

NATIONAL CURRICULUM DEVELOPMENT CENTRE

KYAMBOGO UGANDA



FINANCIAL REGULATIONS AND GUIDELINES

2012

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Chairperson’s Instrument of Approval

I, Dr. Y. K. Nsubuga, Chairperson of the NCDC Governing Council in exercise of the powers conferred upon the Chairperson by Section 5 (1-4) of the National Curriculum Development Centre CAP 135 Laws of Uganda as Revised 2000, do hereby accent to the NCDC Financial Regulations and Guidelines 2012 and I hereby appoint that the said Financial Regulations and Guidelines shall take effect from the 1st day of January 2013.

.....

Dr. Y. K. Nsubuga
Chairperson, NCDC Governing Council

.....

Mrs. Connie Kateeba
Secretary, NCDC Governing Council

PART A: PRELIMINARY:

1. CITATION, COMMENCEMENT AND APPLICATION OF NCDC FINANCIAL REGULATIONS AND GUIDELINES.

These Regulations may be cited as the NCDC Financial Regulations and Guidelines and shall be deemed to have come in force on 13th September 2012.

These Regulations apply to all financial transactions and business of the Centre and to the management of all moneys, property and other assets of the centre.

These Financial Regulations and Guidelines shall take precedence over all other existing Regulations or standing Orders regarding the Centre's finances. Reference shall be made to the Public Finance and Accountability Act 2003, the Public Finance and Accountability Regulations 2003, and any other amendment thereto, where matters are not covered by the NCDC Financial Regulations and Guidelines.

The Centre's Financial Regulations and Guidelines are to enhance the entire internal Control System of the National Curriculum Development Centre.

Amendments, including deletions, additions and changes to the Financial Regulations and Guide lines shall only be made after express authorization by the Governing Council.

2. ESTABLISHMENT OF THE NATIONAL CURRICULUM DEVELOPMENT CENTRE

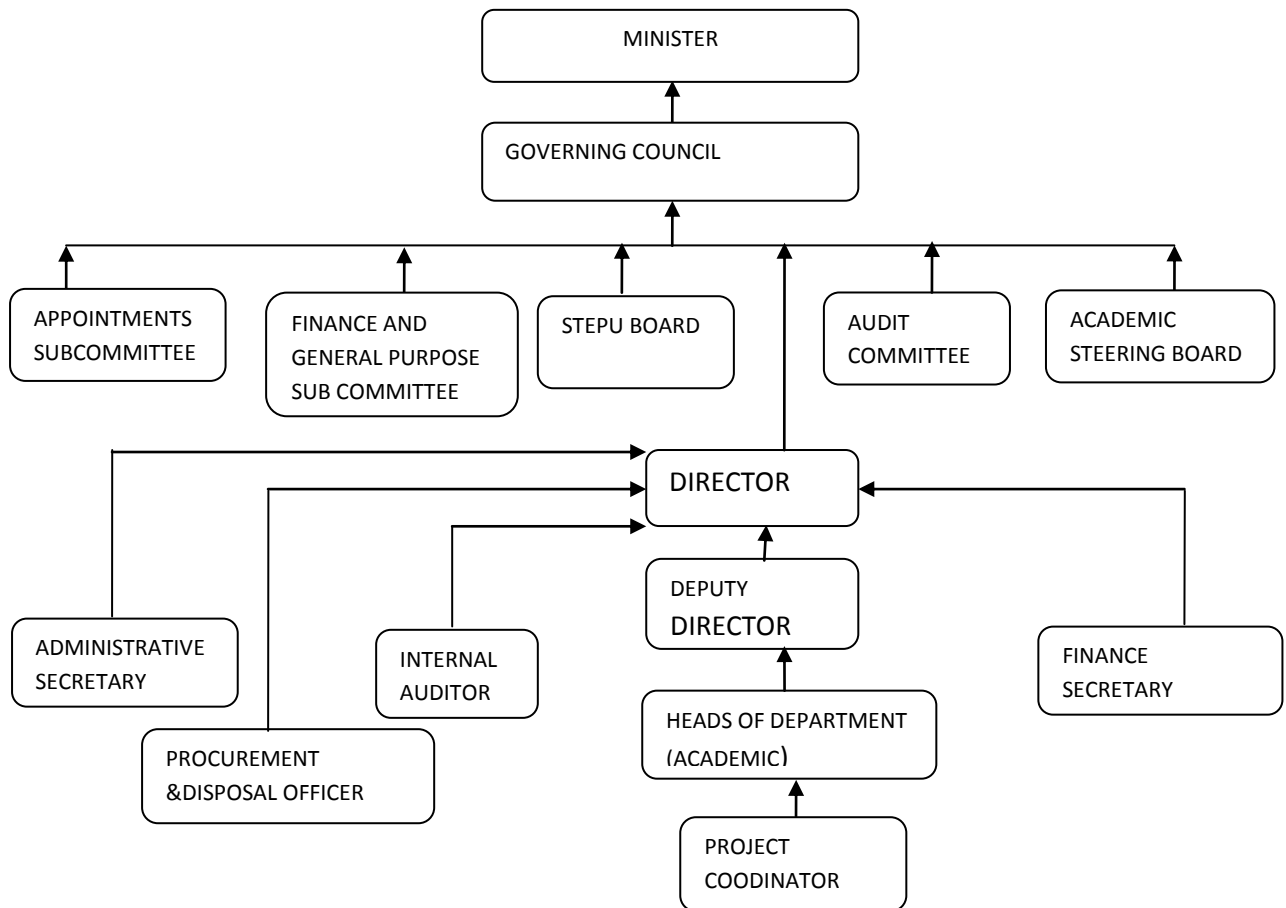
The National Curriculum Development Centre was established by statute (The NCDC Act Chapter 135 Laws of Uganda Revised Edition (2000)).

3. NCDC AUTONOMY

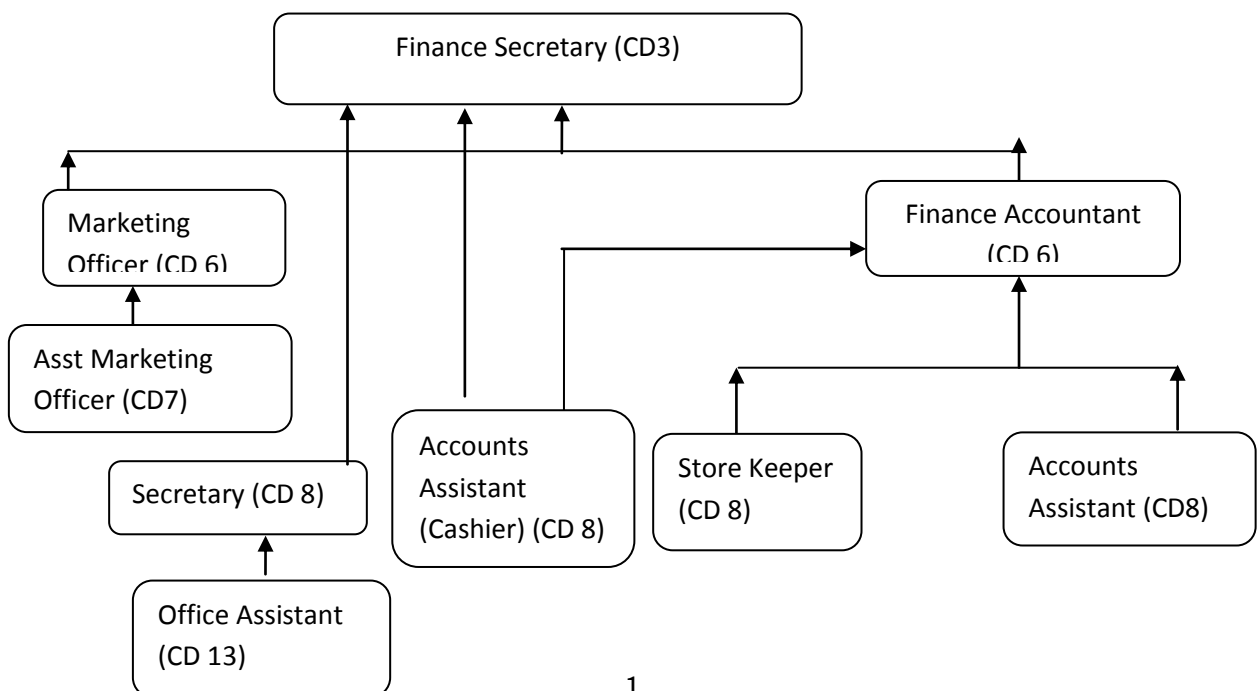
The Centre is a body corporate with perpetual succession and a common seal and may sue or be sued in its corporate name and subject to statute may do and suffer all other acts and things as bodies corporate may lawfully do and suffer.

PART B. DUTIES AND RESPONSIBILITIES OF THE COMPONENTS OF THE INTERNAL CONTROL SYSTEM

1. NCDC INTERNAL CONTROL CHART



2. Finance Department Structure



3. DEFINITION OF THE INTERNAL CONTROL SYSTEM

Internal Control system is defined as a system which ensures that the entity is organized in an orderly and efficient manner, provided for accuracy and reliability of both administrative and accounts Records, ensures security to Assets and enhances adherence to both managerial policies and statutory requirements.

