those needs, and bringing these two together.

Because of the responsibility East African Christian college has assumed, it is necessary to document that it has used the resources in a manner that is both prudent and effective. Further, it must be able to show that all requirements imposed by the client/investor have been met. The effectiveness of East African Christian college's programs is proven by the lives that are influenced. The evidence of East African Christian college's prudence and compliance may be less obvious, but is no less important in protecting East African Christian college's reputation. One crucial mechanism by which this evidence is achieved is through the accounting and reporting process.

Investors & Promoters appreciate, and in many cases require, a reporting of the use to which funds and resources have been made. However, the value of those reports is directly affected by the confidence that can be placed in them. In order to create this confidence, East African Christian college must be able to demonstrate that the reports are based on reliable and complete information. Additionally, East African Christian college must be able to show that it has provided the proper stewardship over those resources while it has been responsible for them. In order to assure itself and others of these things, East African Christian college must institute internal controls over the acquisition, use, and accounting for resources. All accounting and financial activities should be transparent and, ultimately, traceable to fulfilling this need for control.

Accounting is the art of measuring, communicating, and interpreting financial activity. Whether one is preparing an investment budget, writing a progress report, or running a University office, one is working with accounting concepts and accounting information. The underlying purpose of accounting is to provide financial information about an economic entity. The financial information provided by an accounting system is needed by managerial decision makers to help them plan and control the activities of the University or investment. Financial information is also needed by outsiders - investors, board members, interested lay people who have supplied the funds or have some other interest in the University's activity that will be served by information about its financial position and operating results.

East African Christian college has a **separate set of accounting records for each investment**³. The University Office also has its own set of accounting records called the "Administration

³ Investments indicated in this manual are defined as those activities, which have their own proposal and funding, but the University's Finance & Administration office Unit does administration and accounting. If an investment is big enough to have its own management, separate from management by Head office, this manual does not cover such an investment. Instead, this manual should be adjusted to fit the operation of such self-managed investments.

Ledger.” In this manual the word Investment applies to administration ledger too, unless specified. For example the accounting forms and vouchers are designed to be used for both investments and for the Administration Ledger. The form and/or voucher are identified when the name of an investment is written on the form. If it is used for the Administration Ledger the word “administration” is written on the “investment name” line. If it is used for a particular investment, the name of that particular investment is written.

This manual should also be applied in the case of micro-investments, even though all micro-investments may be accounted for in one ledger. The specific micro-investment name is stated after the title “micro-investment” in all financial documents to account for each of the micro-investments in the Micro-investment Ledger.

The official computerized accounting system is Quickbooks accounting program. However, when the Finance office see fit, it would use other accounting programs, spreadsheet to supplement the Quickbooks system.

14.2. CASH AND BANK ACCOUNT MANAGEMENT

14.2.1. Petty Cash

Establishment of petty cash fund

POLICY

All petty cash funds shall be established based upon projected needs for a determined period of time, properly approved and maintained intact and independent of each other.

APPLICATION

Rules:

- East African Christian college Administration shall establish one petty cash fund in Rwandese Francs.
- The amounts provided for the petty cash fund shall be established by the Finance Director and presented to University Board for approval. The petty cash shall be based upon the projected needs for a period of one month of activities.
- The fixed amount and any subsequent changes in the set amount of petty cash funds shall be ratified by an action of the East African Christian college Board.

14.2.2. Cash Receipts

POLICY

All cash received shall be accurately and appropriately documented.

APPLICATION

Rules:

- Pre-numbered receipts (Appendix 9) shall be used for all cash and cheques received.
- Cash received will be receipted into the cash control safe box.
- Cash deposited into the cash control safe box shall be re-deposited in the bank within two days upon receipting.

Procedures:

- The cash funds are receipted into Cash Control by the cashier/accountant.

- The cashier/accountant shall issue a signed receipt using a bound pre-numbered receipt book in duplicate. The original copy of the receipt shall be given to the payee, the photocopy attached to the deposit slip, and the duplicate retained in the receipt book.
- When the cash is deposited into the bank, the banks deposit slip is given to the accountant for posting.

14.2.3. Cash Security

POLICY

Because of the high risks associated with the use of cash, cash transactions should be limited and appropriate security measures taken.

APPLICATION

Rules:

- For all transactions involving cash, the following measures must be followed:
 - ❖ For all bank withdrawals or deposits above 1,000,000 Rwandese Francs, the cashier must be accompanied at all times by another authorized East African Christian college personnel.
 - ❖ Cash payments are discouraged at all times. The preferred mode of payment is by cheque.
 - ❖ The timing of bank visits must be kept confidential
 - ❖ The timing of visits to the bank are to be non-routine
 - ❖ For the replenishment of the petty cash, cheques should be written to the cashier

14.2.4. Bank Accounts

General policy

Funds are held in reputable and reliable banking institutions and managed in a responsible and secure manner.

14.2.5. Opening, Closing and Suspension of Bank Accounts

POLICY

All opening and closing of bank accounts shall be authorized by Board action. The action by the Board or the Board Committee must include:

1. Name and address of Bank
2. Name of Bank Account (identifying EACC and specific investment/Account purpose)
3. Purpose of Bank Account (or purpose of closure)
4. Currency
5. Approved signatories
6. Conditions for transactions

APPLICATION

Rule:

- Separate bank accounts shall be maintained for Administration, allocated funds, and each Investment over the amount of Rwf 15,000,000.00 and having implementation duration of more than 6 months. Investment with duration of less than 6 months and total funding of less than Rwf 15,000,000.00 will be operated in Admin.
- Fund systems are regularly reviewed.

- Cheque books are to be kept in the safe at all times.
- No pre-signing of cheques. *It is strictly prohibited to pre-sign (sign a blank cheque). Where the primary signatories (as determined in a General Meeting) are on travel for an extended period of time, arrangement should be made with other signatories (such as the Approved Signatories); and such arrangement should be recorded specifying the period of time.*

Procedure:

- Investigation and comparisons of various banks and banking options such as services, interest, access to funds, guarantees is made before opening a bank account.

14.2.6. Bank Disbursements

POLICY

All bank disbursements shall be authorized according to thresholds set by the Board.

Authorized individuals shall carry no incompatible responsibilities which could create a conflict of interest or present an opportunity to circumvent controls.

APPLICATION

Rules:

- East African Christian college requires three signatures on every cheques or bank transfer disbursement transaction.
- The order of preference for the signature of the cheques for Administration is as follows:
 1. Director of Finance & Administration - Mandatory
 2. Principal - Mandatory
 3. Promoter/ Board Director – Alternative
 4. Approved signatories- Alternative
- The order of preference for the signature of the cheques in Investments are as follows:
 1. Director of Finance & Administration - Mandatory
 2. Principal - Mandatory
 3. Promoter/ Board Director - Mandatory
 4. Approved signatories- Alternative as designated by Board of Directors
- Under no circumstances should the holders of the above offices make plans which will result in all available signatories being absent at the same time. Upon the return of the primary/mandatory signatory all cheques signed by the alternative shall be reviewed to ensure proper handling, and to enable the primary signatory to become aware of the transactions occurring in his/her absence. This review should be documented by counter-signing the Cheque/Bank Transfer Voucher attesting to the review.
- Pre-signing of blank cheques and other documents involving disbursement of funds is prohibited.
- Cheques and bank transfers are to be considered only partial evidence of the propriety of a disbursement; they shall always ultimately have the same degree of documentation described in the petty cash disbursement section.
- All bank signatories shall sign a Conflict of Interest Statement at the beginning of every financial year.
- Cheque books and other important banking documents are to be maintained in the safe.

Procedures:

- ❖ A Cheque/Bank Transfer Voucher form (Appendix 10) shall be prepared for all cheques and bank transfers.
- ❖ The Cheque/Bank Transfer Voucher shall then be approved by the authorized person according to the authorization threshold (please refer to Purchase Authorization; Appendix of East African Christian college Procurement Manual) set by the Board. The review and authorization should include examining the transaction in light of the availability of funds relative to both cash flow and budget.
- ❖ All available supporting documentation shall accompany the request. If at the time the cheque is required the documentation is not available, the request will be filed in a pending file for follow-up. All documentation shall be obtained and attached to the cheque request within a week of submission.

