First Meeting of the Regional Project Steering Committee and Inception Workshop for the SOPAC/UNDP/UNEP/GEF Project: “Implementing Sustainable Water Resource and Wastewater Management in Pacific Island Countries”

Nadi, Fiji, 14th – 18th September 2009

ADMINISTRATION AND FINANCE MANUAL FOR THE GEF PACIFIC IWRM PROJECT
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Part 1 Admin Manual
1. Definitions

1.1. SOPAC shall mean the Pacific Islands Applied Geoscience Commission

1.2. “The Demonstration” shall mean the implementation of the National Demonstration Project.

1.3. “The Lead Agency” shall mean the Government Agency responsible for the implementation of the Demonstration.

1.4. The HoLA shall mean the Head of Leading Agency

1.5. “The RSC” shall mean the Regional Project Steering Committee.

1.6. “The PCU” shall mean the Regional Project Steering Committee.

1.7. “The IWRM Focal Point” shall mean the Pacific IWRM Focal Point.

1.8. “The National Project Manager” shall mean the person appointed by the Lead Agency, and who acts as the overall coordinator of the Demonstration and assumes the primary responsibility for all aspects of it.

1.9. “The National Project Assistant” shall mean the person appointed by the Lead Agency, who will assist the National Project Manager in the coordination of the Demonstration.

1.10. “The RPM” shall mean the Regional Project Manager.
2. TRAVEL POLICY

Project personnel are considered able to decide their own travel priorities, using commonsense and bearing in mind the principle of accountability to the organisation and the region. However:

- Travel only when necessary (can the task be accomplished without leaving the office?)
- Travel as cheaply as possible
- If you supervise staff, do not spend long periods out of the office
- Always produce a written trip report
- Travelling in order to service member country projects and activities should generally be considered more important than travelling to attend meetings
- If you plan to attend a meeting where you are not presenting a paper or otherwise required to make a programmed contribution, you need to clearly explain by written submission for Management’s approval why this would be beneficial to the nation.

2.1. Fares and Preferred Routes

Class of Travel – all travel by economy class. Route selected should be the cheapest and most direct one. The cost of any upgrade, without prior approval, will be the responsibility of the individual.

2.2. Visa and Passports

Demonstration personnel will be reimbursed for visa costs but not responsible for arranging and renewal of passports.

Demonstration is not responsible for arranging or paying for visas and passports for participants attending meetings.

2.3. Daily Subsistence Allowance

Demonstration personnel - This will be in accordance with the national government Public Service Commission’s (or equivalent agency’s) regulation and rates.

IWRM Focal Point - This will be in accordance with the SOPAC’s Duty Travel Guidelines and External Meeting Policy.

2.4. Travel Claims

Travel claims, using the appropriate travel claim forms together with used and/or unused ticket stubs, has to be submitted no later than 14 days after travel is completed.

2.5. Travel Reports

Travel report must be submitted within 14 days after each travel. No reimbursement for any claims submitted will be processed unless travel report is submitted.
2.6. Regional Project Steering Committee Meetings

The National Project Manager will attend the annual RSC meeting and all travel costs and allowances will be funded by the Demonstration in accordance with respective government’s Public Service Commission (or equivalent agency) allowances and rates.

The IWRM Focal Point will attend the annual RSC meeting and all travel costs and allowances for one (1) National IWRM Focal Point will be funded by the PCU in accordance with SOPAC regulations and rates.

2.7. Regional Training Workshops

**National Lead Agency** will ensure that personnel nominated to attend any Regional Training Workshops funded through the Initiative will have the required educational qualifications; experience and work related association and will nominate such attendees in consultation with the PCU. If these criteria are not met by the nominated attendee, the RPM will consult with the HoLA and reserves the right to refuse PCU sponsorship.
3. **LEAVE POLICY**

3.1. **Annual Leave**

3.1.1. Employees’ leave entitlements are granted in accordance with their contractual arrangements, on a per annum basis.

3.1.2. Annual leave entitlements are accrued on a pro-rata basis, and cannot be advanced. The accrual is calculated as follows:

   a) Entitlements are expressed as the number of working days per annum.
   b) Accrued leave per month is hence entitlements divided by 12 months.

3.1.3. As an example, if an employee is entitled to 4 weeks leave per annum, it should be expressed as 20 days per annum. S/he would have accrued 1.67 work days leave for every month of service.

3.1.4. Leave is considered taken from the day the employee does not report in for work to the day the employee reports in to work.

3.1.5. Employees wishing to take annual leave must submit a Leave Application Form to the Lead Agency with the necessary approval signatures.

3.1.6. An employee wishing to take leave should give the Demonstration and as much advance notice as possible, particularly where more than two consecutive days of leave is sought.

3.1.7. Annual leave should be taken subject to the Demonstration and Initiative's convenience.

3.1.8. Employees are to use their leave entitlement each year, and should endeavour to take leave during quiet periods.

3.1.9. The Project may require employees to take annual leave at particular times.
3.1.10. Employees must use their leave entitlement during the term of their contract. In other words, if the employee has 10 working days leave owing towards the end of his/her contractual term, he/she must schedule to leave the project 10 working days before the contractual end date.

3.1.11. In the event of a termination of contract before the end of the contractual term, reference is to be made to the policy in relation to leave entitlements under the Fixed Term Contract’s Termination of Employment Policy.

3.2. Sick Leave

3.2.1. Employees are entitled to a maximum of 10 days sick leave on a full salary per year.

3.2.2. There is no limitation on the amount of sick leave that may be accrued.

3.2.3. On separation from the Lead Agency there is no payment in lieu of unused sick leave.

3.2.4. On commencement of employment with the Lead Agency, employees are granted one year’s sick leave in advance.

3.2.5. Completion of one year’s service is required before employees accrue additional sick leave, which will then be accrued on a continuous daily basis.

3.2.6. Entitlement as stated in (4) and (5) does not extend to people employed for a period of less than 12 months i.e. a person who resigns within or is terminated within the first 12 months is liable for any sick leave taken during this period.

3.2.7. In cases where employees need leave in excess of their available sick leave, they may apply to have their sick days recorded as annual leave. Only in extreme circumstances and at the discretion of the HoLA, will employees be permitted to take sick leave in excess of their entitlement.

3.2.8. Sick leave without salary may only be granted where all an employee’s entitlements for sick leave on full salary and annual leave have been exhausted.
3.2.9. Employees should advise the HoLA by 8.30am if they are intending to be absent from the office on sick leave.

3.2.10. If an employee fails to report for work or to report in sick, the HoLA is to arrange for contact to be made with that employee by 10.00am on the first day of absence.

3.2.11. If three (3) attempts to contact the employee on the first day of absence prove unsuccessful, the HoLA will contact the employee’s nominated emergency contact(s) on the same day.

3.2.12. If the HoLA is unable to contact either the employee or emergency contact(s) for three (3) consecutive days, payment of salary and all other financial entitlements will cease pending resolution of the situation.

3.2.13. For any single period of sick leave that exceeds two days, employees are required to provide a medical certificate. This should be attached to a Leave Application Form on return to the Lead Agency for approval by the HoLA.

3.2.14. The approved Leave Application Form must be submitted to the HoLA.

3.2.15. It is important that the nature of the employee’s medical condition is clearly stated on the medical certificate. If employees do not wish to state the nature of their medical condition on their Leave Application Form the employee should discuss the matter with the HoLA.

3.2.16. The payroll officer is responsible for ensuring that the actual dates covering the period of sick leave applied for and approved corresponds with the dates shown on the medical certificate issued.

3.2.17. Employees affected by an illness or injury whilst on annual leave may apply to transfer the affected period to sick leave and have the relevant period of annual leave re-credited, subject to the following conditions:
   a) The period of incapacity is in excess of five (5) working days; and
   b) Provision of medical certificate(s) in all cases.
3.3. Personal Leave

3.3.1. Employees may be granted either paid or unpaid personal leave at the HoLA’s discretion and consultation with the RPM in the following circumstances for which leave is reasonably required:

- An emergency or other unplanned situation;
- Bereavement;
- Illness of a dependent child;
- Carer’s leave;
- Other compassionate grounds; and
- Inability to perform Demonstration duties due to natural disaster (e.g. cyclones).