OR

A set of system to ensure that Financial and other records are reliable, complete and ensure adherence to the entity's management policies, the orderly and efficient conduct of the entity, and the proper recording and safeguarding of assets and resources.

OR

Systematic measures (such as reviews, checks and balances, methods and procedures) instituted by an organization to conduct its business in an orderly and efficient manner, safeguard its assets and resources, deter and detect errors, fraud, and theft, ensure accuracy and completeness of its accounting data, produce reliable and timely financial and management information, and ensure adherence to its policies and plans.

4. DUTIES OF THE MINISTER

May from time to time specify by statutory order additional functions to the Centre.

Shall appoint not more than three members who appear to the Minister to be qualified and having experience in the practice and administration of Education to the Council.

May in writing under his/her hand appoint an Ex Official member of the council to be the Chairperson of the Council.

Shall receive from Council, not later than three months after the end of each Calendar Year, a report on the Centre's activities for that year.

Shall approve the appointment of a Director of the Centre (To be the Chief Executive Officer of the Centre / Accounting Officer) for such a period and on such terms and conditions as the Council may determine.

Shall approve the standing orders, made by Council as required by Section 38 of the Statute.

5. DUTIES OF THE COUNCIL SHALL:

Be Responsible to the Minister for effective Internal Control system of the Centre.

Be charged with overseeing the administration and management policy of the Centre.

With approval of the minister, appoint a Director of the Centre to be the Chief Executive Officer of the Centre/ Accounting Officer for such period and on such terms and conditions as the council may determine.

Appoint a Deputy Director and other employees of the Centre to assist the Director in Managing the Centre as shall be spelt out in the standing order of the Centre.

Approve such curriculum development projects and programmes as may be undertaken by the Centre and give directions for the carrying out of such projects.

Make standing Orders regarding the management and conduct of the Centre or any matter connected with the functions or proper exercise, discharge or performance by the council of its functions under this statute and such Standing Orders may provide for:

Books of Accounts to be kept by the centre.

The Salary Structure of the Centre.

The Appointment, discipline and dismissal of the Director and all other employees of the Centre.

The Allowances and expenses to be paid to members of the Council and Sub Committees thereof.

Cause keeping of proper books of accounts of all income and expenditure and proper records accordance with Generally Accepted Accounting Practice is in accordance with the international public accounting standards.

Subject to such directions as from time to time the minister responsible for Finance may give, the council shall prepare, in respect of each Financial Year, a statement of account, which shall include:

A balance sheet , statement of Income and Expenditure and a statement of surplus or deficit containing such information as , had the centre been a company registered under the companies Act, would be required to be laid before the company by the Directors at the annual General meeting, and,

Such other information in respect of financial affairs of the Centre as the minister responsible for Education may require.

Ensure that systems and procedures are established in the Centre for planning, allocation, budgeting and evaluate for the use of resources in order to improve the efficiency and effectiveness of the Centre.

Consider all requests for the issue of money from the royalty earning and where council considers it appropriate, approve their inclusion in the estimates.

Enhance the control of the Centre's management by maintaining transparent systems, which:

Provide a full account to council on the use of resources.

Ensure the exercise of regularity and propriety in the handling the expenditure of resources(and public money) and in particular, that goods or services are procured in affair, equitable, competitive and cost effective manner and,

Ensure the efficient and cost effective management of any fund established by the centre.

Give instructions or directives that may appear to the council necessary and expedient for the proper carrying out of the intent and purposes of the safety, of the centre revenue and property.

Ensure that all resources, including money, human capital and assets allocated and deployed to the best effect.

Appoint sub committees i.e. Appointments committees, Finance and General Purpose Subcommittee, from its members and may refer to any such subcommittee, any matter for investigation and report to the council.

Receive appraisal and guide and approve reports from its sub committees including among others approving the centre's estimates of income and expenditure.

Submit its budget estimates to the Minister of Education and Sports to or any other authority as the Secretary to the treasury may direct.

Submit to the Minister, not later than three months after the end of each Calendar year, a report on the Centre's activities for the year.

Any other duties as may arise from the amendment to the Act.

6. DUTIES OF THE FINANCE & GENERAL PURPOSE SUBCOMMITTEE;

Be responsible to council for monitoring the effective application of these Financial Regulations and Guidelines and any instructions or directives issued from the Council.

Receive study the Centre's annual estimates prepared in accordance with any general or specific direction of Council and that the estimates reflect, as can be ascertained at that material time, value for money in the use of the Centre's resources. The production budget shall be received from the Academic Steering Board (ASB)

The Chairperson of the Finance & General Purpose Subcommittee shall present to all Council the business of the Finance & General Purpose Subcommittee.

Ensure that the Internal Audit Function in the Centre is appropriate to the needs of the Centre and such a function conforms to the internationally recognized auditing standards.

Ensure that the sales and Marketing function of the Centre's products (goods and Services) is effective.

Receive study and evaluate the periodical budgetary control returns of the Centre and report to council.

Regularly receive a financial report status report from the Director on Royalties and local sales volumes.

Receive study and recommend to council any supplementary estimates by management.

Perform any other duties assigned to it by the Council.

7. APPOINTMENTS SUBCOMMITTEE SHALL:

Ensure that the management systems of the Centre are adequately staffed both in number and quality.

The said systems are:

- The Administrative system
- The Accounting system
- The Internal Auditing system
- Grade staff salaries for approval of Council

8. THE ACADEMIC STEERING BOARD SHALL:

- Assist management with the detailed planning and implementation of Curriculum development projects, training courses and other activities of the Centre and make submissions to the Council. The Academic Steering Board shall submit annual production budgets to the Finance & General Purpose subcommittee.

- Ensure that Curriculum materials developed are of acceptable standard.
- Receive and appraise detailed work plans of the Academic Departmental heads and specialists.
- Appraise and submit to council the Centre's strategic production plan of the Centre.
- Receive and appraise the periodical reports from management on the progress of implementation of the curriculum programmes.
- Review the academic operations on programmes of the Centre to ascertain whether results are consistent with established objectives and goals and whether such operations or programmes are being carried out as planned.
- Report on the quarter basis to the council on the progress of the Centre's curriculum development projects and related activities.

9. AUDIT COMMITTEE

There shall be an Audit Committee comprising of a Chairperson and four other members, all of whom shall be appointed by the Governing council who shall have qualifications, relevant knowledge and competence and moral integrity required to carry out their duties.

Functions of an Audit Committee

The audit committee shall assist the Accounting officer in carrying out his/her oversight responsibilities relating to financial practices, internal controls, corporate governance issues, compliance with laws, regulations and ethics and all audit matters.

The Audit Committee shall function in an advisory capacity to the Accounting Officer, but its powers shall not be limited in any way, which would prevent it from properly performing its advisory duties and for this purpose, the Audit committee shall have unrestricted access to records and employees to obtain information needed to perform its duties.

Specific Duties of an Audit committee

- Approve annual and operational plans of the Internal Audit function
- Liaise and work closely with the office of the Auditor General, the Inspector General of Government, the Director of Public prosecutions and the police and the board of inquiry established under regulation 25 of the Public Finance and Accountability regulations 2003.
- Periodically review and report on the overall quality of internal audit services.
- Review the internal audit budget to ensure that it is appropriate.
- Review the adequacy of the Internal Audit function, its adherence to professional standards particularly independence, standing, scope, resources and reporting arrangements.
- Consider objectives and scope of any additional work undertaken by Internal Auditors to ensure there are no conflicts of interest and that independence is not compromised.
- Discuss with the Accounting Officer, internal audit findings and recommendations and to review and monitor implementation of the recommendations.
- Through the chairperson of the Audit Committee, represent concerns of the internal audit to the relevant Accounting Officer and the Governing Council.
- Facilitate risk assessment to determine the amount of risk exposure of the entity's assets and the probability of loss occurring with a view to mitigating the risks.
- Review arrangements established by the Accounting officer for compliance with regulatory and financial reporting requirements.
- Review the financial statements prepared by the Accounting Officer to ensure that disclosure is adequate and fair presentation is achieved.

Membership of the Audit committee

- The Committee shall comprise a chairperson and four other members.
- The Chairperson shall be a member of the Governing council.
- Four members shall be drawn from within the Governing Council members, one of whom shall be from the Ministry of Finance Planning and Economic Development.
- One person drawn from the public who shall be technical in the field of Finance Accounting and Corporate governance.
- Staff members are not eligible to be members of the Audit committee.
- Members shall have relevant qualifications, knowledge, competence and moral integrity.
- At least one member of the committee should have qualifications in Accounting, auditing, Public finance, Corporate Governance.
- If no member is qualified with the above, Council shall source for a non Council member to be co-opted on the Committee to offer technical guidance.
- The internal Auditor shall be the secretariat of the Committee and as such shall coordinate all activities of the Committee.