Cheque Preparation/Bank Transfer

- ❖ Once the above procedure is complete, the cashier/accountant/manager shall prepare the cheque/bank transfer.
- ❖ The completed cheque and Cheque/Bank Transfer Voucher shall then be forwarded to the designated signatory, along with all of the supporting documents.
- ❖ After a final review to ensure that the documentation is complete, the cheque is signed.
- ❖ The signature on the cheque will be considered attestation that the signatory has performed the steps described above.
- ❖ All prepared and signed cheques must be written with a carbon paper so that the detail of the written cheque is copied onto the top portion of the Cheque/Bank Transfer Voucher including signatures.
- ❖ The signed cheque shall then be transmitted through appropriate channels to the payee.
- ❖ When such cheques are prepared for individuals, upon receipt of the cheque the payee shall sign an acknowledgement on the invoice or voucher that he/she has received the cheque or submit a receipt.
- ❖ All documentation is then forwarded to accounting for processing as described below.
- ❖ For bank transfers, a copy of the bank transfer request to the bank should be attached to the Cheque/Bank Transfer Voucher.
- ❖ Once the cheque has been issued, it shall be monitored until it has cleared the bank and been satisfactorily accounted for. This step will be done in conjunction with the bank reconciliation procedures described below.

Accounting for disbursements

- ❖ Once a Check/Bank Transfer Voucher has been generated and supported by appropriate documentation, it is to be forwarded to the accountant for posting.
- ❖ The accountant will accumulate the disbursement documents and batch them for posting in an efficient manner.
- ❖ After the Check/Bank Transfer Vouchers have been posted, they shall be filed in numeric order, with all appropriate documentation attached. In cases where the original documentation may by necessity be filed elsewhere, (for example, legal documents

required to be kept in a secure location) a copy of the documentation may be prepared, and a notation attached describing where the original is located.

14.2.7. Bank Reconciliation

POLICY

A bank reconciliation of all bank accounts shall be performed monthly.

APPLICATION

Rule:

- The bank reconciliation shall be prepared within a week of receiving the bank statement.

Procedures:

- The bank reconciliation shall be performed by the Accountants and reviewed by the Director of Finance & Administration using a Reconciliation form (Appendix 11) and signed by both (evidenced).
- The Director of Finance & Administration shall investigate all discrepancies. Any errors on the part of the bank are to be communicated to them immediately and the resolution of those errors shall be documented.
- If questionable activity is identified, the DVC Administration & Finance shall be notified, and informed when resolution of the question is made.
- The Accountant shall prepare a voucher to record all necessary adjustments indicated on the bank reconciliation.
- The Director of Finance & Administration will review the voucher and shall sign it.

14.3. ACCOUNTS RECEIVABLE AND PAYABLE

POLICY

To ensure proper cash flow management, accounts receivable and accounts payable shall be as limited as possible.

Accounts receivable and accounts payable shall be reconciled at the end of every month and appropriate measures taken to have them settled on a timely manner.

APPLICATION

Rules:

Personnel accounts receivable/payable

- ❖ Requests for personal advances or loans are NOT allowed. A personal advance may ONLY be granted to employees and on an emergency basis. The advance MUST be cleared before month end. If the advance is not cleared by month end, it shall be deducted from employee's payroll.
- ❖ Advances made by cash or by check are subject to the same authorization procedures as all other cash and check disbursements.
- ❖ Receivables shall be settled upon submission of an Expense Report with supporting documents adequate to justify the expenditure.
- ❖ Review, settlement and reconciliation of personal accounts shall be performed on a monthly basis.

Investment and Inter-entity accounts receivable/payable

- ❖ Any advances or loans from East African Christian college funds for other matters than its operations are strictly prohibited.
- ❖ For transactions between Administration and other investments/entities, direct settlement is done every month.
- ❖ Inter-entity reconciliations are to be performed monthly by the Senior Accountant and settled as soon as possible. All reconciliations are reviewed and approved by the Director of Finance & Administration.
- ❖ Outstanding items shall be dealt promptly with necessary communications conducted by the Director of Finance & Administration.

14.4.ACCOUNTING

General Policy

East African Christian college accounting shall be done on an accrual basis (income is recognized in the period in which it is earned and expenses in the period in which the benefit of the cost is received).

Generally Accepted Accounting Principles (GAAP) shall be applied to both administration and investment accounting.

14.4.1. Posting

POLICY

All vouchers shall be posted in a timely manner and shall have a unique identifying number assigned consecutively and based on the nature of the transaction.

APPLICATION

Procedures:

- As transaction documents are accumulated, they shall be batched according to the type of transaction involved. All vouchers shall be reviewed by the Director of Finance & Administration to ensure that all necessary documentation is attached.
- All documents are to be posted consecutively and have a unique identifying number.
- After posting, all vouchers and supporting documents shall be stamped “**POSTED**” to avoid reuse.
- After posting, all incomplete vouchers shall be filed in a pending file, which is to be reviewed and completed, if possible, daily. Only after all documentation has been obtained and attached shall the voucher be filed.

14.4.2. Filing

POLICY

All vouchers and supporting documents shall be filed in a timely manner and in a way that they can easily be retrieved and accessed.

APPLICATION

Procedures:

- After all posting has been completed, all documentation shall be filed in an organized manner. Each voucher shall be filed numerically based on their assigned reference number.
- Reconciliations for banks and other entities shall be filed in an organized manner.
- In the course of processing the accounting, a variety of reconciliations will have been prepared. These reconciliations shall be filed at the end of every month.

14.4.3.Backup Process

POLICY

All accounting files shall be regularly backed up and the backups stored in a secure location.

APPLICATION

Procedures:

- The Accountant and/or the senior accountant shall perform a daily and monthly backup of all accounting files both on hard drive and on a CD Rom.
- The backups shall be checked and the CD ROMs be deposited in the office safe.
- One monthly back-up CD ROM shall be kept off site.
- All receipts and vouchers shall be scanned and soft copy backup copies kept safely.

14.4.4. Closing the books

POLICY

All accounting books shall be closed in a timely manner each month.

APPLICATION

Rules:

- The closing of the accounting books shall be done by the 20th of every month.

Procedures:

- When the financial statements, journals and other related financial statements have been printed and the backup has been performed, the Accountant shall close the books.

14.5. FOREIGN Exchange

- The common currency used in East African Christian college is Rwandese Francs. Bank accounts are to be maintained in Rwandese Francs and in the investor recommended currency per investment
- Disbursements made in US Dollars shall be converted to Rwandese Francs at the actual adjusted value rate established each time US Dollars are transferred into the Rwandese Francs checking account provided it is in accordance with investor foreign exchange regulations and/or *GAAP*.
- When receiving debit and credit memos from other inter-organizations the approved monthly fixed rates of exchange published by the Board (rate fixed by the Board and updated on Quarterly basis) shall be used.
- Current rate transactions (official published exchange rates) will be used for the following types of transactions:
 - Sale and purchase of currencies.
 - Deposits received from or cash advances to employees while outside of the Country in which they reside.
 - Reporting travel expenses when incurred in currency other than that in which the employee is paid.
 - Any other transaction not specifically covered elsewhere in this policy.

14.6. REPORTING

POLICY

A complete set of financial statements, including a balance sheet, schedules, an income and expense statement and a trial balance, shall be printed at the end of every month and distributed to the University Finance office and investment management in a timely manner.

Financial statements shall be submitted to the EACC Board and to investors as required.

APPLICATION

Rules:

- Copies of the financial statements are to be submitted by the DVC Finance & Administration and Vice Chancellor for presentation to the Board.
- *Monthly financial reports shall be presented to the BOARD and reviewed.*

14.7. AUDITS

POLICY

All Administration accounting books shall be audited once a year. Investment accounting books shall be audited at least once before the end of the investment or once a year.

The Principal in consultation EACC Board will respond to the management letter and the response shall be submitted to the auditor on a timely manner and appropriate measures should be taken to implement the recommendations of the audit report.