3.3.2. The employee is required to submit a completed Leave Application Form for approval, as soon as reasonably practicable.

3.3.3. The Lead Agency does not specify a maximum entitlement to personal leave since its purposes usually cannot be predicted. However, the Lead Agency reserves the right to require proof of the purpose of any personal leave requirement. Evidence must be provided on request to justify any application for personal leave.

The Lead Agency shall submit to the RPM, on a quarterly basis, a summary of personnel’s leave records, together with relevant documents.
4. SUPPLIES AND PROCUREMENT

4.1. SOPAC shall contribute a total amount of US$ 500,000 following the approval of the detailed workplan and budget submitted by the LEAD AGENCY. Funds will be dispersed on a quarterly basis based on reported expenditure of the preceding quarter and projected expenditure for the following quarter in compliance with Demonstration Project reporting requirements.

4.2. Equipment, non-expendable materials, or other property furnished or financed by the Initiative shall remain the property of UNDP and shall be returned to UNDP upon completion of the or upon termination of the present Agreement, unless otherwise agreed upon between the Parties, and in consultation with SOPAC. During the Demonstration implementation and prior to such return, THE LEAD AGENCY shall be responsible for the proper custody, maintenance and care of all equipment. THE LEAD AGENCY shall, for the protection of such equipment and materials during implementation of the Demonstration, obtain appropriate insurance in such amounts as may be agreed upon between the Parties and incorporated in the Demonstration Budget.

4.3. In its procedures for procurement of goods, services or other requirements with funds made available by SOPAC as provided for in the Demonstration Budget, THE LEAD AGENCY shall ensure that, when placing orders or awarding contracts, it will safeguard the principles of highest quality, economy and efficiency, and that the placing of such orders will be based on an assessment of competitive quotations, bids, or proposals as required by the host governments procurement guidelines unless otherwise agreed to by SOPAC.

4.4. SOPAC shall make every effort to assist THE LEAD AGENCY in clearing all equipment and supplies through customs at places of entry into the country where Demonstration activities are to take place.

4.5. THE LEAD AGENCY shall maintain complete and accurate records of equipment, supplies and other property purchased with the Demonstration funds and provides updated quarterly reports to the PCU and shall take annual physical inventories. THE LEAD AGENCY shall provide SOPAC annually with the inventory of such equipment, property and non-expendable materials and supplies, and at such time and in such form as SOPAC may request.
5. CODE OF CONDUCT

5.1. Personal Conduct

5.1.1. In the performance of all duties, the Demonstration and its employees must strive to achieve the highest standards of conduct and accountability

5.1.2. Employees must, at all times

a) demonstrate the highest standards of professional integrity and honesty;
b) act in good faith, with care and diligence, and in the best interests of the Demonstration and ;
c) treat all persons with respect, dignity and reasonable compassion, in an equitable and fair manner, and with proper regard for their rights and obligations;
d) comply with, and be seen to act within, the spirit and letter of the law and the terms of this Code;
e) when overseas, respect and comply with the laws and values of the host country;
f) when overseas, respect and comply with laws and customs which are protective of local cultural property;
g) obey any lawful direction, instruction or order given by any person authorised by law to do so;
h) disclose any fraud, corruption, misconduct and maladministration\(^1\) of which they become aware;
i) act in the best interests of, and in a manner that will not reflect adversely on, the Demonstration and , its stakeholders, clients and partners, and the wider community;
j) conduct themselves in a manner that does not discredit the individual employee, having regard to their official position within the Demonstration and , including by:
k) disclosing, and taking reasonable steps to avoid any conflict or interest (real or apparent) in connection with his or her employment; and
l) not making improper use of either inside information, or the employee’s duties, status, power or authority in order to gain, or seek to gain, a benefit or advantage for the employee or any other person;
m) perform any duties associated with their position conscientiously, courteously, efficiently, impartially, and to the best of their ability, in a manner that bears the closest external scrutiny and meets all legislative and Demonstration and standards;
n) set and maintain standards of leadership that are consistent with the Demonstration and Initiative’s goals and policies, be seen at all times to act in support of these goals and policies, and actively contribute to their achievement;
o) seek to maintain and enhance the confidence of clients, partners, colleagues, stakeholders and the wider community in the integrity of the Demonstration and ;
p) exercise high standards of personal and professional conduct, and encourage colleagues and subordinates to do the same;
q) observe merit in recruitment, promotion and other selection processes;

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\(^1\) Maladministration is administrative action that is unlawful, arbitrary, unjust, oppressive, improperly discriminatory or taken for an improper purpose.
r) safeguard privacy and confidentiality of matters of a personal nature relating to other colleagues;
i) adhere to management principles and practices that foster the rights and wellbeing of employees; and
s) ensure subordinates are set equitable and fair workloads.

5.1.3. Employees must not:
   a) engage in Inappropriate Personal Conduct;
   b) intimidate, engage in sexual or other forms of harassment, unlawfully discriminate or otherwise abuse any person;
   c) demonstrate irreverence to religious beliefs and practices of local communities and individuals;
   d) improperly use their official powers or position, or allow them to be improperly used;
   e) distract other employees from carrying out their duties;
   f) allow personal relationships to adversely affect their work performance or that of other employees.

5.1.4. Inappropriate Personal Conduct
   The following behaviours are deemed to be Inappropriate Personal Conduct and, at the HoLA and RPM's absolute discretion, and may lead to immediate termination of employment without notice:
   a) any breach of the criminal laws of the participating countries;
   b) being in a state of intoxication during hours of duty;
   c) sexual or indecent acts in a public place;
   d) excessive intoxication in public or disorderly conduct;
   e) use of offensive, discriminatory or culturally inappropriate language, gestures, including swearing or other verbal communications likely to cause offence to local communities or individuals;
   f) verbal abuse or assault.

5.1.5. Any other behaviour in relation to Clause 1 – Personal Conduct will be assessed according to clauses relating to Determining Appropriate Conduct set out below

5.2. Conflict of Interests

5.2.1. Employees are expected to perform their duties in such a manner that stakeholder confidence and trust in the integrity of the Demonstration and Initiative is preserved.
5.2.2. Employees are expected to arrange their private or other official affairs in a manner that will prevent any actual\(^2\) or apparent\(^3\) conflict of interests from arising wherever foreseeable.

5.2.3. Where a conflict of interest does arise between the private or other official interests of an employee and the official duties or responsibilities of that employee within the Demonstration and Initiative, the employee is to disclose details of the conflict to the HoLA.

5.2.4. Any conflict of interests relating to an individual’s employment with the Demonstration and Initiative will be resolved in favour of the Demonstration and the public interest.

5.2.5. In the event that an employee is obliged to adhere to a Code other than that applying in the Demonstration and Initiative (such as other professional codes) and ethical conflicts or dilemmas arise as a result, it is the employee’s responsibility to draw such conflict of interests to the attention of the HoLA for resolution in consultation with the relevant professional or other body.

5.3. Political Activity

5.3.1. Any political activity by employees is to be conducted in a private capacity.

5.3.2. Employees are expected to separate clearly any official action or views from any political action or views, and to ensure that no conflict of interests arises between such activity or comment and their official duties.

5.4. Intellectual Property and Copyright

5.4.1. All intellectual property developed in the course of employment with the Demonstration and Initiative remains the property of the Demonstration and or, where contractually specified, the property of its clients.

5.4.2. Employees must comply with all legislation, Demonstration and Initiative policies and procedures, and contractual policies and procedures of clients, covering intellectual property and copyright.