10. MANAGEMENT COMMITTEES

(i) Quality Assurance Committee

Roles:

- To study in-depth all curriculum related products from departments and evaluate against the following:
- Relevancy to the targeted level

- Validity in relation to rationale of the curriculum statement.
- Appropriateness in presentation (language rendering, illustrations, visual effects, audio appeal and validity/reliability)
- Focus of the objectives / learning outcomes to the content.
- Suitability and accuracy of content.
- To advise Specialists on standards to target in order to ensure quality products.
- To recommend products that should be presented to the Academic Steering Board for institutional adoption.
- Co-opt where need arises
- Assist departments on the specifications for the books.

(ii) The Contracts Committee

Section 28, Public Procurement and Disposal of Public Assets Act 2003, stipulates;

A Contracts Committee shall be responsible for;

- Adjudication of recommendations from the Procurement and Disposal Unit and award of contracts;
- Approving bidding and contract documents;
- Approving the Evaluation Committee;
- Approving Procurement and Disposal procedures;
- Ensuring that best practices in relation to procurement and disposal are strictly adhered to by procuring and disposing entities;
- Ensuring compliance with this Act, and
- Liaising directly with the Authority on matters within its jurisdiction.

(iii) Research and Evaluation Committee

There shall be a Research and Evaluation committee to guide and regulate the Research and Evaluation at the National Curriculum Development Centre.

Functions of the Research and Evaluation Committee

- To plan and guide Research, Monitoring and Evaluation studies at the Centre.
- To assess the need for Research, Monitoring and Evaluation studies and to determine when and how to do them.
- To review Research, Monitoring and Evaluation proposals and instruments before they are taken to the field.
- To ensure that there are no duplication of Research studies
- To ensure that studies undertaken by the Centre are valid, reliable and of high quality.

Composition of the Research and Evaluation Committee

The committee shall be composed of the following;

- The Deputy Director(Chairperson)
- Head of Research and Evaluation Department
- All specialists in Research and Evaluation (One to be secretary)
- A representative of Pre Primary and Primary Department
- A representative of Secondary Department
- A representative of BTVET Department
- A representative of Production Department

11. THE DIRECTOR SHALL:

- Be responsible to the council for the effective implementation of these Financial Regulations and Guide lines and any instructions or directives issued by the Council or any organ of Council, He/she shall ensure that all employees of the Centre have access to copies of these regulations and Guidelines and comply with the procedures and requirements embodied therein.
- Whenever the necessity arises, consult the Council on the applicability of these Financial Regulations and Guidelines, Instructions or directives issued under these Financial Regulations and Guidelines.
- Bring to the immediate attention of the Council and defects in the application of these Regulations and Guidelines or directives or instructions issued under these Financial Regulations and Guidelines that may arise in a diminution of control over resources and finances of the Centre.
- Ensure that the system of Internal Control in the Centre is appropriate to the needs of the Centre and conforms to internationally recognized standards.
- Submit to the relevant organ of Council the Centre's annual estimates. The Director shall have an opportunity to make corrections of minor errors and omission to the draft estimates and financial data when the said data is already submitted to the council or it's Committee, the finance and General Purpose subcommittee.
- Report quarterly to the relevant organ of council, the budget performance in form of Budgetary Control Returns.
- Ensure that there is exercise of regularity and propriety in handling the expenditure of resources and in particular, that goods or services are procured in a fair, transparent, equitable, competitive and cost effective manner as required by the public Procurement and Disposal of Public Assets Act 2003.

- Periodically provide accountability to the relevant organ of council for the use of resources at the beginning of the last quarter of the Centre's statutory accounting period.
- Ensure that he or she attends to the Centre's problems of strategy continuously rather than periodically. For that matter, he/she must find enough time to devote appropriate attention to the Centre activities.
- State in writing the extent to which the powers conferred and duties imposed on him or her, may be exercised or performed on his or her behalf by any employee of the Centre under his or her control, and shall give such directives as may be necessary to ensure the proper exercise of performance of those powers and duties.
- Ensure that any delegation of the powers and duties of the Director shall not affect the personal accountability of the Director.
- As a secretary to the council, not later than one month after the end of each of each calendar year, prepare a report on the Centre's activities for that year for discussion of Council and submission to the Minister.
- Be responsible for producing and administering the periodical strategic plans of the Centre.
- Be responsible for diversification of the Centre's market products and development of integrated and comprehensive marketing strategies.
- Be responsible for the overall effective management of the Centre's budget. He/she shall approve all the expenditure and payments of the centre. The said approval shall validate all payments.
- Be responsible for adherence to the project documents of the authorized project under the Centre and also prepare detailed quarterly and annual reports to the council.

- Ensure that Council directives and other statutory requirements are adhered to.
- Ensure that the NCDC Specialists curriculum development manual is in place and operational.
- Any other duty that may arise from the amendment to the Standing Orders.

12. THE DEPUTY DIRECTOR SHALL:

- Deputize the Director in executing the functions of the Centre.
- Assist the Director in planning, coordinating and controlling production of the Centre's goods and services.
- Be responsible for the overall effective management of the departmental estimates for academic activities.
- Not later than thirty days after the end of each Calendar Year prepare and report on the Centre's academic activities for that year for discussion of the departmental heads and submission to the Director.
- Periodically provide a full account to the Director of the use of the Centre's resources for academic activities.
- Coordinate the production and implementation of the Centre's strategic plan.
- Ensure that the Centre meets qualitative production and sales targets.
- Ensure adherence to the project documents of the authorized projects under the Centre and also prepare detailed quarterly and annual reports to the Director.
- Be the chairperson to the Academic Departmental heads committees, responsible for and implementation of the NCDC curriculum development procedure manual.

- Any other duty that may arise from the amendment to the Standing Orders.

13. THE ADMINISTRATIVE SECRETARY SHALL:

- Be responsible to the Director
- Be responsible for the Centre's staff register from which the staff list shall be extracted.
- Ensure that all the administrative records are accurate and reliable.
- Be responsible for the Centre's property register. Therein , all property of the Centre shall be adequately and properly recorded showing all the relevant particulars i.e. type of the property, Model, Amount, Invoice /cash sale number, date of acquisition, estimated life span etc. It is from the property register that all valued property shall be extracted and reflected in the Assets Ledger.
- Ensure existence of physical and documentary security to the property of the Centre against theft and destruction.
- All movable property unless otherwise explained shall be kept at the premises of the Centre.
- Stock of books, stores, materials equipments i.e. Computers, machinery etc shall be guarded against heat, fire, dust, water, pest etc.
- As far as practicable, all properties of the Centre shall be clearly engraved with agreed identification marks according to classification.
- Ensure effective control, management and maintenance of the Centre's immovable property.
- Take steps to ensure that as far as practicable and where applicable all insurance policies. He/she also shall provide on a yearly basis to the Director a detailed statement of all insurance in force for checking and reviewing the adequacy or otherwise of insurance.

- Ensure effective custody of all physical guarantees for the safety of the Centre's intellectual property Right (IPR) on its products.
- Be responsible for staff welfare and maintenance of proper records on staff.
- Ensure control of and accountability for the Centre's property issued to officers.
- Any other duty that may arise from the amendment to the Standing Orders.

14. THE FINANCE SECRETARY SHALL:

- Be responsible to the Director.
- Design and administer an effective integrated Accounting system which will ensure utilization of and accountability for the Centre's resources.
- Provide accurate reliable, relevant and timely financial information to Top management for making relevant decisions and right judgments.
- Provide financial information to enable Departmental heads and Project Managers to answer score card, attention directing and problem solving questions. Also shall provide data for planning and implementation.
- Appraise and interpret the effects of economic, social forces and the Government policies upon the Centre's operations.
- Interpret and report the results of operations in form of quarterly financial reports to all levels of management, departments and projects.
- Coordinate and administer the management plan for income generating, capital investing, production costs, sales forecasts and overheads.

- Keep books of all income and expenditure and proper records in conformity with the generally acceptable accounting standards. The books of Accounts shall be kept at the headquarters of the Centre and shall always be open for inspection by council or by such other persons as the Council may authorize.
- Implement the Council directive to prepare, in respect of each Financial year, a statement of account which shall include:
 - A balance sheet, statement of income and expenditure and a statement of surplus or deficit containing such information as had the Centre been a company registered under the company by the Directors at the Annual General meeting and
 - Such other information in respect of financial affairs of the Centre as the Minister responsible for Education and any other informative that he may require
 - Be the Secretary to the Centre's Budget committee. He /she shall present the consolidated NCDC budget for the particular Financial Year to the Budget committee for the final discussion and endorsement for submission by the Director to the Finance and General Purpose Subcommittee for eventual approval of the Council.
- Assist the Director in identifying and implementing financial opportunities.
- Ensure that inventories are accounted for by value as well as by quantity, keep records so as to determine the unit cost of each inventory item and reconciliation of the total value of the stocks of inventories with the financial records.
- Ensure that storekeepers arrange the inventories for which they are responsible, to be inspected regularly and for written reports to be made on the sufficiency of the storage accommodation and on the general condition of inventories and storage facilities.