APPLICATION

Rules:

- All accounting work shall be performed in a manner sufficient to satisfy an audit that might be performed at any time.
- It is the responsibility of the Director of Finance & Administration to ensure that this standard is being met.
- When audits are scheduled the Director of Finance & Administration shall take steps to ensure that all accounting personnel are available to assist in that audit.
- *Audit report(s) shall be reviewed by Director of Finance & Administration before presentation to the Vice Chancellor and subsequently the Board. Audit recommendations shall be implemented. The Director of Finance & Administration shall oversee resolution of audit findings and implementation of audit recommendations.*

14.8. INVESTMENTS

POLICY

East African Christian college shall invest its assets in a manner which is consistent with East African Christian college 's mission and the ethical norms and beliefs as stipulated in the Code of Ethics & values governing the East African Christian college .⁴

⁴ Refer to the Mission & Vision statement of the East African Christian college : EACU Strategic Plan 2013-2018

Investments should be well-diversified to avoid undue exposure to any Single Company, economy, currency, economic sector, industry group or individual security.

14.9. BUDGETING

POLICY

A yearly Administration operating budget and capital expenditure budget shall be prepared by using a participatory approach and shall be approved by the Board.

APPLICATION

Rules:

- The budgets should be used as a yardstick to determine how close to the financial plan the activity is operating, and to provide warnings when financial activities are not functioning as anticipated.
- The Principal in liaison with the different department heads shall coordinate the development of the yearly operating and capital expenditure budgets.
- The budgets shall be finalized for submission to the Board by the beginning of December of each year.
- The budgets shall be prepared in Rwandese Francs and the exchange rate to be used shall be the average rate published by the Board during the quarter.

Procedures:

- At least one month prior to the deadline for the finalization of the budgets, the Heads of Departments shall meet with the DVC-F&A, DAF, & DVC-AA to develop a preliminary operating and capital expenditure budget based on the strategic plan, and the previous years costs.
- The preliminary budget shall then be submitted to the Principal and feedback requested.
- The Principal shall then finalize the budget and submit it to the Board who will make the final approval.

14.10. PERMENT FILES/ REGULATIONS

POLICY

In addition to the accounting records East African Christian college shall maintain permanent files of documents that shall at a minimum include the following:

- Original copy of the Certificate of Registration/ of the East African Christian college / SMU/College with the Government
- Copy of the Company Labor Legislation and Tax Legislation
- Copies of all investment proposals, budgets, signed agreements with the investors and investor regulations
- Original copy of all Investors, BOARD, and other committee minutes, complete and filed consecutively, with all necessary supporting documentation included
- Complete employee files including Social Security Files
- Updated equipment and asset registers
- Complete, current editions of East African Christian college policies and procedures manual

14.11. ASSET MANAGEMENT

14.11.1. Asset Management And Safeguarding

POLICY

All assets and equipment shall be properly managed and safeguarded. It shall consist of the following responsibilities:

- Maintaining a register with a full inventory of all vehicles, major equipment and property resources.
- Ensuring that all assets are properly labeled in order to link the asset with the appropriate register and accounting documents.
- Performing regular periodic inventories of assets, recording their location and their condition.
- Ensuring that proper systems are set up for tracking major supplies and their use.
- Obtaining all necessary permits, licensing, and other legal documentation necessary to legally own and operate resources by the University.
- Maintaining all vehicles and equipment in a condition sufficient to efficiently perform their necessary functions.

APPLICATION

Rules:

- The responsibility for maintaining and safeguarding the resources of East African Christian college is assigned to the DVC-F&A, DVC-AA, Director of Finance & Administration for Administration and to the A for investments.

14.11.2. Capitalization policy

14.11.2.1. Asset Register

POLICY

All equipments purchased for more than \$500.00 or its equivalent in local currency and having a useful life of more than 1 year shall be recorded as fixed assets unless restricted otherwise by the investor. All other equipment shall be expensed in the year they were purchased.

Fixed assets shall be recorded in a Fixed Asset Register at historical costs. The asset register shall be sufficiently detailed to provide a history of all purchases until they have been disposed of. These details shall include at a minimum: the identification number, the description of the asset, the purchase date, the purchase price, the voucher number, the useful life, the location, the accumulated depreciation and the current book value.

14.11.2.2. Depreciation

POLICY

All Administration assets shall be depreciated using the straight line depreciation method.

APPLICATION

Rules:

- The period of depreciation shall depend on the type of equipment:
 - Computers : 2 years
 - Vehicles: 7 years for brand new vehicles; 5 years for reconditioned vehicles
 - Office equipment: 3 years
 - Office furniture: 5 years
- Should another period be deemed necessary, it shall be documented and authorized by the Board.
- The depreciation is posted in the accounting ledger at the end of the year.

14.11.2.3. Revaluation

POLICY

An assessment of the carrying values of the assets shall be conducted on a yearly basis to ensure that none of them are stated in excess of their recoverable amount.

APPLICATION

Rules:

- The assessment of the carrying value of the asset shall be made by comparing it to the fair market value for that asset.
- Shall there be a significant difference; the carrying value of the asset shall be revaluated by increasing or decreasing the depreciation. This revaluation shall be approved by the Board.

14.11.3. Non-Capitalized Equipment**POLICY**

All equipment purchased at a value greater than \$100 or its equivalent in local currency and having a useful life of more than 1 year shall be recorded in an Equipment Register for inventory tracking purposes.

14.11.4. Labeling**POLICY**

All items listed in the Fixed Asset Register and Equipment Register shall be appropriately labeled with EAST AFRICAN CHRISTIAN COLLEGE labels noting their identification number, location and condition.

14.11.5. Insurance**POLICY**

All capitalized assets shall be insured.

APPLICATION**Rules:**

- The adequacy of coverage shall be the responsibility of the Director of Finance & Administration .
- A list of assets covered by insurance shall be maintained and updated. The insurer shall immediately be notified of any changes.
- Assets shall be insured at replacement value.

14.11.6. Physical Inventories**POLICY**

A physical inventory of all equipment listed in the Fixed Asset Register and Equipment Register shall be performed at least once every year.

APPLICATION

Rules:

- As much as possible the inventory shall be performed by a person not having direct responsibility for the equipment.
- The record of the inventory shall be maintained with the Fixed Asset Register (Appendix 12) and Equipment Register (Appendix 13).

14.11.7.Asset Disposal

POLICY

Equipment shall remain on the asset register until it has been fully depreciated. At such time the Board shall decide whether the asset should stay in the asset register, be sold or be donated.

APPLICATION

Procedures:

Asset lost, stolen, destroyed or discarded

- ❖ If the asset is lost, stolen, destroyed, or discarded, a voucher shall be prepared to credit the asset account and charge the accumulated depreciation account for the respective balances relating to that asset as documented in the depreciation schedule.
- ❖ The offsetting remaining book value will be charged to an appropriate loss account.
- ❖ Any depreciation incurred for the year should be recognized prior to writing the asset off. In the year following recognition of the loss, the item should be removed from the register.
- ❖ In the year of disposal, a notation should be made on the Fixed Asset Register.

Asset sold

- ❖ If the asset is sold, the proceeds shall be debited to the Bank account (or an appropriate receivable if applicable), and credit to the asset and a charge to accumulated depreciation.
- ❖ The Director of Finance & Administration shall ensure that any current year depreciation has been recognized first. The difference between the net book value and the proceeds from sale shall be recognized as a gain or loss on sale of assets.
- ❖ A notation shall be made in the equipment register of the sale and the proceeds received.
- ❖ In the year following the sale, the item should be removed from the register.

15. PROCUREMENT PROCEDURES MANUAL

15.1. FOREWORD

The East African Christian college (EACC) and the University's Procurement Services Office operates its own Procurement Services Department. The goal of the Procurement Services Department is to support the educational mission of its East African Christian college by providing superior service to its faculty, staff, and students in the acquisition of goods and services while ensuring that procurement decisions are made in the best interest of the university and in compliance with applicable statutes, regulations and Board of Directors' approved policies and procedures.