\(^2\) An actual conflict of interest exists when a reasonable person, in possession of the relevant facts, would conclude that the employee’s private or other interests are interfering with the proper performance of their Demonstration and duties.

\(^3\) An apparent conflict of interests exists when it appears that an employee’s private or other interests could interfere with the proper performance of their Demonstration and duties.
5.5. Access to Information

5.5.1. In the performance of Demonstration and duties, employees are granted access to many sources of information, confidential or otherwise. With this access comes a requisite level of accountability and trust that the information will only be used for official purposes.

5.5.2. It is the view of the Demonstration and that there is no excuse for employees to betray the trust of the Demonstration and or its clients by making any unauthorised, improper or unlawful access or use of any official or confidential information available to them in the performance of their duties.

5.5.3. When dealing with official or confidential information of the Demonstration and Initiative, employees are not to access, use or release information without an official purpose related to the performance of their duties within the Demonstration and Initiative.

5.5.4. Where any employee breaches this provision they must expect that the Demonstration and Initiative will institute appropriate disciplinary or criminal proceedings.

5.5.5. Employees need to be aware that this type of activity is viewed by the Demonstration and Initiative as misconduct and any employees who breach the provisions of this section will be dealt with accordingly.

5.6. Computer Use

5.6.1. The only acceptable use by employees of the global internet, the Demonstration and internet service including electronic mail (email), and any connected computer communications network, server, personal computer workstation or laptop, is for Demonstration and Initiative purposes.

5.6.2. As such, employee access to and use of the variety of internet services, both internal and external to the Demonstration and, are considered a business privilege and should be treated as such by all users.

5.6.3. In brief, the Demonstration and Initiative characterises as unethical and unacceptable, any activity which purposely:

   a) seeks to use Internet services for private and personal business;

   b) seeks to gain unauthorised access to any resources within or outside the Demonstration and;

   c) disrupts the intended use of the Demonstration and Initiative's Internet seek service and/or the global Internet;
d) wastes resources (people, capacity, computer) through such actions;
e) destroys the integrity of or misuses any host/server information assets;
f) compromises the privacy of any users or other departments;
g) does not comply with applicable local and national laws;
h) compromises corporate proprietary or otherwise sensitive information; or
i) does not comply with other corporate policies or procedures.

5.6.4. Employees who breach the Lead Agency’s and Initiative’s policies on computer use may have their information technology benefits (such as email access) revoked. Disciplinary action may also be taken where infringements warrant formal action. For example:

a) Downloading, accessing, viewing and distributing prohibited material that is potentially discriminatory, offensive or which could be considered harassment is prohibited. The Lead Agency reserves the right to monitor any and/or all Internet related activity occurring through the Demonstration and Internet services. Any employee found in violation of this policy may be subject to denial of access or termination of employment and may be reported to the relevant authority where illegal material is involved.

b) The Lead Agency will not tolerate pirate software on Demonstration and computers under any circumstances. If an employee knows or suspects there may be pirate software on a PC they must arrange to have it removed immediately. This applies to all software and manuals no matter how inexpensive unless officially recognised as free ‘public domain’. If using public domain or ‘shareware’ software, please note the special conditions governing the use of such material.

c) The transfer of text and images etc. via e-mail and/or download from the Internet is only to be done when essential to the business operation and an employee’s job. It does cost the Lead Agency financially both in direct internet access charges and additional computer equipment required to store superfluous information.

d) Email is a direct form of communication from the Demonstration and to the recipient. As such, each employee must be aware they are representing the Demonstration and when using email communications.

e) In addition to legal and moral obligations employees must be wary of the possibility they may introduce a virus into their computer through pirate software, email or the Internet, or worse into the corporate network and information database.

5.7. Access to Demonstration and Resources

In the performance of Demonstration and duties, employees are expected to:

5.7.1. use or manage both human and material resources efficiently, effectively, and only for the benefit of the Demonstration and its stakeholders, clients and partners;

5.7.2. avoid waste, misuse, abuse, or extravagant use, of resources of any kind belonging to or leased by the Demonstration and ;
5.7.3. ensure that all facilities, physical resources and other property belonging to or leased by the Demonstration and are given due care and maintenance;

5.7.4. conserve and safeguard Demonstration and Initiative assets;

5.7.5. budget honestly; and

5.7.6. respect the environment by engaging in environmentally friendly work practices.

5.8. Gifts and Benefits

5.8.1. In their official capacity, employees are not to solicit any personal or other benefit\(^4\), except where specifically authorised by the Demonstration and (e.g. legitimate pursuit of donations or sponsorship in accordance with Demonstration and policy).

5.8.2. The Demonstration and Initiative recognises that there will be instances where employees will be offered benefits (gifts, hospitality, etc) and that under certain circumstances it will be appropriate for employees to accept them. However, employees are to avoid all situations in which the acceptance of any benefit could create an actual or apparent conflict of interests with their official duties.

5.8.3. Employees are to consider the following when making this decision:

(a) Who is offering the benefit?
(b) What is the purpose of the offer?
(c) What is the timing of the offer?
(d) Does the value of the benefit exceed a nominal value?
(e) Is the offer likely to be regular or repetitive?
(f) Is acceptance of the benefit consistent with other Lead Agency policy?
(g) Could the acceptance compromise you, another person or the Demonstration and Projects?
(h) Could acceptance of the benefit stand external scrutiny?

5.8.4. If there is any doubt about the intention or integrity of the source making an offer, employees are expected to reject the offer.

\(^4\) A benefit includes gift, gratuity, remuneration, allowance, fee subsidy, consideration, free service or entertainment other than as provided for as part of an employee’s terms and conditions of employment within the Demonstration and.
5.8.5. Where the value of the offer exceeds nominal value and refusal of the hospitality or benefit may cause offence, the offer should be accepted and immediately brought to the attention of the HoLA.

5.8.6. A benefit includes gift, gratuity, remuneration, allowance, fee subsidy, consideration, free service or entertainment other than as provided for as part of an employee's terms and conditions of employment within the Demonstration and Initiative.

5.9. Outside Employment

5.9.1. Employees may not engage in any employment outside the Demonstration and Initiative if such employment:
   a) interferes with the effectiveness of the performance of their duties within the Demonstration and Initiative;
   b) creates or appears to create a conflict of interests; or
   c) reflects adversely on the Demonstration and Initiative.

5.10. Determining Appropriate Conduct

5.10.1. In the first instance, employees are expected to assess the appropriateness of their own conduct in relation to decisions or actions they take as follows:
   (a) Would your decision or action withstand scrutiny by the community, the Lead Agency or the Demonstration and Initiative?
   (b) Will your decision or action comply with this Code of Conduct and Demonstration and Initiative policy?
   (c) Does your decision or action comply with all laws, regulations and rules?
   (d) Is your decision or action fair to the community, your family, your colleagues and others?

5.10.2. The Demonstration and Initiative's responsibility in determining whether an employee's conduct, whether on or off duty is right and proper in terms of this Code requires examination of:
   (a) the nature of the conduct exhibited; and
   (b) the context in which the conduct takes place.

5.10.3. Appropriateness of conduct is determined within this framework, with reference to the expectations of the Demonstration and Initiative, the wider community and the provisions of this Code.
5.10.4. Where the conduct of an employee does not satisfy the self-assessment criteria set out above, or will otherwise adversely reflect on the Demonstration and Initiative, it will be deemed by the Lead Agency as inappropriate under the provisions of this Code.

5.10.5. Conduct will be deemed Inappropriate under this Code if it includes:
(a) Conduct or a relationship that brings, or has potential to bring, adverse public or private comment or action on/or against the Lead Agency or Demonstration and Initiative.

5.11. Breaches of Standards of Conduct

5.11.1. All employees are expected to familiarize themselves with this Code and ensure that its provisions are observed.

5.11.2. Failure to comply with standards of conduct outlined in the code, without valid reason may result in termination.

5.11.3. Employees requiring advice or assistance concerning their obligations under this Code should seek assistance from the HoLA.