15. ACADEMIC HEAD OF DEPARTMENT SHALL:

- Be responsible to the Deputy Director
- Study and appraise the needs and requirements of his or her departmental staff and pass them to the relevant authority for approval
- Coordinate, prepare and submit the departmental estimates to the Deputy Director.
- Ensure that his or her department meets both qualitative and quantitative production targets of the Centre.
- Study and appraise management accounts data for exercising control over his or her departmental operations.
- Guide the respective authorities on the management plans for income generating, capital investing, production costs, sales forecasts and overheads.
- Prepare monthly departmental performance reports.

16. THE INTERNAL AUDITOR SHALL:

- Be responsible to the Director administratively and to the Audit Committee functionally, and shall assist her or him in carrying out her or his oversight responsibilities relating to financial matters , internal controls, corporate governance issues, compliance with laws regulations and ethics.
- Be the watchdog of the entire Internal Control system of the Centre, by appraising the soundness and application of accounting, financial and operational controls.
- Review the arrangements established by the administration for compliance with the council directives and statutory requirements.

- Facilitate risk assessment to determine the amount of risk exposure of the Centre's assets and the probability of loss accruing with a view to mitigating the risks.
- Conduct pre vouching of all payments
- Ensure accuracy and reliability of both accounts and administrative records.
- Ensure that the inventories received are in good condition and conform to order requirements and procedures governing the receipt of inventories from and into the store shall aim at ensuring that payment is made only for the quantities actually received in good order and condition and meeting the required specification.
- Ensure that whenever one public officer relinquishes to another, the whole or part of his/ her responsibilities for any store , the inventories and stores ledgers are properly examined and handover conducted in such a manner that there can be no doubt or ambiguity as to the items handed over and taken over.
- Shall prepare quarterly reports on the internal audit of the accounts and affairs of the Centre and send the report to the Director and the respective head of department concerned.
- The head of Department concerned shall within seven days react on the internal audit report.
- The responsibility of the Internal Audit for checking and reporting short comings in connection with the accounts, finances and related operations of the Centre, shall not absolve any officer from responsibility for complying or securing compliance with instructions within the scope of his or her own authority.

- The prevention, detection and investigation of fraud shall be responsibilities of management. However, in conducting audit assignments, the Internal Auditor shall be alert to control weaknesses, detect fraud and report them to the Director. However where, the Director is a party, the report should be directly to council.
- Shall on first appointment in accordance with sub regulations (J) after one month in service of the Centre, prepare an inception report.

17. DUTIES OF THE MARKETING OFFICER

- Enhancing access of various stakeholders to all institutional materials and services produced by the Centre.
- Supervising the sales staff.
- Developing and implementing integrated and comprehensive marketing strategies.
- Managing the sales, distribution, advertising and marketing functions.
- Moving extensively in order to meet the qualitative and quantitative sales targets.
- Studying the marketing needs of the Centre and giving guidance thereto.
- Initiating new ideas concerning the Centre's products and services.
- Liaising with Organisations that are instrumental in meeting the marketing function of the Centre.

18. DUTIES OF THE PROCUREMENT AND DISPOSAL OFFICER

- He/She manages all procurement and disposal activities of NCDC according to the PPDA Act.
- Plan and execute the procurement and disposal activities of the Centre.
- Liaise directly with the authority on matters within its jurisdiction.

- Checks and prepares statements of requirements
- Maintains a providers list
- Advise user departments on individual procurement and disposal methods and practices.
- Prepares any other such reports as may be required from time to time.

19. DUTIES OF PROJECT COORDINATORS

- The Director shall appoint Project Coordinators in consultation with the Deputy Director and the respective Head of Department.
- The Project Co-ordinator will be required to coordinate all the aspects of work performed by subject panels and Specialists in their respective subjects so that all syllabi and other instructional materials prepared are well co-ordinated and no gaps or duplication exist between primary, secondary and tertiary syllabi.

PART C: THE ACCOUNTING SYSTEM

1. SYSTEM OBJECTIVES

- (a) To facilitate the external reporting in form of statutory financial accounts.
- (b) To facilitate internal reporting in form of management accounts which guide management to answer:

Scorecard questions- Are we doing well or badly

Attention directing questions- What problems should we look into?

Problem solving questions- Of the several alternatives of executing the task, which is the best?

2. ACCOUNTING SYSTEM

The Centre shall administer an integrated accounting system with a management accounting bias, designed in relation to the NCDC statutory functions and operational status.

Accounting Conventions

A complete set of accounting records shall be maintained based on the double entry accounting principle.

The accounting system shall be accrual based on the historical cost convention.

Accrual Accounting is a basis of accounting under which transactions and other events are recognized when they occur (and not only when cash or its equivalent is received or paid). Therefore the transactions and events are recorded in the accounting records and recognized in the financial statements of the periods to which they relate. The elements recognized under the accrual basis are Assets, Liabilities, Net Assets/ Equity, Revenue and Expenses.

The Financial statements shall be prepared in accordance with the Public Sector Accounting Standards and those approved by the Institute of Certified Public Accountants of Uganda from time to time.

The Financial statements shall comply with generally accepted Accounting Principles.

System characteristics

Shall have an inbuilt internal check system. Accordingly no transaction shall be administered twice by the single person and there shall be no bank account with a single signatory.

3. COUNTING PERIOD

The Accounting period for NCDC shall be as stated in the NCDC Act

Where non government organizations fund some operations of the Centre, and demand accountability of their funds in accordance with their accounting periods, the Centre shall comply.

4. STATUTORY FUNDS OF THE CENTRE

Vote Funds (Government Grants)

Donor Funds

Trade Funds (Receipts, Earnings and dividends arising out of investments)

(a) Vote Funds (Government Grants)

There are two types of government Grants

(i) Government Subvention

This is composed of two approved budget lines

- Wage subvention
- Non Wage subvention

(ii) Government Capital Grants

These are funds extended to the centre through the Government Development Grant to Finance particular activities along approved specific Budget lines.

(b) Donor Funds and Non Government Grants

Donations and Non government grants are extended to the centre to finance particular activities along approved specific budget lines.

Donations are usually in form of movable properties e.g. They can be in the form of immovable property or valuable services to the centre by friends, government and other institutions.

(c) Trade Funds (Receipts and Earnings)

Earnings and Receipts are a total of royalties earned from the sales of the Centre's books and instructional material through contracted publishers, the income derived from local sales of the centre's goods and services and dividends derived from the Centre's investments.

5. STATUTORY ACCOUNTS

The Centre maintains Accrual Accounting based income and expenditure accounts.

The statutory accounts shall continue to be prepared, presented, reported and audited following the statutory period.

6. MANAGEMENT ACCOUNTS

The management accounts shall be produced in form of Quarterly Budgetary Control Returns produced on a quarterly basis, and shall be produced within a period of one month after the end of each quarter.

7. SPECIFIC GUIDELINES

Consistency of Presentation

The presentation and classification of items in the financial statements should be retained from one period to the next unless;

A significant change in the nature of the operations of the entity or a review of its financial statement presentation demonstrates that the change will result in a more appropriate presentation of events or transactions; or

A change in presentation is required by an International Public Sector Accounting Standard.

Materiality and Aggregation

Items that are materials by virtue of their nature should be presented separately in the financial statements. Items that are materials by virtue of their size but which have the same nature may be aggregated. Immaterial amounts should nature of function and need not be presented separately.

Comparability (Comparative information).

Unless an International Public Sector Accounting Standard permits or requires otherwise, comparative information should be disclosed in respect of the previous period for all numerical information in the financial statements, except in the respect of the financial statements for the reporting the period to which this Standard first applied. Comparative information should be included in narrative and descriptive information when it is relevant to an understanding of the current period's financial statements.

Correction of fundamental errors in the financial statements

Errors in the preparation of the financial statements of one or more prior periods may be discovered in the current period. Errors may occur as a result of mathematical mistakes, mistakes in applying accounting policies, misinterpretation of facts, fraud or oversights. The correction of these errors is normally included in the determination of net surplus or deficit for the current period.

On rare occasions, an error has such a significant effect on the financial statements of one or more prior periods that those financial statements can no longer be considered to have been reliable at the date of their issue. These errors are referred to as fundamental errors. An example of a fundamental error is the omission of a major class of revenue or expense from the financial statements. The correction of fundamental errors that relate to prior periods requires the restatement of the presentation of addition pro forma information.

The correction of fundamental errors can be distinguished from charges in accounting estimates. Accounting estimates by their nature are approximations that may need revision as additional information becomes known. For example, the gain or loss recognised on the outcome of a contingency which previously could not be estimated reliably does not constitute the correction of a fundamental error.

The following shall be disclosed:

The nature of a fundamental error;

The amount of the correction for the current period and for each prior period presented;

The amount of the correction relating to periods prior to those included in the comparative information; and

The fact that comparative information has been restated or that it is impracticable to do so.