15.2. PURPOSE OF THIS MANUAL

The purpose of this Procurement Manual is to set forth purchasing policies and objectives and the procedures related to the procurement process so that Board policy and procedures are adhered to. Unless otherwise noted, the use of "EACC" and/or "the Procurement Services

Department" will refer to the Procurement Services Office and the EACC campuses collectively. The word "agency" used herein shall refer generically to the Procurement Services Office and any of the EACC campuses or administrative offices.

This manual has been developed by a Maxwell Ndemo, and is subject to be reviewed by a wide constituency, including university and Procurement Services Office procurement staff, fiscal officers, and the East African Christian college management.

15.3.. GENERAL PROCEDURES

A. Purchasing Responsibility

Responsibility for the purchasing of goods and services is the sole responsibility of each Procurement Services Department. By centralizing responsibility for the acquisition of goods and services, uniform adherence to the policies and procedures set forth herein may be more readily achieved. Although individual departments may, under certain circumstances, conduct preliminary investigations into sources for new products or services, final commitments for acquisition of goods and services may be made only by the Procurement Services Department.

B. Purchase Requisitions

All requests for the purchase of goods and services must be made by submitting an authorized and approved purchase requisition to the Procurement Services Department.

Exceptions are purchases made using the approved direct purchases, and approved on-line orders. Adequate funding must be in place prior to the final issuance of a purchase order to a vendor.

C. Signature Authority

The Board identifies the EACC positions authorized to sign contracts for the acquisition of goods and services. In addition, the Vice Chancellor may authorize other staff members to sign contracts with a value of up to RwF 500,000. Such authorization must be in writing and must identify the types of documents the staff member is authorized to sign and any funding or other restrictions. A copy of the authorization must be provided to the university's Procurement Services Department. No employee not so authorized may sign a contract for the acquisition of goods or services on behalf of EACC. Rubber stamp signatures will not be accepted.

D. Unauthorized Purchases

Goods or services identified upon delivery as not related to a properly authorized purchase order or personal service agreement may be refused and/or returned to the vendor. If accepted, payment for such unauthorized purchases may be the personal responsibility of the ordering individual, including restocking fees, if applicable.

If a purchase is identified as non-conforming to procedures, or unauthorized, the end-user will be required to submit to the Procurement Services Department and his or her supervisor a written explanation of the circumstances leading to the purchase and an explanation for the lack of prior approval. The end-user's supervisor will be required to provide to the Procurement Services Department a statement of action to be taken to prevent future unauthorized purchases. Payments due the vendor will be halted and goods received will be held pending resolution. Department Heads, Deans or Directors of employees who repeatedly initiate unauthorized purchases will be made aware of the repeated offenses via a letter from the Procurement Services Department.

E. Purchases

All purchases of hardware, software and consulting services shall be made in accordance with the IT Purchasing Protocol (a copy of which is appended hereto as Appendix I). Any such purchase with a cost equal to or exceeding RwF 500,000 must first be approved by the Chief Information Officer or designee and requested via a requisition bearing the proper Banner account code.

F. Emergency Procurements

Section 6.2 (iii) of the Finance and Administration policies provides that purchases may be made without competitive bidding "whenever an emergency exists by reason of extraordinary conditions or contingencies that could not reasonably be foreseen and guarded against, or because of unusual trade or market conditions." The determination of whether such an emergency exists shall be made by the chief executive officer of the university or the System, as appropriate, or his/her designee. The existence of an emergency may preclude the use of an existing contract if the contract vendor cannot meet the emergency delivery requirements.

Each requisition for an emergency purchase shall be signed by the procurement manager and identified therein as an "emergency purchase". A written statement documenting the nature of the emergency justifying the purchase and identifying the official authorizing the purchase shall be attached to the file copy of the purchase order at the time the order is placed.

G. Requests for Information

Requests for Information ("RFI") may be used as information gathering tools to determine what is available in the marketplace or to fine-tune the scope of a future project. The RFI must be posted on ALL university Notice Boards and all responses shall remain sealed until the time of opening. Under no circumstances may an award or purchase be made solely based on a response to an RFI.

H. Sole Source/Sole Acceptable Brand Transactions

The requirement that goods and services be obtained through competitive bids or quotations does not apply when the acquisition of the goods or services may be justified as a "Sole Source" or "Sole Acceptable Brand" purchase.

A "Sole Source" acquisition occurs when there exists only one vendor from which particular goods or services can be purchased. A "Sole Acceptable Brand or Model" (a/k/a "no substitute") acquisition occurs when products or services similar to those required may exist, but the product or service required, for reasons of standardization, quality, compatibility with existing equipment, specifications, technical features, expertise, etc., is the only brand acceptable to the requester or the University.

Note that "Sole Acceptable Brand" products or services may be available from more than one source and, if so, the acquisition of such products or services may be subject to competitive bidding. (A request for acquisition of a Sole Source/Sole Acceptable Brand product or service must be made in the form attached hereto as Exhibit C). Sole Source/Sole Acceptable Brand acquisitions should be rare exceptions, and not standard practice.

Sole Source/Sole Acceptable Brand transactions may be based on the following:

- Evidence of extraordinary or unusual trade or market conditions or contingencies that preclude the availability of qualified alternative vendors.
- Necessity of acquiring a proprietary item which must be compatible with existing equipment or systems and which is available only from the original manufacturer.
- Necessity of acquiring items possessing specific features essential for the completion of the task or project at hand and which are available from only one source.
- Change of brands or manufacturers would compromise the continuity and integrity of the project.
- Necessity of acquiring unique or specialized goods or services supplied by a vendor who has the exclusive right to manufacture and/or sell such items or provide such services. The vendor may be requested to produce a letter on its letterhead verifying its exclusive right to sell their own product or, in a protected sales territory, a certain manufacturer's product.

The following *will not* validate sole source/sole acceptable brand procurement:

- Departmental preference for a specific vendor, product, or service.
- Budgetary considerations or constraints.
- Historical precedence or a claim of best price. Only current competitive bidding in the open market substantiates best possible pricing.

A request to engage in a Sole Source/Sole Acceptable Brand purchase must be accompanied by the following:

- A statement to the effect that the requester has thoroughly researched the purchase and to the best of his/her knowledge and belief, the good or service is the only one to fit the particular need.
- A detailed explanation of the requester's needs.
- A detailed description of the good or service, its purpose, and what it is about the product/service that makes it unique.
- A list of the other brands/services considered and an explanation as to why they will not meet the requester's needs.
- A description of the efforts made by the requester to determine that the cost for the good or service is not out of line with current market pricing for similar goods or services.

It is the responsibility of the Vice Chancellor for Finance and Administration, Deputy Vice Chancellor for Finance and Administration, Chief Financial Officer, or his or her designee to determine whether a purchase may proceed as a Sole Source/Sole Acceptable Brand acquisition or must be made through competitive bids or quotations, as applicable.

I. Competitive Bids or Quotations

1. Statutory Requirements: The thresholds for contracts which must be competitively bid, which are governed by applicable sections of the Connecticut General Statutes, are as follows:

- *Purchases estimated at \$10,000.00 or less:* Competitive bidding is not required for purchases with an anticipated value (including shipping and handling) of \$10,000.00 or less.
- *Purchases estimated at greater than \$10,000.00 but less than \$50,000.01:* All purchases estimated at greater than \$10,000.00 but less than \$50,000.01 must be made in the open market and shall, when possible, be based on at least three competitive quotations. Competitive quotations may include quotations submitted within a safe and secure electronic environment.
- *Purchases estimated at \$50,000.01 or greater:* Such purchases must be based, when possible, on competitive bids or proposals.

The chief executive officer, or his/her designee, shall solicit competitive bids or proposals by sending notice to prospective suppliers and posting notice on a public bulletin board in his office.

Purchasing Portal at least five (5) calendar days before the final date for submission of bids or proposals. The issuance of addenda may postpone the dates for submission and/or opening of bids or proposals.

Substantive addenda to any request for competitive bids or proposals must be issued at least five (5) calendar days prior to the date set for the submission of bids or proposals. Addenda which merely extend the date set for the submission of bids or proposals must be issued at least three (3) calendar days prior to that extended submission date.