5.11.4. When assessing perceived or actual breaches of the Code of Conduct, the HoLA will adhere to the principles of natural justice, i.e.:
   a) the affected person must be given the opportunity to present their case and have that information considered before any decision is made; and
   b) the decision maker must have no personal interest in the matter to be decided, have no bias as to the outcome, and act in good faith throughout the process.

5.12. Suspension and Early Termination

5.12.1. The Parties hereto recognize that the successful completion and accomplishment of the purposes of the are of paramount importance, and that SOPAC may find it necessary to terminate the Demonstration, or to modify the arrangements for the management of a Demonstration, should circumstances arise that jeopardize successful completion or the accomplishment of the purposes of the Demonstration. The provisions of the present Article shall apply to any such situation.

5.12.2. SOPAC shall consult with the Lead Agency if any circumstances arise that, in the judgment of SOPAC, interfere or threaten to interfere with the successful completion of the Demonstration or the accomplishment of its purposes. The Lead Agency shall promptly inform the SOPAC of any such circumstances that might come to its attention. The Parties shall cooperate towards the rectification or elimination of the circumstances in question and shall exert all reasonable efforts to that end, including prompt corrective steps by the Lead Agency, where such circumstances are attributable to it or within its responsibility or control. The Parties shall also cooperate in
assessing the consequences of possible termination of the Demonstration on the stakeholders of the Demonstration.

5.12.3. SOPAC may at any time after occurrence of the circumstances in question, and after appropriate consultations, suspend and terminate the Demonstration by written notice to the Lead Agency, without prejudice to the initiation or continuation of any of the measures envisaged in paragraph 2, above, of the present Article. The SOPAC may indicate to the Lead Agency the conditions under which it is prepared to authorize management of the Demonstration to resume.

5.12.4. The Lead Agency may terminate the present Agreement in cases where an unexpected and or irrevocable condition has arisen that significantly impedes The Lead Agency from successfully fulfilling its responsibilities under the present Agreement, by providing SOPAC with written notice of its intention to terminate the present Agreement at least 30 days prior to the effective date of termination if the Demonstration has had a duration of up to six months from commencement and at least 90 days prior to the effective date of termination if the Demonstration has had a duration of greater than six months or more. In such a case, the Lead Agency shall undertake no forward commitments and shall return to SOPAC, within 30 days, all unspent funds, supplies and other property provided by SOPAC unless SOPAC has agreed to otherwise in writing.
6. STAFF RECRUITMENT POLICY

The Demonstration Personnel will be appointed by the Lead Agency in consultation with the RPM.

Personnel will be subject to a 12 months probation period which, after discussions between the HoLA and the RPM; can be extended for a further 6 months. Confirmation of appointment will be based on an assessment of performance against the personnel’s agreed workplans and will be undertaken in consultation with the RPM.

A Performance Management System will be used to monitor and evaluate the performance by Personnel and will form part of the Fixed Term Contracts for Project Staff. The HoLA will undertake the reviews and agreed to consult with the PCU in compiling each performance appraisal.

The Personnel shall be under the direct charge of the HoLA but will also be responsible to the RPM for the implementation of the Demonstration and its reporting requirements in accordance with SOPAC and UNDP policies, the Lead Agency and procedures as set out in the UNDP Project Document. Should any conflict in responsibility arise between the HoLA and SOPAC or UNDP then the HoLA will prevail, provided such an outcome is not in conflict with this agreement and with SOPAC and UNDP policies, the Lead Agency’s and procedures as set out in the UNDP Project Document.

6.1. Salary and benefits

For completing the Employee’s duties in accordance with this Contract, the Lead Agency will provide to the Employee the salary and benefits, as found in Attachment B (subject to and in accordance with the limitations and requirements specified therein) and Clause 4.2.

6.2. Condition precedent to payment of benefits

Where a benefit is provided by direct monetary payment to the Employee, it is a condition of the entitlement of the Employee to receive the benefit that:

a) the Employee provides, to the Lead Agency, satisfaction and sufficient written evidence verifying the incurring of the expenditure

6.3. Taxes, duties and levies

Income taxation will be deducted by the Lead Agency in accordance with the respective government’s taxation requirements.

6.4. Pay Progression and Performance Bonus

6.4.1. The Employee shall be eligible to be considered for a performance related increase (pay progression) on an annual basis.

6.4.2. A performance bonus between 5% and 15% of the inclusive annual remuneration package may be paid to the Employee as a reward for outstanding performance after the end of a financial year but only after an evaluation of
performance and approval of such evaluation by the HoLA in consultation with the RPM (RPM).

6.5. Engagement of Service Providers

The Demonstration Personnel must:

a) obtain approval from the HoLA to every proposed Contract, its scope, and estimates of cost and time for completion;

b) ensure that the engagement of Consultant Service Providers complies with the principles and procedures of the respective government and SOPAC;

c) invite expressions of interest and prepare EOI documents complete and fully detailed in the Administration Guidelines;

d) manage the invitation and close of EoIs;

e) evaluate tenders in consultation with the HoLA and submit a tender evaluation report with recommendation for acceptance;

f) prepare letters of award for issue by the HoLA and issue letters to unsuccessful applicants.

6.6. Management of Service Providers

The Demonstration Personnel must:

6.6.1. manage contracts in accordance with the principles and procedures required under the respective government and SOPAC Guidelines

6.6.2. review and assess the Consultant Service Providers’ work plans and conduct performance audits

a) respond promptly to requests for information from Consultant Service Providers, supply responses in writing, and keep records of correspondence;

b) monitor the progress of specified activities and the production of specified deliverables to satisfy the HoLA and DPSC;

c) manage the submission of all draft documentation supplied by the Consultant Service Providers to the HoLA for review and facilitate the approval process as follows:

• review draft documentation supplied by Consultant Service Providers and provide return comment;

• submit draft documentation of acceptable quality and standard, with comments, to the HoLA for review;

• consolidate all review comments, on behalf of the HoLA and forward these to the Consultant Service Providers;

• consolidate all review comments, on behalf of the HoLA, and forward these to the Consultant Service Providers;
• review and comment on final documentation and submit to the HoLA for approval only when it is of acceptable quality and standard.

d) advise Consultant Service Providers of non-compliance with the Contract;

e) examine and provide comment to Service Providers as appropriate on workplans;

f) supervise the Consultant Service Providers to make sure that Contract Work is being carried out within contract conditions and to make sure that required quality standards are being met;

g) require that any variation to the contracted service be approved by HoLA;

h) monitor Consultant Service Provider progress on a continuous basis;

i) when in receipt of a payment claim:
• follow the Lead Agency’s payment procedures,
• carry out all action required to ensure the Lead Agency meets its obligations under the Contract;
• advise on options for, get approval to and take action on the mitigation of delays and resolution of issues;
• manage resolution of Contract disputes with Consultant Service Providers in accordance with the HoLA requirements;
• report on Consultant Service Provider performance to the HoLA and RPM.

6.7. Hours of Work

Commencement of duties – Unless otherwise advised in writing by the Lead Agency, the employee is to commence performing the duties on the commencement date and complete all of the duties by the completion date.

6.8. Overall Personnel Entitlements

Superannuation and taxation - In accordance with the national government Public Service Commission’s (or equivalent agency’s) regulations.

6.9. Employee’s Duties

6.9.1. Performance of duties

The Employee will:
a) perform the duties for the Position as set out in the Terms of Reference, and as further or alternatively directed by the Lead Agency from time to time;

b) perform those duties in accordance with the standards, time frames and other requirements in the Project Specific Employment Scope of Services and the Terms of Reference, and the provisions of this Contract; and

c) be under the direct charge of the Lead Agency but will also be responsible to the GEF Pacific IWRM RPM for the implementation of the Demonstration and its reporting requirements in accordance with SOPAC and UNDP policies and procedures.

d) Commencement of duties

Unless otherwise advised in writing by the Department of Commerce, Industry & Environment, the Employee is to commence performing the duties on the Commencement Date and complete all of the duties by the Completion Date.