8. SOURCE DOCUMENTS

- Receipt books
- Invoices
- Materials Received Reports Books (Goods received Notes)
- Cheque Payment vouchers
- Cash payment vouchers
- Journal vouchers

- Payroll
- Store requisition books
- Store issue vouchers
- Royalty statements
- LPO (Duplicate copy)
- Contract Documents

9. REGISTERS

- Staff register
- Property register
- Receipt register
- Invoices register
- Voucher register
- Vehicle Log books register

10. BOOKS OF ACCOUNTS

- Cash book (for each bank account)
- Petty cash book (where applicable)
- Fixed Asset Ledger
- Main Ledger
- Cost Ledger
- Subsidiary Ledgers (Debtor's ledger, Creditor's ledger etc).
- Sales Ledger
- Sales books
- Stores Ledger.

11. STANDARD FORMS

Standard forms and vouchers required for accounting procedures shall be prescribed by the Finance Secretary in consultation with the Internal Auditor.

12. REVENUE ACCOUNTING

Revenue accounting as a term will be used to describe all aspects of record keeping and reporting with respect to recognition of earnings by way of capital grants, government subvention and internally generated earnings.

Revenue Components

Receipt of funds by way of transfer, grant or sale of goods and services are all to be treated under revenue accounting procedures. Categories of revenue transactions are also defined to include cash and credit transactions.

Revenue sources

- Government Grants
- Donor funds and Non Government Grants
- Earnings and Receipts

Generated Income

All income generated by the Centre is part of the Annual budget approved for the fiscal year. Such funds must be used for those activities already planned for in the approved annual budget.

Investment /Interest Income

This is income generated from the investment of excess liquid assets of the Centre in such investments as treasury Bills bank deposits and other approved financial instruments.

Cash Transactions

Cash transactions refer to those goods and/or services for which the due amount is paid at the time the transaction occur.

Credit Transactions

Credit transactions include all those transactions for which the decretal sum is paid after the services have been provided to the client, on the basis of an invoice raised by the Finance and Accounts department. The following procedures and regulations provide working guidelines to be used so as to arrive at a fairly consistent treatment of revenue in the Centres' books of Accounts.

Invoicing

Invoicing shall be done by the Finance and Accounts Department.

Cash/Cheque transactions Procedures

Official Receipts

The Cashier shall inspect all the cash received for validity before issuing a receipt. Issue of an official receipts will acknowledge all cash / cheque receipts at the time the transaction occurs.

Each receipt of revenue, whatever the source, will be classified as to its source. Official receipts must be issued for all funds received by the cashier

Serialization and issue of Receipts

All receipts are to be written out in triplicate and must be serially pre-numbered. The original copy of the receipts shall be issued to the client while the duplicate shall be used to post the relevant cash flow. The triplicate shall remain as a counter folio for audit trail purposes.

The receipt issued shall capture the following information:

- Date
- Person/organisation from which payment is received.
- Total Received
- Purpose of payment received
- If cheque, details of the cheque received.

13. PAYMENTS

General

All payments shall be validated by the approval of the Director.

Monies paid to any officer in contravention of these regulations or in excess of any provision made herein are recoverable by the Centre by deduction from any monies owing to the officer.

All claims or appeals arising out of this regulation or any other conditions of service must be made within reasonable time of the events giving rise to such claims or appeals accruing.

No claims for payment or requests for reassessment of salary or appeals, shall be considered unless lodged with the Director within 12 months of the event occurring which first gave rise to such claims, request or appeal. At 12 months a “time bar” operates unless waived by Council in special cases of absence or incapacity.

Advance Payments

Cash advanced for financing Centre’s activities i.e. meetings, seminars, workshops, etc. shall be fully accounted for, immediately after the activity for which it was advanced accompanied with a report on the activity.

Pre-payments shall be limited to properly located and registered organisations.

A duly confirmed employee of the Centre may apply through his or her head of department to the director for salary advance not exceeding two months gross pay;

The salary advance application shall be on a dully designed application form, reflecting particulars of monthly salary, previous advance balances etc.

On receipt of an application under sub-regulation 29 (2) (c) of this Regulation, the Director shall refer the application for salary advance exceeding two months gross pay to the Chairman of Council for his or her approval;

The amount advanced, under this regulation shall be recovered in not more than twelve equal installments, beginning from the month immediately following the month in which the advance was made.

14. RECEIPTS AND PAYMENTS ACCOUNTS

Non-Governmental projects prepare receipts and payments accounts.

Non-Governmental project shall be the project funded by Non-Governmental organisations in form of grants to finance particular activities, for a given period along specific budget lines.

Each Non-Government project shall have a project document spelling out the accounting period, and their Financial Regulations and Guidelines.

Non-Government projects administer cash budgets and their transactions are not classified into revenue and capital expenditures. Accordingly, their transactions are not classified into Assets and Liabilities.

Non-Government organisation projects shall prepare receipts and payment accounts in form of budgetary control returns, extracted from their separately kept books of account.

Government funds some specific activities along particular approved budget lines through the Capital Development Budget.

Though Government development grants to projects are administered under the Vote book which must be adhered to, all the transactions are reflected in the Centre's records and books of account, classified as income and expenditure.

15 a) BANK TRANSACTIONS

- i) Cheques for any centre bank accounts shall be signed by at least three authorised signatories. The authorised signatories are as follows:
 - The Principal signatory is the Director.
 - Other signatories are:

- Deputy Director.
 - Finance Secretary
 - Any other signatory approved by the Council.
- ii) The Principal signatory shall initial on the cheque payment voucher at the time of signing the cheque(s).
- iii) 'In the case where a project opens a separate bank account, the coordinator shall be a signatory to that account'.
- iv) The Finance Secretary shall confirm the bank balances to the cheque signatories before the cheques are signed.

v) **Overdrafts:**

At all times, Bank accounts must remain in credit. Only the Council or its delegated authority can authorise any overdraft.

vi) **Cheques**

- a. All cheques shall be crossed, except in the case of a Centre collection agent to collect cash from the bank to be used in making petty cash payments, or cash payments for specific approved activities.
- b. The Centre shall affect appropriate insurance covers for the cash in transit and fidelity guarantee for the staff member who is authorised to act as the Bank collection Agent.
- c. Cheque books must be inspected when received from the bank to ensure that no leaves are missing. All cheque books must be securely kept at all times, in a safe.
- d. All disbursements, except petty cash payments, are prepared using pre-numbered cheques written serially.
- e. Payment vouchers must support all disbursements, except petty cash payments. Vouchers and supporting documents must be submitted for authorisation prior to cheque signing.

- f. The Director shall authorise transfers from one bank account to another.
- g. Bank loans and overdrafts shall be authorised by the Governing Council via Council resolutions.

vii) **Control of cheques**

Only persons who are responsible for initiating or approving any documents, which give rise to payments, shall write cheques, and all the cheques shall be crossed. All cheque books, unused and used, shall be properly safeguarded by restriction of access to them. Unused and in use cheque books shall be kept in the safe and accessed only by an officer authorised by the Finance Secretary (Head Finance and Accounts). Used cheque books shall be properly safeguarded under lock and key.

viii) **The Cheque Register**

All cheques written out shall be entered into a cheque Register, which shall give details of date, payee's name, Cheque Payment Voucher (CPV) number, amount, cheque number and the payee's signature. The payee shall acknowledge receipt by signing against the cheque record in the register and the original CPV. The original CPV and all supporting documents shall then be stamped with the 'PAID' stamp, on issuing the cheque. The payee shall be given the cheque and duplicate CPV.

ix) **Cancelled cheques**

- a. Cancelled / spoiled / mutilated cheques shall be retained and kept in confidential file under safe custody.
- b. Whenever a cheque is cancelled, the following procedures shall apply:-
 - Prior authority to cancel must be sought from Finance Secretary (Head Finance and Accounts) or in his absence, from an authorised cheque signatory.

- The cheque leaf and the counterfoil in the cheque book must be cancelled by being crossed with the word 'CANCELLED'.
 - The reason for cancellation shall be stated on the back of both the cheque leaf and the counterfoil.
 - The cancellation and reason shall be initialled and dated by an authorised signatory.
 - The cancelled cheque shall be stapled on to the cheque stab in the cheque book for future verification.
- c. When a cheque already issued is to be stopped, the fastest means shall be used to advise the Bankers concerned. This shall be immediately followed by a letter to stop payment of the cheque.

x) **Dishonoured cheques**

- a. Dishonoured cheques shall be reported to the Finance Secretary (Head Finance and Accounts) immediately and notified to the clients or customers. Dishonoured cheques received from bankers shall be re-presented unless there is reason to believe that they are bad. If proved to be bad, reversal adjusting entries shall be immediately passed. If it was a cheque received from a debtor, he shall be advised of the irregularity at once but the cheque will not be returned to him until full recovery received. The dishonoured cheques shall be kept in safe custody and used to assist in recovery of outstanding debts. Legal action may also be instituted.
- b. In the unlikely event of an NCDC cheque paid to a creditor of the Centre being dishonoured, arrangements shall be made to correct or replace the cheque immediately.
- c. The issuer of a bouncing cheque shall be liable for all cost associated with the dishonoured cheque, plus a penalty to be determined by Management. Issuers of dishonoured cheques are liable to prosecution.