Each bid or proposal shall be kept sealed until opened publicly at the time stated in the notice soliciting such bid or proposal. Sealed bids or proposals shall include bids or proposals sealed within an envelope or maintained within a safe and secure electronic environment until such time as they are publicly opened.

Note: Vendors debarred by the EACC may neither be solicited nor considered for award.

2. Request for Quotations ("RFQ"): An RFQ may be utilized for the acquisition of goods or services that are readily comparable (e.g., a machine part which is obtainable from multiple suppliers) and for which cost is the only determinative criterion. The purpose of an RFQ is to enable the agency to obtain the required goods or services from the lowest qualified bidder.

3. Request for Proposals ("RFP"): An RFP may be utilized to obtain competitive proposals for the provision of goods and/or services in circumstances when cost is not the sole criterion on which selection of a contractor will be based. An RFP shall include, but not be limited to, the following components:

- Statement of objectives;
- Relevant background on EACC;

- Scope of work;
- Special conditions, if any;
- Request for vendor information;
- Proposal submission requirements;
- General instructions and conditions (including all required affidavits, certifications and required contract provisions); and
- Criteria by which the proposals will be evaluated.

The weight to be accorded each of the evaluation criteria shall be finalized and set forth in a notarized document prior to the opening of the bids or proposals.

4. Communication with Potential Bidders: All communications with potential bidders regarding the RFP or the RFQ shall be in writing and shall be conducted through the Procurement Services Department.

Members of the selection committee (see subsection 4 below) shall not have direct communication with bidders relating in any manner to the RFP or the RFQ. A pre-bid conference may be convened by the agency if deemed to be in its best interest.

5. Opening and Review of Proposals: A representative of the agency's Procurement Services Department and one (1) other agency employee shall administer a sealed bid opening.

A selection committee will be formed to evaluate and score proposals on the basis of the criteria set forth in the RFP. The committee shall consist of at least three (3) but no more than ten (10) voting members. The committee may include a representative of the agency's purchasing department, who may or may not be a voting member. The voting members of the committee shall elect a chairperson from among the voting members.

Each committee member shall review all bidder proposals in accordance with the criteria set forth in the RFP. Each committee member will complete an evaluation sheet which shall list the criteria set forth in the RFP, provide entry of a numeric score, if desired, and provide space for additional commentary. Each committee member shall include on his or her evaluation sheet a brief written explanation of the score assigned by that member to each of the evaluation criteria. (*See*, Exhibit D for a sample evaluation and score sheet.)

Once the committee members have finished their review of the proposals and completed their evaluation sheets, the committee members shall meet to discuss their evaluations and to determine which proposer(s) to recommend for award of the contract(s). The chairperson of the committee shall collect and maintain the evaluation sheets completed by the members of the committee. The chairperson of the committee may, but shall not be required to, complete a spreadsheet setting forth the scores assigned to each criterion by each committee member and a tally of those scores.

All proposals, including samples, if any, evaluation and spread sheets, if any, and the "Recommendation of Award" memorandum (*see*, subsection 5 below) shall be retained by the Procurement Services Department for at least three (3) years beyond the date of the last transaction relevant to any resultant contract award, or until audited, whichever is later.

6. Recommendation of Award, Summary Spreadsheet and Narrative

Justification: At the conclusion of the selection process, the chairperson of the selection committee shall prepare a "Recommendation of Award" memorandum, explaining in detail the process by which the recommendation was reached and the basis for the recommendation. The

"Recommendation of Award" memorandum shall be submitted to the Deputy Vice Chancellor for Finance and Administration/ Director of Finance & Administration, who will review the memorandum and determine whether to recommend the award to the chief executive officer for approval. Approval of the award shall be made by the chief executive officer or his/her designee.

7. Reciprocal Preference:

(a) Definitions:

(i) "Nonresident bidder" means a business that is not a resident of Rwanda that submits a bid in response to an invitation to bid issued by the agency; and

(ii) "Resident bidder" means a business that submits a bid in response to an invitation to bid issued by the agency and that has paid unemployment taxes or income taxes in Rwanda during the twelve calendar months immediately preceding submission of such bid, has a business address in Rwanda, and has affirmatively claimed such status in the bid submission.

(b) In the award of a contract, after the original bids have been received and the original lowest responsible qualified bid has been identified, the agency shall add a per cent increase to the original bid of a nonresident bidder equal to the per cent, if any, of the preference given to such nonresident bidder in the Country in which such nonresident bidder resides. If, after application of such per cent increase, the bidder that submits the lowest responsible qualified bid is a resident bidder, the University's Procurement Services Office shall award such contract to such resident bidder provided such resident bidder agrees, in writing, to meet the original lowest responsible qualified bid. Any such agreement by such resident bidder to meet the original lowest responsible qualified bid shall be made not later than seventy-two (72) hours after such resident bidder receives notice from the agency that such resident bidder may be awarded such contract if such resident bidder agrees to meet the original lowest responsible qualified bid.

(c) In determining the lowest responsible bidder, the agency may rely upon the list published by the State Contracting Standards Board of states that give preference to in-state bidders and the per cent increase applied in each state.

J. Supporting Documentation

1. Confirmation of competitive bidding, competitive quotations, or Single source justification: *See*, subsections J and K above.

2. Evidence of Signatory Authority:

(a) If contractor is a partnership: A certification from a general partner other than the signatory stating that the general partner executing the contract has authority to do so;

(b) If contractor is an LLC⁵: A certification stating that: (i) the LLC is run by members or managers; (ii) that the signatory is either a member or manager of the LLC; and (iii) that as such, he or she is not prohibited or limited by the articles of organization from binding the LLC;

(c) If contractor is a corporation:

(i) A certified copy of the corporate resolution authorizing the signatory to execute contracts on behalf of and bind the corporation,

(ii) A certified copy of minutes of the meeting of the board of directors at which the signatory was authorized to execute either the contract under review or the particular type of contract of which the contract under review is an example; or

(iii) A certified copy of that section of the corporate by-laws which authorizes the signatory to execute contracts on behalf of and bind the corporation, along with certification that the person signing the contract in fact holds the office in question.

If the contractor is either an LLC or a corporation, the seal of the entity should appear on the certification. If the LLC or corporation has no seal, the "L,S," notation may be used instead, but the certification must specifically state that the LLC or corporation has no seal. (*See*, Exhibit G for sample certifications.)

3. Nondiscrimination Certifications:

(a) If an individual: Form A ("Representation by Individual");

(b) If other than an individual:

(i) Form B ("Representation by Entity");

(ii) Form C ("Representation by Entity, For Contracts Valued at \$50,000 or More")

(iii) Form D ("New Resolution by Entity, For Contracts Valued at \$50,000 or More"); or

(iv) Form E ("Prior Resolution by Entity, For Contracts Valued at \$50,000 or More").

8. Employee/Independent Contractor Classification Checklist: If the contractor is an individual, a test (based on IRS guidelines) must be conducted by the Project Director to determine whether the contractor would be considered a common-law employee or an independent contractor under IRS standards. (*See*, Exhibit H.) This form must be provided to the Finance and Administration (or Fiscal Affairs)

⁵ Limited Liability Company (

Department.

(a) If it is determined that the contractor would be considered an employee: The contractor will be paid through the payroll system and will be subject to federal and state income tax withholdings and the Banner account being charged for these services will be liable for fringe benefit expenditures, if applicable. Furthermore, a copy of a dual employment form, if appropriate, must be sent to the agency's Payroll and/or Human Resources Department.

(b) If it is determined that the contractor would be considered an independent contractor: The contractor will be paid through Accounts Payable by way of the normal processing of vendor payments.

9. Tax ID Verification Form: If applicable.

10. Dual Employment: Labour law provides that no employee shall be compensated for services rendered to the same agency during a bi-weekly pay period unless the appointing authority of the agency certifies that the duties performed are outside the responsibility of the principal employment and that no conflict of interest exists between the services being performed. The hours worked at each agency are to be documented and reviewed to preclude duplicate payment.