6.9.2. Hours of work

The Employee is to work the hour’s necessary to fulfill the Employee’s duties as specified in the Terms of Reference, however, the Employee is expected to report for work at least during standard business hours. The salary specified is payment for the overall performance of the Position.
6.9.3. Overriding standards

a) Skill, care and diligence

b) The Employee shall exercise a high standard of skill, care and diligence that would be expected of an experienced Employee of the Position in all aspects of the Employee’s performance of his/her duties and implementation of the Demonstration.

c) Head Contract

d) The Employee is to observe the requirements of the Lead Agency under the MoA between the Lead Agency and SOPAC to the extent they affect or are dependent on the Employee’s duties.

e) Project Procedure Guidelines

f) The Employee shall comply with the Project procedure guidelines in compliance with the respective government and SOPAC requirements.

g) Code of Conduct

h) The Employee is to abide by the Code of Conduct, and as amended by THE LEAD AGENCY from time to time.

i) Anti-corruption

j) The Employee shall not make, accept, give or promise any offer, gift, payment or benefit, which could be construed as an illegal or corrupt practice, as an inducement or reward in relation to the Project.

k) Notification of adverse events

l) The Employee is to notify the Secretary for THE LEAD AGENCY and the GEF Pacific IWRM RPM as soon as s/he becomes aware of any event, issue or circumstance which may adversely affect the performance of the Employee’s duties.

6.10. Medical Examination

This Contract is subject to and conditional upon the Employee being medically fit to perform his/her duties at the Project Location. The Employee is to provide medical certification evidencing the Employee’s fitness to the satisfaction of THE LEAD AGENCY prior to confirmation of appointment.

6.11. Performance

The Employee’s employment is further subject to compliance with the following terms:

a) The signing of a Performance Agreement within sixty (60) days after assumption of duty and annually within thirty (30) days after the commencement of the new financial year.

b) A probationary period of twelve (12) months.

c) The Code of Conduct as
7. DEMONSTRATION MATERIAL AND OTHER PROPERTY

7.1. Project Material
All Intellectual Property developed specifically for the Project or generated from the Project is the property of the Lead Agency and SOPAC.

The Employee:

a) will ensure the safekeeping and maintenance of the Project Material and that the Project Material is used only for the purpose of this Contract; and

b) at the expiration or termination of this Contract, deliver to THE LEAD AGENCY or as directed by the Lead Agency, all Project Material and other property of the Project and the Lead Agency which are in the Employee’s possession or control.

7.2. Reporting Requirements
The Employee is to make himself/herself aware of the reporting requirements in the Head Contract and prepare and provide reports as specified and to the required standard.

7.3. Record Keeping
The Employee is to keep comprehensive, accurate and up-to-date records of all transactions and activities carried out in performing the Employee’s duties.

7.4. Termination
This Contract terminates on the Completion Date or in accordance with the Termination Policy

7.5. Notices
Notices must be in writing and delivered by either prepaid and registered post, by hand, by facsimile or by email to the other party’s representative at the address specified or such other address as is subsequently notified by the party. Notices are deemed to have been received:

a) if sent by prepaid registered post, on the day the mail would be delivered in the ordinary course of mail;

b) if hand delivered by 5pm on a business day in the place of receipt, on that business day, otherwise the following business day in the place of receipt;

c) if sent by facsimile, successfully sent (as noted on the sender’s fax machine) by facsimile by 5pm on a business day in the place of receipt, on that business day, otherwise on the following business day in the place of receipt; and

d) if by email, on the date of acknowledgement of receipt of the email by the other party’s representative by return email.

Comment [CP1]: These will differ by contract
8. CONFIDENTIAL INFORMATION

The Employee shall not disclose or use any information which the Employee may acquire or come into the possession of which concerns or relates to the Project, the Lead Agency or SOPAC activities or policies, management, financial affairs, planning, staffing or current and future dealings and negotiations of the Lead Agency or SOPAC, except to the extent that such disclosure or use is:

a) strictly necessary for the performance of the Employee’s duties;

b) required by law; or

c) authorised by THE LEAD AGENCY and SOPAC’s prior written approval.
PART 2 GEF UNDP Demo Projects
Financial Reporting Manual
General Requirements

System Requirements
The Demo-Project Financial Reporting Template is a Microsoft Excel file. This requires a Windows based operating system and an MSExcel 2003 or later version.

Caution
The worksheets in the reporting template are linked and referenced. Therefore, no cell, row, column or worksheet should be inserted or deleted. The arrangement of the worksheets should not be changed either as they are numerically arranged from zero (0) to twelve (12).

Overview
The Demo-Project Financial Reporting Template has been designed to set a common platform for the Demo-Projects to report on their financials. The template is consistent with the requirements of UNDP which makes it simpler to consolidate the Demo-Project financials into a Regional Financial Report to UNDP.

Browsing
Browsing has been made easier with the inclusion of the “Back”, “Next” and “Main Menu” buttons of each of the spreadsheet.

Contents
The Demo-Project Financial Reporting Template consists of twelve (12) worksheets, each with a distinct role.
**Reporting Time-line**

The Demo-Project’s are required to submit their quarterly financial reports by the 7th day of the first month of the following quarter. The Project Coordination Unit has a deadline of the 15th day of the first month of the following quarter to submit a consolidated financial report to UNDP.

It will take UNDP about a week to verify the reports and release funds to SOPAC. SOPAC will then take approximately a week to transfer the funds to the Demo-Projects.

Failure to submit the financials the 7th by any one Demo-Project will result in delays to the whole process.

The process is diagramatically represented below:

<table>
<thead>
<tr>
<th>Quarter 1</th>
<th>1st Month</th>
<th>2nd Month</th>
<th>3rd Month</th>
<th>4th Month</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Week 1</td>
<td>Week 2</td>
<td>Week 3</td>
<td>Week 4</td>
</tr>
<tr>
<td>Demo Financial Report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PCU Composite Financial Report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNDP Funds SOPAC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOAPC Funds Demo's</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Calculation

In The Demo-Project Financial Reporting Template, there are formulae and referenced cells. It is advised that the worksheet be set to "Automatic" calculation. This could be done by selecting the "Options" Button in the "Tools" Menu. The options screen is shown below. Select the "Calculation" Tab and under the option "Calculation" choose the "Automatic" option.

![Options screenshot](image)

The shortcut to auto-calculate the worksheet is to use the "F9" button. It is a good idea to press the 'F9' button after entering any piece of data into the Template.

Saving

The Template should be saved regularly to avoid data loss.

Accuracy and Completeness

Remember the philosophy of garbage in, garbage out. The accuracy of the reports generated depends on what is entered into the templates. As such, follow instructions carefully and ensure that accurate and complete information is entered into the templates.
0.0 Main Menu (0)

The contents are listed in the tab labeled “Main Menu (0)” as shown below. Each of the items in the “Main Menu” is hyperlinked to the respective worksheet. Clicking on the list will open the respective spreadsheet.

![A snap-shot of the "Main Menu (0)".](image-url)
1.0 Demo-Project Profile (1)

The first item on the Main Menu corresponds to the second spreadsheet labeled “Demo-Project Profile (1)”. There are thirteen different demo-projects, each with separate and distinct task. Therefore, it is deemed appropriate for each of the demo-projects to complete a simple demo-project profile as part of its financial report.

It should be noted that the information provided in this spreadsheet will be used in the “Certification Statement (14)” spreadsheet.
2.0 Master Account Budget (2)

The second item on the Main Menu which corresponds to the third spreadsheet labeled “Master Account Budget (2)”. The Demo-Projects will run for five (5) years making it a multi-year project. The Master Account Budget provides the budgets for the Demo-projects for the whole five (5) years. Each year is then broken into four (4) quarters.