- d. The Finance Secretary (Head Finance and Accounts) shall institute and maintain a proper register of used and unused cheque books and ensure that both the register and cheque books are kept under lock and key.

xi) Lost cheques

Should a cheque issued by NCDC get lost, the following procedure shall be followed:

- a. Any of the authorised signatories shall immediately write to the Bank requesting for a “stop payment” against the lost cheque. This letter must specifically state the cheque number, the payee, and the date of the cheque and the amount.
- b. The Centre must obtain confirmation from the bank that payment of the lost cheque has been stopped.
- c. The old payment voucher shall be cancelled.
- d. A new payment voucher for the same payee and amount as the original payment voucher shall then be prepared.
- e. At the close of the financial month, the Finance Secretary (Head Finance and Accounts) must confirm that the lost cheque does not appear on the bank statement. This verification must continue for the next six months after which period the cheque will be obsolete.

xii) Bank documentation

- a. All communication to the banks must be signed by the Account signatories and delivered by persons authorised to transact with the banks. Likewise, only authorised persons must collect all communication from the bank.
- b. The bank documents include but are not limited to:
 - Bank confirmations
 - Letters appointing bank signatories.

- Letters appointing bank agents.
- Account inquiries
- Funds transfer instruments
- Bank instructions
- Cheque books
- Bank statements
- Bank advice notes

xiii) **Cash withdrawals over Bank counters**

- a. Cash, if not managed correctly, can be subject to errors that result in loss of assets or loss due to fraud. It is essential that the Centre should have an efficient system of disbursements, receipts, accounting and recording procedures which must ensure adequate control over cash.
- b. At least two bank signatories shall appoint a member of staff who is not a signatory to be a bank agent. The authority must be in writing on a Centre letter-head and communicated to the bank.
- c. The signatories to the bank account must not withdraw cash from the counter.
- d. If an authorised cheque signatory or bank agent ceases to be a signatory or bank agent for any reason, the Finance Secretary (Head Finance and Accounts) shall notify Management of the name of the signatory or bank agent and request that their signing or bank agency privileges of such a person be withdrawn. A copy of this letter, duly stamped by the bank as “received” must be kept on the bank file.

a) Bank Accounts

- i) A Centre’s bank account shall not be opened in any bank without the prior express authority of Council and the continued operation of that bank account shall be subject to the terms and conditions the Council makes from time to time.

- ii) The precautions, given by the bank, against forgeries and frauds must be strictly adhered to.
- iii) All bank accounts titles shall contain the full account name and where necessary a description designating the function, source or type of account may be added if necessary.
- iv) The Finance and Accounts Department of the Centre shall maintain an up-to-date record of specimen signatures of authorised signatories.

xiv) **Closure of Accounts**

When Management deems it necessary to close a bank account, the Director shall inform the Council the reason, title of the account, address, bank account number and the effective date of closure. The account will then be closed by Council resolution.

16. SECURITY TO DOCUMENTS AND ASSETS

All cash for the Centre must be kept in the Centre's safe or cash box.

As far as practicable, arrangement shall be made for police to escort cash in transit.

All Official cheque books must be kept in the safe or cashbox.

No personal property should be kept in the store or cash safe or cash box.

All materials, books and equipment must be guarded against dust, water fire and pests.

Assets register and records must be safeguarded as in (e) above.

All vouchers, counterfoils, etc must be kept for a minimum of seven years.

All revenue registers and records must be kept for a minimum of seven years.

Establishment and salary records, which may be required for superannuating purposes and the ledgers relating to gratuity, pension and NSSF must be kept for a minimum of sixty years.

Personal records shall not be destroyed until, in the case of an officer on permanent terms, five years after his death, in case of all other officers, Twenty years from leaving the service or (when known) which is earlier, unless the records have been micro filmed for storage.

It is important to preserve reliable information regarding the history of the Centre, old correspondences, memoranda, minutes and other records will become of increasing importance as time passes and it is essential that all those of possible interest or value shall be carefully preserved. No records may be destroyed without the prior approval of the Council. Where Officers have important records in stores under their care, a routine must be maintained for inspection of the records by the Internal Auditor and where necessary , in consultation with the Administrative Secretary to spray records against destructive insects.

Missing Vouchers or supporting Documents.

If any voucher on which payment has been made is lost, misplaced or destroyed, the Finance Accountant shall notify the Finance Secretary immediately, and the Finance Secretary shall in turn report the full circumstances to the Internal Auditor, with a copy of the report to the Director.

Where after due inquiry, the Internal Auditor is satisfied as to the circumstance of such loss, mislaying, destruction and that payment has been properly and correctly made, he or she may recommend to the Finance Secretary to treat the payment to stand charged in the accounts.

Where the Internal Auditor is not satisfied as to the circumstances of the loss, mislaying or destruction, he or she shall recommend an appropriate remedy or penalty.

For the purpose of this Regulations and Guidelines, a payment voucher which is incomplete because its supporting documents are missing, shall be regarded as a missing voucher.

PART D. BOOK KEEPING INSTRUCTIONS

1. INCOME

Government and Non-government grants

Upon receipt of any of the above said funds, issue a receipt reflecting all the relevant particulars i.e. source, date, and amount.

The grant should be banked on the relevant bank account and the receipt should be posted on the debit side in the cashbook on the relevant code, reflecting the relevant particulars on the receipt issued.

Donations

These sources of funds are usually in form of monetary terms and in kind.

Cash donations

(i) Upon receipt of the donation, issue a receipt, reflecting all the relevant particulars, the source, date, and amount.

(ii) The cheque should be banked on the relevant bank account and the receipt be posted on the debit side in the cashbook on the relevant bank account and the receipt should be posted on relevant code, reflecting the relevant particulars on the receipt issued.

Donations in kind

Study the documents accompanying the donation and note down all the relevant particulars.

The donation should be entered into the property register reflecting the relevant particulars i.e. source, donor, type and model of donation, serial number etc.

Where the value of the donations given, the particulars of the donation should be journalized by;

- (i) Debiting the donation account with the book value of the donation, in the Assets ledger, the corresponding entry is donor account.
- (ii) Where the value of the donation is not given, the donation should be valued.
- (iii) Where the donations are in form of services i.e. consultancy etc.
- (iv) Study the service contract and identify the value of the service.
- (v) Debit the relevant expenditure account with the value of the relevant services.
- (vi) Credit the donation account with the corresponding service value.

Earnings and Receipts

Royalties

Royalty statements

Upon receipt of the royalty statements, study, analyse and compute the amount due to the Centre and the writers, then raise a journal voucher.

Debit the relevant publisher's account in the debtor's ledger.

Credit the royalty income account.

Credit the Author's/writer's control account, each author/writer should have an account in the Creditor's ledger.

Debit the amount due to the authors to the income and expenditure account for the relevant accounting period.

Upon transfer of funds to the Centre's account or upon receipt of the royalty cheque:

Issue a receipt in the name of the publisher and have the cheque banked on the relevant bank account.

Post the receipt into the cash book.

Credit the debtor's control account and the publisher individual account in the debtor's ledger.

Upon payment of the writers.

Debit the creditor's control account and the individual writer's account in the creditor's ledger.

Local sales

Cash sales

Upon sale, the cashier shall issue official cash receipt.

Balance the daily sales on the sales statement, written in triplicate

Pass one copy of the daily sales statement to the Finance Accountant.

Pass another copy of the daily sales statement to the Marketing Officer for study and analysis for internal reporting purposes.

Bank all the sale proceeds intact and pass a copy of the cash deposit slip to the Finance Accountant.

Upon receipt of the Bank deposit slip.

Debit the cashbook bank column.

Pass the contra on the credit side of the cashbook upon banking

Debit the bank column in the cashbook

Credit the cash sale control account.

Credit sales

All credit sales must be with expressed authority of the Director on the advice of the Finance Secretary.

Upon sale, issue an invoice or a debit note.

Pass a copy of the credit sales statement to the Senior Finance Accountant.

Another copy of the credit sales statement should be passed to the Marketing Officer.

The Finance Accountant should journalise the credit sales by;

Crediting the sales control account.

Debiting the trade debtor's control account.

Debiting the customer's individual debtor's account in the debtor's ledger.

Upon payment by debtors in cash or cheque,

A Receipt should be issued and posted in the cashbook.

The trade debtor's control account and the individual debtor's account should be credited.

2. EXPENDITURE

All expenditures must be within the approved budget provisions.

In case of projects, it is important to study the approved project document to identify responsibility accountability and the limitations thereto of the officers responsible for the Management of the project funds.

A project may have its own bank account, cashbook as per Memorandum of Understanding, and other source documents i.e. payment vouchers, receipts journal vouchers etc as authorized by the Finance Secretary.

All payments must be initiated by the end user/beneficiary and approved by the Director or his/her delegated authority or in case of the project, by the project Manager/Coordinator.

All payments should be by cheque/EFT/RTGS, cash payment vouchers should be utilized for cash accountability purposes.

EFT- Electronic Funds Transfer

RTGS- Real Time Gross Settlement

General Payment (Procedures)

A duly approved funds requisition should be passed to the Finance Secretary for checking accuracy and appropriateness.