If a contractor is a East African Christian college employee, a contract cannot be processed without a signed contract with the University. (*See*, Exhibit I). For purposes of this regulation, East African Christian college and its branches or subsidiaries is considered to be the same agency. (Note, however, that permanent instructional faculty staff need to write to the Vice Chancellor a Dual Employment request for employment through a PSA extra teaching hours.)

The form, including a copy of the PSA and related documentation, must be forwarded to the "Primary Agency" (i.e., the agency of principal employment for the contractor) for its review and approval. The original Dual Employment Request Form must be returned to the Finance and

Administration (or Fiscal Affairs) Department along with the original PSA and supporting information. In addition, contracts for services to be rendered by EACC employees must be reviewed and approved by the Human Resources Department prior to the commencement of services.

10. Justification for execution of the contract after services have been provided: If applicable.

K. Indemnification / Hold Harmless Provisions

A contract may not contain a provision agreement to indemnify or hold harmless the contractor as such a provision would constitute a waiver of the University's sovereign immunity. Nor may an agreement establishing internships or clinical affiliations for university students contain a provision obligating students participating therein to execute waivers or other documents containing such provisions.

L. Review and Approval by the Office of the Legal Officer

The Office of the Legal Officer must review and approve as to form all contracts executed by EACC, and all amendments to such contracts, with the exception of:

- (i) personal service agreements with a value over any given academic semester period of less than \$1,000.00;
- (ii) memoranda of agreement between EACC and another national or international agency;
- (iii) any contract set forth on a template approved for use without such approval by the Office of the Legal Officer; and
- (iv) purchase orders written against master contracts; and
- (v) purchase orders which do not contain material terms in addition to, or which modify, the terms appearing on the preprinted form (i.e., other than insertion of product identification, quantity, price, shipping, delivery and payment information).

Payment may not be made pursuant to any such contract until such written approval has been obtained.

Note: It is not permissible to split a contract in order to avoid the aforementioned review and approval process.

15.4. PURCHASE REQUISITIONS

A Purchase Requisition is a document provided to the Procurement Services Department that describes the goods and/or services requested and identifies the funding available to support the purchase. A Purchase Requisition does not constitute a contract with any party.

The information required to be included in a Purchase Requisition includes:

- Identity of requesting department;
- Required delivery date;
- Suggested vendor(s);
- Appropriate University Account Code;
- Description of the goods and/or services required, including quantities, if applicable;
- Estimated cost of the goods and/or services;
- Supporting documentation (quote, specifications, etc.), if any; and necessary approval(s).

15.5. PURCHASE ORDERS

A. Preparation of the Purchase Order

The Purchase Order ("PO") constitutes the vendor's authority to provide and invoice for the goods and/or services specified therein. A PO is generated by the Procurement

Services Department on the basis of the information provided in the purchase requisition.

The PO must include the following information:

1. Name, Address and TIN of Vendor: The vendor's name on the PO must be the same as the name of the company that will invoice the order. The vendor's TIN is required to allow entry of the vendor in the Banner system.
2. Description of Product/Service: A description of the type and quantity of goods and/or the nature of the services being purchased and the dates upon which they are to be provided.
3. Delivery Information: The delivery date must be specified. When applicable, special instructions including location of delivery, time of day of delivery, and/or special handling instructions should be included.
4. Price: When price is based on a competitive quotation or bid, reference should be made to the quotation or bid number. If the order is to be placed against a master contract, the price, contract award number, and contract source must be identified. When a Purchase Order is issued against a contract executed by a state agency (Ministry, Government Department, State Agency) the following language should be included: "The terms of (Specify Type) Contract Award # _____ are hereby incorporated by reference and shall be a part of this order."
5. Warranty of Equipment: Although a manufacturer may provide a standard written warranty, EACC can seek to negotiate any aspect of the warranty it determines to be in its best interest, such as the period or extent of the warranty. If a delay is anticipated in putting purchased equipment into service, one of two options should be pursued:
 - Scheduling the delivery to coincide with the date the equipment can be used. This option minimizes the risk of damage in storage and eliminates questions about the warranty on-site date; or
 - Negotiation of a deferred warranty.
6. Payment Terms: Payment must be made within forty-five (45) days of receipt of a validly executed invoice, with the exception of small business contractors, which must receive payment no later than thirty (30) days from receipt of a validly executed invoice.
7. Free on Board (F.O.B.): Whenever possible, purchase orders should be clearly marked F.O.B. Destination (*not* F.O.B. Shipping Point), with freight either included in the product cost or prepaid and added to the amount due under the invoice.

8. Authorized Signature: Authorized personnel are required to sign each PO. Authority to sign documents is specified per Board

B. Standing Orders

The purpose of a standing order is to obviate the need for the issuance of repetitive purchase orders for those items a department utilizes on a "repeat" basis during its normal daily or monthly operations.

A standing order should contain the following elements:

- Term (start and end dates within the same fiscal year) of the PO stated;
- Delivery "as requested by department personnel";
- A "not-to-exceed" dollar figure.

C. Amendment of Purchase Orders

The purpose of a purchase order amendment is to modify the terms and conditions of an existing purchase order. Changes to an existing purchase order shall be requested with the submission of a new purchase requisition along with a detailed explanation of the reason for the request, identifying the number of the original purchase order to be amended. All such amendments must be completed within ten (10) business days of approval of the requested amendment.

15.6. PERSONAL SERVICE AGREEMENTS

The Personal Service Agreement ("PSA") (Form # XXXXX) is used to contract for the provision of personal services by independent contractors. The PSA is neither to be utilized in connection with the hiring of EACC employees or temporary staff, nor to compensate contractors for work which has been recognized as belonging to one of the collective bargaining units within EACC.

Note: See Section VIII below with regard to contracting for certain services having a cost of less than \$1,000.00.

The Personal Service Agreement may require multiple reviews and approvals; therefore, sufficient lead-time is a critical factor.

15.7. PAYMENT OF AMOUNTS DUE FOR GOODS PROVIDED AND/OR SERVICES RENDERED

Before a contractor may receive payment for goods provided or services rendered, the vendor's invoice and/or a copy of the agreement (whether a purchase order, personal service agreement, direct pay voucher, or services and honorarium request form), along with a voucher/disbursement or payment request form (depending upon agency procedure), must be submitted to the Finance Department. (A sample voucher/disbursement form is appended hereto as Exhibit K.)

If applicable, a completed Tax compliance form must also be submitted to the Finance Department. The voucher/disbursement request form must be signed by an authorized signatory as attestation that the goods have been provided and/or the services rendered, and by an employee authorized to charge the payment against the applicable Banner account. If payment is made against a PSA, both the contractor's invoice and invoice and voucher/disbursement request form should contain the PSA number.

If a contractor provides services that are *no cost to EACC* (EACC pays no fees), travel expenses may be reimbursed to the contractor. Reimbursement may be made via PSA or Direct Payment Voucher with original receipts attached.

15.8. REVIEW AND REVISION OF THIS MANUAL

This manual will be reviewed and revised as necessary to conform to updated information or regulatory changes. Any suggested changes should be submitted through appropriate channels for consideration and possible recommendation. Recommended changes will be forwarded to EACC Management for approval and implementation.

Appendix I

EACC Purchasing Protocol

Background: Pursuant to East African Christian college Finance and Administration Policy Manual, the East African Christian college has consolidated purchasing for the University at the Procurement Services Office, primarily purchasing of common services and products. With the adoption by the Board of the EACC Strategic Plan, the Board has provided that additional purchasing opportunities be centralized. Specifically, the Plan establishes the following objectives:

- i. To take advantage of economies of scale, purchase all equipment, services, software licenses and hardware through contract, a higher-education purchasing consortium, a University-wide negotiation or a University-wide competitive process, as appropriate.
- ii. Establish and implement protocols for sharing information about desired purchases and actual purchase prices.
- iii. Establish and implement protocols for reporting all Purchases.
- iv. Purchase all hardware, software, and consulting services that are required by statute to be competitively bid (currently in excess of RwF 50,000), through centralized purchasing at the Procurement Office, unless otherwise authorized by the Vice Chancellor.⁶

The implementation of these objectives will be approached in phases, with the goal of full implementation by FY 20XX.⁷

⁶ Cash purchase provisions under the Finance policy manual

⁷ Implementation of the Procurement manual is dependent on the approval process and set deadlines for its full implementation as stipulated by the Board resolution enacting the manual's application.