The Master Account Budget is stated in UNDP cost codes and reflects the Demo-Projects Activity Budget.

A snap-shot of the contents of the “Master Account Budget (2)”. 

- **5 Year Budget**
- **Annual Budget**
- **UNDP Cost Codes**
- **Quarterly Budgets**
3.0 Master Activity Budget (3)

The third item on the Main Menu corresponding to the fourth spreadsheet is the "Master Activity Budget (3)". This is in a similar structure as the "Master Account Budget" and is broken into years and each year is broken in quarters with a total for the five (5) years.

The Master Activity Budget is a reflection of the key activities that the Demo-Project plans to undertake within the five (5) year span. This worksheet summarizes the budgeted expenditure on individual activities.

A snap-shot of the contents of the “Master Activity Budget (3)” This is a simple illustration of how the Master Activity Budget would appear.
The Master Activity Budget will be different for each of the Demo-Projects since each Project has a different and unique set of Activities. Once the Demo-Project Activities are accepted and endorsed by the Regional Project Manager, the Template will be tailored to suit the Demo-Projects.

The Master Account budget and the Master Activity Budget are included in the Template to ensure that the entire project budget is available for undertaking expenditure as per budget and for forecasting requests for the forthcoming quarters.

Both the Master Budgets need to be revised as and when advised by the Regional Project Manager. Upon revision, this worksheets need to be amended to reflect the revised budgets.

The Master Budgets portray a vital link between the Demo-Project Budget (for 5 years), the Annual Work Plan (AWP) and budget and the Quarterly budget. This relationship is diagrammatically represented below and this is the basis upon which the Demo-Projects should prepare their AWP and Budget.

Both the Master Budgets are used as a guide and for information purpose in the Template. They are not linked to any other worksheet. However, the individual quarterly budgets will be needed to complete the Quarterly Account Budget (4) and the Quarterly Activity Budget (5). These are worksheets five (5) and six (6), respectively.
4.0 Quarterly Account Budget (4)

The fourth item on the Main Menu which corresponds to the fifth spreadsheet labeled "Quarterly Account Budget (4)" is a subset of the Master Account Budget. This "Quarterly Account Budget" only shows the budget for the particular period for which the Demo-Project is reporting on.

The Quarterly Account Budget tells the Demo-Project the amount that has been allocated for a particular quarter on an account by account basis.

The Demo-Project management should ensure to fill this in appropriately based on the amounts given in the Master Account Budget. For instance, if the Demo-Project is reporting for period ending 30th September 2010, then its Quarterly Account Budget will be for the period July – September 2010 (or the 3rd quarter of 2010 – year 2).

A snap-shot of the contents of the "Quarterly Account Budget (4)".

It is essential to complete the "Quarterly Account Budget" as this is linked to various other worksheets such as the "FACE Form (8)" and the "Account variance Report (10)".
5.0 Quarterly Activity Budget (5)

The fifth item on the Main Menu is the “Quarterly Activity Budget (5) and corresponds to the sixth spreadsheet of the Template. The “Quarterly Activity Budget” tells the Demo-Project the amount per activity that has been allocated for a particular quarter.

Like the Quarterly Account Budget, this Budget shows the allocation for the particular period for which the Demo-Project is reporting on.

The Demo-Project management should ensure to fill this in appropriately based on the amounts given in the Master Activity Budget. Refer to the example given for “Quarterly Account Budget”.

A snap-shot of the contents of the “Quarterly Activity Budget (5)”. This is a simple illustration of how the “Quarterly Activity Budget” would appear.

Since the Quarterly Activity Budget is an extraction from the Master Activity Budget, it has to be tailored based on the specific activities of each of the Demo-Projects. This will be done subsequent to the endorsement of the Demo-Project Activities and Budget by the Regional Project Manager.

The “Quarterly Activity Budget” is linked to the “Activity Variance Report (11)”. As such, it is necessary to complete this.
6.0 Actual Expenditure Listing (6)

The seventh worksheet of the template is labeled “Actual Expenditure Listing” and this is where the actual expenditure for the reporting quarter needs to be recorded. This is a very important worksheet since the whole template is dependent on the information recorded in this sheet. Therefore, caution and care needs to be taken when entering data into “Actual Expenditure Listing”.

A snapshot of the “Actual Expenditure Listing” is shown below:
What to enter in the “Actual Expenditure Listing”? 
Clicking on the cells of this worksheet will show alert messages which will inform you on the type of data to enter in the particular cell. The self explanatory messages are shown below.

<table>
<thead>
<tr>
<th>Enter Date</th>
<th>Please enter the date (month and date followed by the year, for example, 12/16/09) on which this transaction took place.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter Period</td>
<td>Please enter the period (year followed by the month, for example, 2009012) in which this transaction took place.</td>
</tr>
<tr>
<td>Enter Account Narration</td>
<td>Please enter a short and descriptive narration of the transaction.</td>
</tr>
<tr>
<td>Select Account Description</td>
<td>Please enter a short and descriptive narration of the transaction. Please select an appropriate account description from the drop-down list that most appropriately describes the nature of the transaction. Do not type in anything other than what has been specified in the drop-down list.</td>
</tr>
<tr>
<td>Select Activity</td>
<td>Please select an appropriate activity from the drop-down list that most appropriately describes the nature of the transaction. Do not type in anything other than what has been specified in the drop-down list.</td>
</tr>
<tr>
<td>Enter Amount (Local Currency)</td>
<td>Please enter amount in local currency.</td>
</tr>
<tr>
<td>Enter Amount (USD)</td>
<td>Please enter amount in US Dollars. To convert local currency into US dollar, use the rate at which the last funds were received from SOPAC.</td>
</tr>
<tr>
<td>Enter Reference</td>
<td>Please enter an appropriate document reference. For example, invoice number, cheque number, etc.</td>
</tr>
<tr>
<td>Enter Document Reference</td>
<td>Please enter numbers in chronological order (1,2,3...). This is the order in which source documents will be sent as supporting documents to each line in the “Actual Activity Listing”.</td>
</tr>
</tbody>
</table>
**Date**

Enter the date on which the transaction occurred. The format for the date should be month, date followed by the year.

**Period**

Enter the period in which the transaction occurred. The format for the period is the year followed by the month.

**Account Narration**

Enter a short but descriptive narration of the transaction. It is usually important to answer the three W’s – What? When? and Why?

**Account Description**

The Account Description needs to be selected from a drop down list. This could be accessed by clicking the down-ward arrow on the far right-hand side of the cell or by pressing the “alt” and the “downward arrow” key.

The Account description is consistent with the UNDP codes which have been introduced in the Template via the “Master Account Budget” and the Quarterly Account Budget”. It is necessary to select the appropriate account description as it will be used in the “FACE Form” and “Account Variance Report. A list of the Account Description is shown below:

<table>
<thead>
<tr>
<th>International Consultants</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>International Consultants - Short term - Technical</td>
<td></td>
</tr>
<tr>
<td>International Consultants - Short term - Support</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local Consultants</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Consultants - Short term - Technical</td>
<td></td>
</tr>
<tr>
<td>Local Consultants - Short term - Support</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contractual Services - Individuals</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Contracts - Individuals</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Travel</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel Tickets - International</td>
<td></td>
</tr>
<tr>
<td>Travel Tickets - Local</td>
<td></td>
</tr>
<tr>
<td>Daily Subsistence Allowance - International</td>
<td></td>
</tr>
<tr>
<td>Daily Subsistence Allowance - Local</td>
<td></td>
</tr>
<tr>
<td>Daily Subsistence Allowance - Meeting Participants</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shipment</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel - Other</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General Operating Expenses</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Contractual Services - Companies</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Svc Co - Natural Resources &amp; Environmental Services</td>
<td></td>
</tr>
<tr>
<td>Svc Co - Trade and Business Services</td>
<td></td>
</tr>
<tr>
<td>Service Category</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Svc Co - Studies and Research Services</td>
<td></td>
</tr>
<tr>
<td>Svc Co - Transportation Services</td>
<td></td>
</tr>
<tr>
<td>Svc Co - Communications Services</td>
<td></td>
</tr>
<tr>
<td>Svc Co - Information Technology Svcs</td>
<td></td>
</tr>
<tr>
<td>Svc Co - Training and Education Services</td>
<td></td>
</tr>
<tr>
<td><strong>Equipment and Furniture</strong></td>
<td></td>
</tr>
<tr>
<td>Office Equipment</td>
<td></td>
</tr>
<tr>
<td>Machinery</td>
<td></td>
</tr>
<tr>
<td>Transportation Equipment</td>
<td></td>
</tr>
<tr>
<td>Furniture</td>
<td></td>
</tr>
<tr>
<td>Sale of Equipment and Furniture</td>
<td></td>
</tr>
<tr>
<td><strong>Communications and Audio Visual Equipment</strong></td>
<td></td>
</tr>
<tr>
<td>Acquisition of Communication Equipment</td>
<td></td>
</tr>
<tr>
<td>Acquisition of Audio Visual Equipment</td>
<td></td>
</tr>
<tr>
<td>Courier charges</td>
<td></td>
</tr>
<tr>
<td>Postage and Pouch</td>
<td></td>
</tr>
<tr>
<td>E-mail - subscription</td>
<td></td>
</tr>
<tr>
<td>Connectivity Charges</td>
<td></td>
</tr>
<tr>
<td>Common services - Communications</td>
<td></td>
</tr>
<tr>
<td><strong>Supplies</strong></td>
<td></td>
</tr>
<tr>
<td>Stationery and other Office Supplies</td>
<td></td>
</tr>
<tr>
<td>Publications</td>
<td></td>
</tr>
<tr>
<td><strong>Information Technology Equipment</strong></td>
<td></td>
</tr>
<tr>
<td>Acquisition of Computer Hardware</td>
<td></td>
</tr>
<tr>
<td>Acquisition of Computer Software</td>
<td></td>
</tr>
<tr>
<td>Information Technology Supplies</td>
<td></td>
</tr>
<tr>
<td><strong>Overhead Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Rental and maintenance of other office equipment</td>
<td></td>
</tr>
<tr>
<td>Rental and maintenance of other office equipment</td>
<td></td>
</tr>
<tr>
<td>Maintenance, operation of transportation equipment</td>
<td></td>
</tr>
<tr>
<td><strong>Miscellaneous Operating Expenses</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Professional Services</strong></td>
<td></td>
</tr>
<tr>
<td>Management and Reporting Services</td>
<td></td>
</tr>
<tr>
<td>Audit Fees</td>
<td></td>
</tr>
<tr>
<td>Legal Fees</td>
<td></td>
</tr>
<tr>
<td>Capacity Assessment</td>
<td></td>
</tr>
<tr>
<td><strong>Audio Visual and Printing Production Costs</strong></td>
<td></td>
</tr>
<tr>
<td>Audio Visual Productions</td>
<td></td>
</tr>
<tr>
<td>Printing and Publications</td>
<td></td>
</tr>
<tr>
<td>Promotional Materials and distribution</td>
<td></td>
</tr>
<tr>
<td>Account Description</td>
<td></td>
</tr>
<tr>
<td>----------------------------</td>
<td></td>
</tr>
<tr>
<td>Translation Costs</td>
<td></td>
</tr>
<tr>
<td>Other Media Costs</td>
<td></td>
</tr>
<tr>
<td><strong>Miscellaneous Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td>Bank charges</td>
<td></td>
</tr>
<tr>
<td>Storage</td>
<td></td>
</tr>
<tr>
<td>Sundry</td>
<td></td>
</tr>
</tbody>
</table>

The Account Description should be selected based on the nature of the transaction and the "Master Account Budget". Note that you will not be allowed to type anything in this column.
**Activity**

The Activity for which the transaction was undertaken needs to be selected from a drop down list. This could be accessed similarly to the Account description by clicking the downward arrow on the far right-hand side of the cell or by pressing the “alt” and the “downward arrow” key.

The Activity list is in line with the Demo-Project Activities. The Template will be tailored to include a list of activities that suits respective Demo-Projects. Currently, only a list of simple activities is included for illustration purpose.

It is necessary to select the appropriate activities since these will be used in the “Activity Variance Report”.

**Amount (Local Currency)**

Enter the amount relating to the transaction is local currency. For instance, the amount entered by the Fiji Demo-Project should be in Fijian Dollars.

**Amount (USD)**

Convert the local amount to US Dollars and enter it here. If the local currency is something other than US dollars then the rate to use for conversion is the rate at which the funds for the last quarter was received.

**Reference**

Enter an appropriate reference number which could be used to trace the source document for the transaction. For example, cheque number, invoice number, etc.

**Document Reference**

The Regional Project management requires that each Demo-project submit supporting documents along with the quarterly financial reports. These documents need to be certified by the Ministry of Finance.

In order to trace the documents relating to a particular transaction, it is necessary to enter the document reference. This should be arranged in a chronological order (1,2,3…). Therefore, the first transaction in the “Actual Expenditure Listing” will have a document reference number one (1) and this number should be written on the certified source document that relates to transaction number one (1).

DO NOT sum the amounts entered in the “Actual Expenditure Listing” and ensure to press F9.

**Special Note: Project Management Costs (Salary of staff)**

The costs for the Demo-Project Management (staff salaried) should be tagged to the UNDP Code 71405 – Service Contracts Individuals.
7.0 New Request (7)

The eighth worksheet of the table is labeled “New Request (7)”. This is where the request for the next quarter is recorded. The New Request Form is consistent with the “Master Account Budget” and the “Quarterly Account Budget”.

It is necessary to complete this Form since it is linked to the “FACE Form”. This Form should be filled in accordance to the requirements of the forth coming quarter and should be in line with the Demo-Projects Annual Work Plan.

A snapshot of the “New Request Form” is shown below:

Ensure to press “F9” after filling in the “New Request Form”.

![New Request Form screenshot](image-url)
8.0 FACE Form (8)

The ninth worksheet of the Template is the “FACE Form (8)” which the financial reporting format of UNDP. DO NOT enter anything in this worksheet.

The “FACE Form” is linked to all the relevant worksheets to generate the financial report.

A snapshot of the “FACE Form” is shown below:
The “FACE Form” is divided into two parts – Reporting and Requests/Authorizations. The reporting section has four columns which are explained below.

**Opening balance**

Opening balance is the leftover funds from the previous quarter (previous reporting period) which has been brought forward to be spent in the current quarter. This means that the closing balance for the current quarter will become the opening balance of the next quarter.

This amount will be entered into the “FACE Form” by the Regional Project Management Team and an updated Template will be sent to each of the Demo-Projects to report on the quarters financials.

**Actual Project Expenditure**

This is the actual expenditure for the quarter being reported. These expenditures are automatically picked from the “Actual Expenditure Listing”.

**Expenditure Accepted by the Agency (SOPAC)**

The Regional Project Manager reserves the rights to approve or disapprove the actual expenditure submitted by the Demo-Projects. It is initially assumed that all expenditure made by the Demo-Projects are in line with their AWP’s and budgets. However, if there are any discrepancies and the source documents submitted do not tie with the amounts in the “Actual Expenditure Listing” or if the expenditure is not deemed relevant, the Regional Project Manager might not approve the expenditure.

As such, this column represents the accepted and approved expenditure.

**Balance**

This is the balance that is left from the opening balance after expenditure of the quarter being reported.

The Requests/Authorizations section has three columns.

**New request**

New request is linked to the amounts that are entered into the “New Request Form”. This represents the amount requested for the forthcoming quarter.