The cheque payment voucher should be raised/written, in triplicate upon the authority of the Finance Secretary or Senior Finance Accountant.

The original copy shall be filed in accounts department, duplicate given to the payee and the triplicate copy remains in the book as a back-up.

Thereafter paying cheques shall be passed to the Director for his/her voucher approval.

A duly written cheque payment voucher, with all the relevant supporting document attached thereto, shall be pre-vouched by the Internal Auditor.

Thereafter, a duly audited cheque payment voucher shall be passed to the Finance Secretary or Principal Finance Officer, for authority of cheque writing.

A duly written cheque, supported by a duly authorized cheque payment voucher, shall be passed to the Finance Secretary for signature.

In case of projects with bank accounts, a duly signed cheque, with the supporting cheque payment voucher, shall be passed to the Project Manager / coordinator, for a second signatory.

Duly signed cheques by the Director, supported by duly approved cheque payment vouchers, are passed to the Chairman, NCDC Governing Council for signature.

The Finance Secretary, upon return of signed cheque shall cause them to be issued accordingly together with the duplicate copy of the voucher.

All cheques issued shall be recorded in the cheque issued register.

The cheque payment voucher shall be stamped PAID and passed to the book keeping section for cashbook section .

Salary Payment (Procedure)

The payroll should be raised in accordance with the staff register kept by the Administrative Secretary.

The payroll shall be sanctioned by the Administrative Secretary after checking the staff register.

Data from the staff register, are communicated to the Finance Secretary and copy of letters to the particular staff in relation to appointment, promotion etc.

The payroll should be balanced accordingly, by the officer in charge of salaries.

The payroll should be passed to the Internal Auditor for verification.

Thereafter, a payment advice should be issued to each staff through the respective departmental heads, with notice of five days by which any complainants from the salary payment advice should be received by the salary section to effect any corrections.

All complaints from staff arising from the salary payment advices should be verified accordingly, and the payroll should be adjusted accordingly.

A duly adjusted payroll should be passed to the Finance Secretary for authorisation of cheque writing.

A cheque payment voucher should be written against the particulars of a duly approved payroll.

Confirmation letters & Security to Paid Payment vouchers.

All the paid cheques should be listed on the confirmation letter, duly signed by one of the cheque signatories and be sent to the respective relevant Bank.

All paid vouchers should be stamped PAID, filed and kept in the accounts registry.

Bank Reconciliation Statement.

Reconcile the monthly bank balance with the monthly cashbook balance.

Identify the following:

- Cheques issued but not presented to the Bank (un-presented cheques)
- Cheques received but not credited by the bank.

- Errors committed on the Bank Statement.
- Bank charges not recorded in the cashbook.
- Interest received but not recorded in the cashbook.
- Adjust the cashbook to incorporate entries in the Bank Statement, which are not appearing in the Cash book.
- Identify any errors and correct as follows:
 - Debit the cashbook with amounts over stated on the Bank Statement.
 - Credit the cashbook with amounts over stated on the Bank Statement.
 - Identify any Bank charges and credit them in the Cash book.
 - Identify any interest earned on the Bank Statement and debit them in the cashbook.
- Add up the adjusted cashbook balance to write Reconciliation Statement.

A Bank Reconciliation Statement

Balance as per adjusted Cashbook	Shs.
Add un presented cheques	Shs.
Less un-Credited cheques	Shs.
Balance as per Bank Statement	Shs.

A monthly bank Reconciliation statement shall always be prepared and a Copy sent to the Auditor and the Finance Secretary.

Post the ledger monthly from the cashbook analysis as follows in order to satisfy the double entry requirement.

Debit all entries on the credit side of the cashbook to their corresponding cost centres.

Credit all entries on the credit side of the cashbook to their corresponding income centres.

3. FIXED ASSETS

As far as practical, all fixed assets shall be clearly labelled with approved identification marks according to classification and a serial number shall be given to each of these assets.

General Ledger Record for Fixed Assets

The Finance Secretary shall keep proper records of assets (in line with the provisions of the Centre accounting policies and Public Sector Accounting standards).

The Fixed Assets Register

The fixed assets register shall show the following:

- Date of acquisition
- Type of asset
- Description
- Manufacturer's part number.
- The Centre asset code number
- Cost of asset: Original and additions/modifications
- Location
- Expected useful lifetime
- Depreciation rate and charge for the year.
- Accumulated depreciation to date.
- Net Book Value (NBV)

Work in Progress and Contracts for Self Fabricated Assets.

Where fixed assets are in the form of Work-in-Progress (WIP) arising out of contracted works or fabricated assets, the Finance Secretary shall account for WIP on the basis of certificates supplied by the contractors, the WIP accounts, shall be cleared by the transfer of the relevant value of the assets so acquired to the relevant fixed assets accounts.

e) Fixed Deposits and investments

The Director with the approval of the Council shall, where excess liquid funds exist; appropriately recommend the commercial investment of such funds as per the council statute. A record of all assets shall be maintained by the Finance Secretary.

(f) Depreciation of Fixed Assets (excluding land)

In line with the centre's operating accounting policies, fixed assets shall be depreciated at predetermined rates from the time of acquisition . The annual charge for depreciation shall be raised by use of Journal voucher that shall be certified by Finance accountant, verified and authorized by the Finance Secretary. Such depreciation or amortization charge shall then be expressed in the income and expenditure. The fixed assets so charged, shall be shown in the balance sheet at the appropriate written down value (WDV), which is the difference between the cost (or revaluation) and accumulated depreciation. Depreciation rates shall be as follows:-

Depreciation Rates

	Assets	Rate	Duration	Useful life
1.	Motor Vehicles	12.5%	P.a	5 years
2.	Plant and Machinery	12.5%	-do-	10 years
3.	Access Road	12.5%	-do-	10 years
4.	Equipment and Furniture	12.5%	-do-	5 years
5.	Loose Tools	6.25%	-do-	5 years
6.	Buildings	2%	-do-	50 years

7.	Library books	2%	-do-	10 years
8.	Computers	20%	-do-	4 years
9	Land	0%	P.a	infinite

The Centre shall principally depreciate all depreciable assets with effect from the date of acquisition. However the annual charge shall only be made if the asset has been in operation for at least six months during the accounting period.

(g) Maintenance of Fixed Assets

Where fixed assets require maintenance, such service shall be procured through the procurement/stores section, using the necessary procedures. The Finance Secretary shall however on the basis of prudence accounting practice, treat cost of maintenance by writing off to the income and expenditure or capitalize, depending on its magnitude vis-a vis the asset, and its contribution to value of the asset on which it is expended.

(h). Disposal of fixed Assets

Fixed assets disposal shall take place only in cases where the fixed asset in question has completed its useful life or is incapable of efficient performance of its functions, whichever comes first. Depreciation charge shall be made on all disposed assets if they remain in operation for at least six months into the accounting period reported on.

Request for disposals shall be raised after determining that, the asset is no longer required as a result of inefficient performance and/or obsolete (general or technical).

A request for disposal shall show fixed asset's identification, purchase price, accumulated Depreciation, proposal for disposal and reasons for proposed disposal. Disposal of obsolete assets shall be done in accordance with the guidelines of the Centre procurement and stores procedures and the PPDA.

Treatment of fixed Assets on Disposal

The request for disposal and any other supporting document, e.g. receipt from disposal and Board of Survey consent shall be used to write the asset's disposal off the books of accounts. The profit and loss arising out of a disposal of assets shall be carried to the income and expenditure for the period in which assets are disposed.

(j) Revaluation of fixed Assets

The fixed assets of the centre may be revalued whenever it is deemed desirable by management and the Governing Council. The results of such revaluation shall be reflected in the accounting records in line with the requirements of the Centre, accounting policies, but generally any profit or loss on revaluation shall be carried directly to reserves.

(k) Custody of titles

Proof of ownership of fixed assets e.g. title deeds; lease deeds and log books shall be kept in safe custody by the Director.

4. BOARD OF SURVEY

Board of Survey of Inventories.

In cases where inventories have been fully checked during a financial year by a stock verifier, and in stores where, even though such a check has been made, exceptionally valuable or attractive items are held, a Board of Survey shall be appointed by the Director by the close of the Financial Year to check the stock holdings to such extent as specified in the terms of appointment.

Board of survey of Assets

At the end of each Financial Year, a board of survey of properties of the Centre shall be appointed by the Director to check such properties and assets of the Centre.

Composition of Board of Survey

The Board of Survey shall comprise at least three officers, one of whom shall be designated as Chairman by the Director/Accounting Officer.

However no officer so appointed shall have any direct responsibility for the balances or stocks which he/she is required to check.

5. RECOVERY OF DEBTS / LOSSES

The Director shall ensure that adequate measures, including legal action where appropriate, are taken to cause debt recovery or to make good the loss.

Where loss or deficiency in public moneys or other moneys occurs that has been advanced to or was under the control of an officer, or deficiency of or damage to the Centre's property under the care of an officer, and the Director is satisfied after due enquiry, that the negligence or misconduct of the officer caused or contributed to the loss or deficiency, the officer shall make good of:

The amount of loss or deficiency;

The value of the property lost or destroyed or

The cost of replacing or repairing the damage to that property, as the case may be, shall be a debt to the Centre and may be recovered from the officer either administratively or through a court of competent jurisdiction.