Phase I – Effective Immediately

Objective 1: Continue to follow the existing purchasing process, if it complies with the policy set out in

Objective 1 quoted above. If not, begin immediately to use any of the four methods indicated, with the exceptions noted below.

Objective 2: The Deputy Vice Chancellor for Finance and Administration, or his/her designee, should send an email to Procurement Services Office, with copies to each university branch/department, indicating desired purchases (including product name and product category), as soon as an IT purchase is proposed. (This distribution will enable Procurement Services Office to determine if the hardware, software or service has already been purchased (e.g., with a University-wide license, or at another university with possible contract extension to sister universities.))

For the second part of Objective 2, see below.

Objective 3: Prior to the second Monday of each month, all university departments will report by e-mail all its purchases as defined below to Procurement Services Office and Procurement Services Office Purchasing with copies to each university CIO, via a completed form (copy attached) reporting the following information for all Purchases made at the university during the prior calendar month:

- purchaser,
- vendor,
- name of the product,
- category of the product (hardware, software, services),
- the one time cost of the product,
- the fund source used (operating or bond funds) to purchase the product, and
- the on-going annual cost of the product.

(This reporting is necessary at this time in order to prepare for centralized purchasing, and to assist in determining the number and complexity of the Purchases made at the university. Note that “Purchases” do not encompass only those purchases made by the Procurement Services department at the university; rather, they refer to purchase of a specific set of commodities/services, which are enumerated below.)

Objective 4: Centralized purchasing of all Purchases required to be competitively bid will not be implemented for all purchases at this time.

During this phase, the Vice Chancellor will determine on a case-by-case basis whether to authorize the universities to self-administer any purchase (as defined below) greater than \$10,000, pursuant to the following processes. Note that the Vice Chancellor may reject, in whole or in part, any proposed purchase greater than \$10,000.

Additional process for Purchases between \$10,001 and \$50,000: The request to purchase the commodity/service must be e-mailed to Procurement Services Office Purchasing at least seven (7) business days prior to the time it is intended that a request for quotation go to bidders. The request should include the following information:

- the potential vendors,
- name of the product,
- reason for purchase,
- category of product (hardware, software, services),
- name of person responsible for the purchase,
- the University-wide or university strategic objective to which the purchase relates,
- a copy of the specifications to be sent to the bidders, and
- the fund source (operating or bond funds) to be used to purchase the product.

Based on this information, as well as any other follow-up information deemed necessary, the Vice Chancellor will determine if the proposed purchase should proceed, and whether university purchasing or Procurement Services Office Purchasing will manage the purchasing activity. It may be determined that the purchase in question should be expanded to be University-wide in nature. If the purchase authority is given to the university, the university at the request of the Procurement Services Office will include a Procurement Services Office representative on the evaluation team.

Additional process for purchases over \$50,000: The request to purchase the commodity/service must be emailed to Procurement Services Office Purchasing at least 10 business days prior to the time it is intended that an RFP be issued. The request should include the following information:

- the potential vendors,
- name of the product,
- reason for purchase,
- category of product (hardware, software, services),
- name of person responsible for the purchase,
- the fund source (operating or bond funds) to be used to purchase the product,
- the University-wide or university strategic objective to which the purchase relates, and a copy of the draft RFP.

Based on this information, as well as any other follow-up information deemed necessary, the Vice Chancellor will determine if the proposed purchase should proceed, and whether university purchasing or Procurement Services Office Purchasing will manage the purchasing activity. It may be determined that the purchase in question should be expanded to be University-wide in

nature. If the purchase authority is given to the university, the university will include a Procurement Services Office representative on the evaluation team.

Operating System purchases will be managed by Procurement Services Office Purchasing.

Commodities/services to be reported: The following is a listing of the commodities/services purchases that are subject to the above processes. Note that the purchase may or may not originate in the IT department.

- a. Office supplies
- b. Capital goods
- c. Electronic Media
- d. Consulting Services
- e. Professional Services – Other
- f. Non-professional Services – Other
- g. Hardware Purchases under \$1,000
- h. Equipment Rentals
- i. Hardware Maintenance
- j. Software Licenses
- k. Software Maintenance
- l. Software Support
- m. Software Purchases
- n. Data Processing Services
- o. Data Processing Service Bureau
- p. Telecom Equipment Purchase under \$1,000
- q. Telecom Network Services
- r. Telecom Software
- s. Operating Leases
- t. Equipment Leases
- u. Information Systems Equipment
- v. Computer Equipment
- w. Software
- x. Education Equipment
- y. Telecom Data Equipment
- z. Telecom Video Equipment
- aa. Telecom Voice Equipment
- bb. Telecom Infrastructure
- cc. Telecom Computer Equipment

Responsibilities: The Deputy Vice Chancellor for Finance and Administration, or his/her designee, is responsible for generation of the monthly report of all purchases, and for requesting purchasing authority for items in excess of \$10,000.

Activation: This procedure will be effective immediately.

Phase II – Currently Effective

Objective 1: Same as Phase I.

Objective 2: Same as Phase I.

Objective 3: Same as Phase I.

Objective 4: Same as Phase I with the following exception:

Process for purchases over \$50,000: The request to purchase the commodity/service must be e-mailed to

Procurement Services Office Purchasing at least ten (10) business days prior to the time it is intended that an RFP be issued. The request should include the following information:

- the potential vendors,
- name of the product,
- reason for purchase,
- category of product (hardware, software, services),
- name of person responsible for the purchase,
- the fund source (operating or bond funds) to be used to purchase the product,
- the University-wide or university strategic objective to which the purchase relates, and a copy of the draft RFP.

Based on this information, as well as any other follow-up information deemed necessary, the Vice Chancellor will determine if the proposed purchase should proceed. If so, University-wide Purchasing will manage the purchasing activity.

Responsibilities: The University Deputy Vice Chancellor for Finance and Administration, or his/her designee, is responsible for generation of the monthly report of all purchases, for requesting purchasing authority for items in excess of \$10,000, and for requesting the purchase of items in excess of \$50,000.

Activation: This procedure will be effective upon notification by the Vice Chancellor, when Procurement Services Office Purchasing is capable of handling the load.

Phase III – Effective at a time to be determined.

Objective 1: Same as Phase I.

Objective 2: Same as Phase I.

Objective 3: Same as Phase I.

Objective 4: Same as Phase II, with the following exception:

During this phase, any IT purchase (as defined above) greater than \$10,000 will be managed by System

Office Purchasing. Note that the Vice Chancellor may reject, in whole or in part, any proposed purchase greater than \$10,000.

Process for Purchases between \$10,001 and \$50,000: The request to purchase the commodity/service must be e-mailed to Procurement Services Office Purchasing at least 7 business days prior to the time it is intended that

a request for quotation go to bidders. The request should include the following information:

- the potential vendors,
- name of the product,
- reason for purchase,
- category of product (hardware, software, services),
- name of person responsible for the purchase,
- the fund source (operating or bond funds) to be used to purchase the product,
- the University-wide or university strategic objective to which the purchase relates, and
- a copy of the specifications to be sent to the bidders.

Based on this information, as well as any other follow-up information deemed necessary, the Vice Chancellor will determine if the proposed purchase should proceed. If so, University-wide Purchasing will manage the purchasing activity.

Responsibilities: The University Deputy Vice Chancellor for Finance and Administration, or his/her designee, is responsible for generation of the monthly report of all purchases, and for requesting the purchase of items in excess of \$10,000.

Activation: This procedure will be effective upon notification by the Vice Chancellor, when Procurement Services Office Purchasing is capable of handling the load.