**Authorized amount**

Authorized amount refers to the amount of new request that has been authorized by the Regional Project Manager. It is initially assumed that all requests are in line with the AWP’s and Budgets. However, the RPM reserves the right to amend the amount requested based on any discrepancies.
**Closing Balance**

Closing balance is the sum of funds left from the quarter being reported and the approved requested amount. This is the amount that will become the opening balance for the next quarter.
9.0 Statement of Cash Position (9)

The tenth worksheet of the Template is the “Statement of Cash Position (9)”. This Statement shows the cash available to the Demo-Projects, the balance available at the end of the quarters and the cash requirements for the next quarter.

A snapshot of the “Statement of Cash Position” is shown below:
**Opening Cash Balance**
Enter the cash balance available at the beginning of the year (the first quarter of every year).

**Cash Advances Received**
Enter the amounts received per quarter as cash advance during the year. For example, if you are reporting for quarter 2 then you need to fill in cash advance received for quarter 1 and quarter 2. Quarters 3 and 4 remains zero.

**Total Cumulative Expenditure Incurred**
Enter the amount of cash paid on a quarterly basis. For example, if you are reporting for quarter 2 then you need to fill in the cumulative expenditure incurred for quarter 1 and quarter 2. Quarters 3 and 4 remains zero.

**Closing Cash Balance**
Closing cash balance = Opening cash balance + Cash advances received – cumulative expenditure. This is the balance remaining at the end of the quarter being reported.

**Cash Requirement Forecast**

**Estimated Disbursement for the Quarter**
Enter the estimated amount of disbursement for the next quarter.

**Closing Cash Balance**
This is linked to the Closing Cash Balance shown earlier.

**Total Cash Requirements**
Total Cash Requirements = Estimated Disbursement for the Quarter – Closing Cash Balance

This is the amount of cash that will be advanced to the Demo-Project for the current quarter.
10.0 Account Variance Report (10)

The eleventh worksheet in the Template is the “Account Variance”. This worksheet shows the variance between the quarterly account budget and the quarterly actual expenditure on an account basis. This Variance report is self-generated and has four columns. The “Quarterly Account Budget” is the source of the “Budget”, the quarterly expenditure reported on the “FACE Form” is the source for the second column. The difference between the two is the “Variance” column.

The “Variance %” column indicates whether the variance is acceptable or not. If the “Variance” is between -10% to +10% then this is acceptable and the background of the “Variance %” remains green. If it goes outside this band, the background turns red alerting a need for attention.

A snapshot of the Account Variance Report is shown below:
11.0 Activity Variance Report (11)

The twelfth worksheet in the Template is the “Activity Variance”. This worksheet shows the variance between the quarterly activity budget and the quarterly activity expenditure. This Variance report is also self-generated and has four columns and works similarly to the “Account Variance Report.” The “Budget” column is linked to the “Quarterly Activity Budget” and the actual expenditure is captured from the “Actual Expenditure Listing”. The difference between the two is the “Variance” column.

The “Variance %” column indicates whether the variance is acceptable or not. If the “Variance” is between -10% to +10% then this is acceptable and the background of the “Variance %” remains green. If it goes outside this band, the background turns red alerting a need for attention.

A snapshot of the Activity Variance Report is shown below. This is just for illustrative purpose and once the Activities for the Demo-Projects are endorsed, by the Regional Project Manager, this variance report will be tailored to suit the individual Demo-Projects.
Register of Assets and Equipment

Asset Purchase
Non-expandable equipment is defined by the UNSP National Execution Modility (NEX) Guidelines as any equipment exceeding USD 1,000 in value. The Demo-Projects have limited budgets for assets and need to purchase according to purpose the funds have been allocated. Any equipment purchase must be from providers that can honour warranty obligations. In some countries, such providers will be available locally. For countries that do not have suitable suppliers, they need to purchase it from suitable countries.

Insurance
All non-expandable equipment is to be covered under a comprehensive insurance policy for loss, theft and damage. It is the Demo-Project Managers responsibility to arrange this with a local insurance firm. Copies of all insurance policies for the assets should be maintained in a file.

Equipment Registry
Each Demo-Project is requiried to maintain an Equipment Registry. Both the Asset Registry over and below US$1,000 includes details for each item of equipment, including accessories (Brand, Model, Serial Number), the purchase date and the invoice amount paid converted into US Dollars. For expandable Equipment (Asset Over US$1,000), the policy number or reference for the insurance policy that covers its loss, theft or damage is also provided for on the Registry Form.

Equipment Maintenance
Payment for the repair of equipment, not covered under warranty provisions should be spent according to the budget.

Lost, Damaged or Stolen Item
All equipment lost, stolen or damaged is to be reported in the form of a Note to File. A Police Report including details of any action towards recovery of the stolen items, and to apprehend and prosecute those responsible, must accompany the File Note for stolen equipment. Copies of all correspondence relating to insurance associated with lost, stolen and damaged equipment is to be maintained in a file.

Until the formal termination of the Project all non-expandable equipment is officially the property of UNDP. The Regional Project Manager will liaise with UNDP during the final year of the Project to determine the fate of any non-expandable item purchased using Demo-Project fund.
12.0 Asset Below US$1000 (12)

Worksheet thirteen of the Reporting Template is a Equipment Registry for “Assets Below US$1,000 (12)”.

A snap shot of the registry is shown below:
13.0 Asset Over US$1000 (13)

The fourteenth worksheet of the Reporting Template is a Equipment Registry for “Assets Above US$1,000 (13)”. 

A snapshot of the registry is shown below:

**Tag No.**

Tag number is a unique identification number allocated to the asset. For example, “GEF/UNDP/Samoa Demo-0001”.

** Acquisition Date**

Acquisition date is the date on which the asset was bought (delivered to the Demo-Project).

**Item Description (Make and Model)**

Item description is a short narration that describes the asset along with its make and model. For example, “Silver 4x4 Twin cab, Nissan Navara”
**Insurance No.**

It is a requirement by the Regional Project Management that all assets be insured to safeguard the asset against damage, loss or theft. The Insurance number refers to the insurance policy number.

**Condition**

The present state of the asset need to stated. For example, “Good working condition”.

**Responsible Person/ Entity**

The responsible persons name. The responsibility of the asset lies with the Demo-Project Manager.

**Item Location**

The place where the item could be physically found.

**Manufacturer**

The manufacturer of the asset.

**US$ Value**

The amount at which the asset was acquired. If the assets was bought in the local currency. This need to be converted into US dollar amount.

**Serial No.**

The serial number of the asset.

**Remarks**

Enter any other relevant remarks in relation to the asset.
14.0 Certification Statement (14)

The last worksheet of the reporting Template is the “Certification Statement (14). This worksheet acts as a certification by the Demo-Project that the information provided in the Financial report are correct.

A snapshot of the “Certification Statement” is shown below:

Details of the Demo-Project are picked from the “Demo-Project Profile” worksheet and does not have to be entered.

Ensure to select the “Type of Request”. The options available in the dropdown list are Direct Cash Transfer, Reimbursement and Direct Payment.

The Demo-Project Manager needs to endorse the “Certification Statement”.

Submission
The Regional Project Manager requires that an electronic version of the financial report be submitted by the 7th day of each quarter.

Before submitting the electronic version of the report, a simple checklist on this worksheet needs to be completed. Select either “Yes” or “No” from the dropdown list. It is necessary that all worksheets be completed before submission.

Audits
The accounts of the Demo-Projects are subject to annual external audit. The audit is to be conducted based on the UNDP NEX Audit Terms of Reference. This will be provided by the Regional Project Team every year. The audit can be facilitated by the Auditor General (AG) for countries which have one. For countries without an AG’s office can select a public auditor for the audit exercise.

The Regional Project Team will provide a Demo-Project Combined Delivery Report (CDR) for the auditors to audit. Along with this, the projects cash statements and asset registry will be reviewed. The CDR for the expenditure of the year being audited will be made available by the early January and the audit reports will be due by the end of February.

In order to cater for the audit costs, the Demo-Projects need to budget for the audit costs in its annual work plan and budget.