RESOLUTION: Concerning Authorization to Sign Documents for the East African Christian college

WHEREAS, The Board of Directors under its statutory authority "shall:

(1) Make rules for the government of the East African Christian college and shall determine the general policies of the university system,... ",

and

WHEREAS, The Board of Directors through Board Resolution identifies those positions authorized to sign official documents for the East African Christian college and the type of documents to which this authorization applies, and

WHEREAS, A new authorization is required because of the restructuring of the University's administrative structure and pursuant to the installation of new offices and resultant changes to several positions, now therefore be it

RESOLVED, That persons elected to or employed in the following positions by The Board of Directors shall be authorized to sign all official documents within their jurisdiction executed under the policies of the Board:

For The Board of Directors of the East African Christian college

- i. Chairperson of the Board
- ii. Vice Chairperson of the Board
- iii. Secretary of the Board
- iv. Principal of the East African Christian college ,

For the East African Christian college

- i. Vice Chancellor
- ii. Deputy Vice Chancellor for Academic Affairs
- iii. Deputy Vice Chancellor for Finance and Administration
- iv. Registrar
- v. Chief Legal Officer
- vi. Director of Finance and Administration
- vii. Director of Human Resources and Labor Relations

And be it further

RESOLVED, That the Vice Chancellor of the East African Christian college and Deputy Vice Chancellors may designate in writing those other persons who shall act as their agents in signing contracts of up to \$25,000 and other documents in such areas as personnel, payrolls, purchasing, financial matters, university planning, and maintenance, and shall indicate the appropriate level of signing authority for each person so designated.

CONFIDENTIAL INFORMATION ADDENDUM

This Addendum is hereby incorporated into the existing Personal Service Agreement (hereinafter the "Agreement"), entered into by and between (hereinafter "Contractor") and the The Board of Directors, East African Christian college (hereinafter "EACC") on or about _____,20__

EACC and Contractor mutually agree to modify the Agreement to incorporate the terms of this

Addendum in order to comply with the EACC requirements, dealing with the confidentiality of customer data and information.

1. Definition of Covered Data and Information: "Covered data and information" means all customer data and information required to be protected under EACC definitions, whether in paper, electronic or other form. "Covered data and information" also refers to financial information that EACC has obtained from a customer in the process of offering a financial product or service, or such information provided to EACC by another financial institution. "Offering a financial product or service" to a customer includes offering student loans, receiving income tax information from a current or prospective student or that student's parent(s) or legal guardian(s) as part of a financial aid application, offering credit or interest bearing loans, and other miscellaneous financial services. Examples of "covered data and information" relating to such products or services are names, addresses, phone numbers, bank and credit card account numbers, income and credit histories and social security numbers.
"Covered data and information" shall also include any credit card information received in the course of business by EACC, whether or not such credit card information is covered by EACC.
2. Acknowledgment of Access to Covered Data and Information: Contractor acknowledges that the Agreement allows Contractor access to covered data and information. Specifically, access to the following categories of covered data and information is anticipated under the Agreement:
 - a. Data and information collected and/or maintained in connection with student accounts and related financial and personal information.
 - b. Prohibition on Unauthorized Use or Disclosure of Covered Data and Information:
3. Contractor agrees to hold the covered data and information in strict confidence. Contractor shall not use or disclose, or permit the use or disclosure of, covered data and information received from or on behalf of EACC except as permitted or required by the Agreement, as required by law, or as otherwise authorized in writing by EACC.
4. Safeguard Standard: Contractor expressly warrants and represents to EACC that it has implemented and currently maintains safeguards for the protection of covered data and information that comply with the safeguarding requirements of EACC.
5. Return or Destruction of Covered Data and Information: Upon termination, cancellation, expiration or other conclusion of the Agreement, Contractor shall:
 - a. Return to EACC or, if return is not feasible, destroy all covered data and information in whatever form or medium that data or information was received from, or created on behalf of, EACC by Contractor. This provision shall also apply to all covered data

and information that is in the possession of subcontractors or agents of Contractor. In such case,

- b. Contractor shall retain no copies of such information, including any compilations derived from and allowing identification of covered data and information. Contractor shall complete such return or destruction as promptly as possible, but not less than thirty (30) days after the effective date of the conclusion of this Agreement. Within such thirty (30) day period, Contractor shall certify in writing to EACC that such return or destruction has been completed.
 - c. If Contractor believes that the return or destruction of covered data and information is not feasible, Contractor shall provide written notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the parties that return or destruction is not feasible, Contractor shall extend the protections of this Agreement to covered data and information received from or created on behalf of EACC, and limit further uses and disclosures of such covered data and information, for so long as Contractor maintains the covered data and information.
6. Rights to Reports, Access and Inspection: Contractor shall, upon request from EACC, provide to EACC, within two (2) business days of receiving such request, access to and the right to inspect:
- i. any assessment of internal and external risks to the security of covered data and information maintained by Contractor;
 - ii. Contractor's information security plan or program;
 - iii. any record(s) of unauthorized use or disclosure of covered data and information maintained by Contractor and of the steps taken by Contractor in response to such unauthorized use or disclosure, provided, however, that Contractor shall not be obligated to afford EACC access to any records, data or information the disclosure of which would violate the provisions of EACC or any other applicable law or regulation.
7. Termination: Notwithstanding, and in addition to, any termination rights of the parties set forth in the Agreement, if EACC reasonably determines in good faith that Contractor has materially breached any of its obligations under this Addendum, EACC, in its sole discretion, shall have the right to:
- i. exercise any of its rights to reports, access and inspection under this Addendum;
 - ii. and/or
 - iii. require Contractor to submit to a plan of monitoring and reporting, as EACC may determine necessary to maintain compliance with the terms of this Addendum; and/or
 - iv. provide Contractor with a fifteen (15) day period to cure the breach; and/or
 - v. terminate this Agreement immediately if Contractor has breached a material term Of this Addendum and cure is not possible.

Before exercising any of these options, EACC shall provide written notice to Contractor describing the violation and the action that EACC intends to take.

8. Subcontractors and Agents: If Contractor intends to provide any covered data and information which was received from, or created for, EACC to a subcontractor or agent, prior to the provision of such data and information to such subcontractor or agent, Contractor shall:

- i. notify EACC of its intent to provide covered data and information to such subcontractor or agent;
 - ii. Require such subcontractor or agent to agree, in writing, to comply with the same restrictions and conditions as are imposed upon Contractor by this Addendum; and
 - iii. Provide to EACC a copy of the written agreement described in subsection (ii) hereof.
9. Maintenance of the Security of Electronic Information: Contractor shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all electronically maintained or transmitted covered data and information received from, or on behalf of, EACC.
10. Reporting of Unauthorized Disclosures or Misuse of Covered Data and Information: Contractor shall report to EACC any use or disclosure of covered data and information not authorized by this Addendum or in writing by EACC. Contractor shall make the report to EACC as expeditiously as possible, but not later than twelve (12) hours after Contractor learns of such use or disclosure. Contractor's report shall identify:
 - i. the nature of the unauthorized use or disclosure;
 - ii. the covered data and information used or disclosed;
 - iii. the identity of the person or entity who or which made the unauthorized use or received the unauthorized disclosure;
 - iv. the actions which Contractor has taken or will take to mitigate any deleterious effect of the unauthorized use or disclosure; and
 - v. the corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a written report, as reasonably requested by EACC.
11. Indemnity: Contractor shall defend and hold EACC harmless from all claims, liabilities, damages, or judgments involving a third party, including EACC's costs and attorneys' fees, which arise as a result of Contractor's failure to meet any of its obligations under this Addendum or EACC. Contractor shall also reimburse EACC for any and all costs incurred by EACC in connection with the notification of customers of loss, damage, or unauthorized access to covered data and information resulting from Contractor's failure to meet any of its obligations under this Addendum or EACC.
12. Survival: The respective rights and obligations of Contractor under Sections 5 and 9 of this Addendum shall survive the termination of this Agreement.
13. Conflict: If any conflict exists between the terms of the original Agreement and this Addendum, the terms of this Addendum shall govern.

Approved by College Senate and Senior Management Committee

1. Secretary of the Academic Senate:

Signed by _____ Date _____

2. PRINCIPAL and Chairman

,
Signed by _____ Date _____