Where the negligence, or misconduct of the officer is not the sole cause of any loss, deficiency or destruction resulting in an action under this regulation, the amount recoverable from the officer may be restricted to only the cost of replacing the loss, deficiency, damage or destruction that the Director considers after the enquiry, to be just and equitable, having regard to the contribution made by the officer to that loss, deficiency, damage or destruction.

N.B: The term officer applies to both the serving officer and former officer of the Centre.

6. FINANCIAL REPORTING

Types of Financial Statements to be produced by the Centre

“The Council shall keep books of account of all income and Expenditure and proper records in relation thereto in accordance with the generally accepted accounting practice and the international Public Sector Accounting Standards.”

Financial Statements

The Council shall prepare in respect of each Financial Year, Financial Statements, which shall include;

Statement of Financial position (balance sheet), Statement of Financial performance (Income and Expenditure), Statement of changes in equity, Cash flow statement and such other information in respect of financial affairs of the Centre as the minister responsible for Education may require.

Statement of Financial Position (Balance Sheet)

By law, the Centre shall present its financial position at the end of its statutory accounting period. This shall be done by extracting and presenting a statement called a Statement of Financial Position.

The Statement of Financial Position shall indicate:

The position of the Centre’s Property, Plant and Equipments expressed in monetary terms, which during the course of the financial year, contributed to the earning of income.

These said kinds of Property, Plant and Equipments shall be reflected as Assets in the Statement of Financial Position.

The position of the source of funds which during the course of the financial year ended contributed to the acquisition of the assets.

Both the Centre’s assets and liabilities, in the Statement of Financial Position, shall be classified into current asset; current liabilities, fixed assets and long term liabilities

Cash is the most short-lived asset of the Centre. It frequently changes forms during the course of the Centre's operating cycle i.e. it changes into stock, debtors etc. It is classified as a current asset.

Current Assets – They are the Centre's possessions, which are of short life and can easily be converted into cash e.g. Stock sold or consumed during the normal Centre's operating cycle and debtors.

Fixed Assets – They are the Centre's possessions, which are of long life and cannot easily be converted into cash i.e. Buildings, Land, Motor vehicle, machinery etc. Fixed Assets of the Centre may further be classified into tangible and intangible assets i.e. office furniture and equipment, buildings, motor vehicle etc are tangible assets because they are physical items that can be seen and touched. However, NCDC copyrights are intangible assets because they are not physical in nature.

Current Liabilities – These are Centre's liabilities, which the Centre can discharge easily during the course of its operating cycle e.g. overdrafts.

Cash flow statement

The Centre shall include a cash flow statement at the end of its accounting period to demonstrate the results of the operations, investment and financing activities as illustrated below.

Cash flow statement format

	UG X	UG X
1. Cash flows		
Cash receipts from Government & NGO's		-
2. Operating activities		
Cash paid to Employees	-	
Cash paid to Suppliers	-	
Total operating activities		-

Net Cash flow from operations	-
3. Investing Activities	
Purchase of property	-
4. Financial activities	
Bank charges	-
5. Net Cash and Cash increase equivalents	-
6. Cash & Cash equivalents on 1 st January,	-
7. Cash & Cash equivalent as at 31 st December,	-

A statement of Changes in Equity

This statement shows the changes in accumulated fund and revenue reserve at the beginning and end of the year.

Particulars	Accumulated fund	Revenue reserves	Total
Bal as at beginning of the year	-	-	-
Prior year adjustments	-	-	-
Additions for the year	-	-	-
Depreciation for the year	-	-	-
Surplus/deficit for the year	-	-	-
Balance at end of year	-	-	-

PART E. BUDGETING AND BUDGET CONTROL

1. STRATEGIC PLAN

The Director shall develop a Strategic Plan. The Strategic Plan shall cover short-term, medium term and long term planning defined as one year, three years and five years respectively.

The strategic plan shall include the following considerations:

The need for high standards of fiduciary prudence.

The objectives and policies of the Government known to Council

Any directions given by the Government to the Centre to fund its regulatory functions.

Any known and specified donor amounts and requirements.

The need to maintain a reasonable level of reserves, having due regard to established future infrastructure requirements.

Any other considerations that the Director deems appropriate.

2. BUDGETING

The annual budget is the consolidated monetary expression of the programming and financial commitments and plans for the fiscal year and reflects the financial resources required to achieve the programme objectives.

The budgeting function of NCDC shall be the responsibility of the Director. Budgeting shall be consistent with the annual strategic plan as revised from time to time and expenditure shall not take place until the Council finally approves the budget.

The consolidated master budget shall be submitted to Council for approval after prior negotiations with the respective departments, in respect of the input in the budget.

The financial year of the Council shall commence on 1st July and end 30th June of each calendar year.

3. BUDGET PROCEDURES

The Department heads shall organize annual budget meetings in their respective departments to produce the departmental budgets.

The Academic Departmental Heads shall submit their annual departmental estimates to the Deputy Director.

The Deputy Director shall receive and cause discussion of each annual departmental budget with the relevant academic departmental heads-

The annual academic work plan and estimates prepared by the Academic Departments shall be submitted to the Academic Steering Board. Approved estimates by the academic steering Board shall be passed to the support departments and sections .i.e. Production, Finance, Administration Departments and marketing section to supplement their respective budget. The annual academic work plan and estimates prepared by the Academic Departments shall be submitted to the Finance Department. The Finance Department shall consolidate the Academic Department estimates with the estimates of support departments and sections.

The Departmental Heads shall constitute themselves into the budget committee to discuss the annual budget submissions. This said committee shall be chaired by the Director. The Finance Secretary shall be the secretary to the budget committee.

The Finance Secretary shall submit the internally audited consolidated NCDC Budget for the particular financial year to the budget committee for the final discussion and endorsement.

The Director shall, before operationalising the budget of each Financial Year, submit the internally final draft estimates to be discussed by Finance & General Purpose Sub Committee and approved by council.

4. RE-ALLOCATIONS

This is where a transfer of amounts included in the annual budget under one budget line to another budget line. In such situations approval of the Governing Council on recommendation of the Finance and General purpose committee shall be required to make the required re allocation.

5. SUPPLEMENTARY BUDGETS

This is where the centre receives extra funding that requires to be incorporated in the annual budget. In such situations recommendation of the Finance and General purpose committee shall be made to council for approval of the supplementary funding.

PART F. AUDITING

1. INTERNAL AUDITING:

This is an independent, objective assurance and consulting activity designed to add value and improve the reporting organization's operations and helps the reporting unit accomplish its objectives by bringing a systematic, discipline approach to evaluate and improve effectiveness of risk management, control and governance process

The Internal Audit shall be an integral part of the internal control system of NCDC. The Internal Auditor shall on a continuous basis evaluate the internal control system in place and advise on its adequacy or otherwise in achieving organizational goals.

The detailed functions of the Internal Audit are separately spelt out in the Public Finance and Accountability Regulations and the Internal Audit Manual.

2. EXTERNAL AUDITING

Section 29, of the Statute shall be adhered to.

“The books of account of the Centre shall be audited within a period of four months after the end of each Financial Year by the Auditor General or an Auditor appointed by him who shall be entitled to have access to all books of accounts, vouchers and other financial records of the Centre and require such information and explanation thereon as he thinks fit”.

3. REACTION TO THE AUDITOR GENERAL'S REPORT

In accordance with Section 39 of the Public Finance and Accountability Act 2003, the Director shall;

On behalf of the Council, upon receiving a copy of the report by the Auditor General, submitted to the Minister of Finance, on the Accounts of the Centre, within twenty one days submit to the Minister of Finance his/her observations on the Auditor General's report.

Send a certified copy of such observations to the Auditor General and to the Chairman of the NCDC Governing Council for presentation to Council.

Be prepared to answer all queries raised by Parliament, aware that the Minister of Finance shall within forty two days after receiving the report by the Auditor General, cause the report and any observations made on it by the Director and any observations by the Minister of Finance to be laid before Parliament

4. AUDIT EXPENSES

Section 39 (6) of the Public and Accountability Act 2003, stipulates that, the Auditor General shall raise a charge on the Centre for costs of conducting the audits. Also those such charges shall be paid on demand into the consolidated fund.

To minimise the audit costs;

The internal examination / audit shall cause early detection of misstatement occasioned by errors and irregularities in the balance sheet and the income and expenditure statements.

All records and explanations thereto required by the Auditor General shall be readily availed in order to minimize loss time by the Auditor General.

The Internal Auditor and the Finance Secretary shall enhance strong internal controls to cause the external audit function to rely principally on those controls so as to limit the level of validation.

Management shall not cause the Auditor General to do accounting work.

PART G: PROCUREMENT AND DISPOSAL PROCEDURES

1. PROCUREMENT PROCEDURES

The procurement functions of the Centre shall be in accordance with the Public Procurement and Disposal of the Public Assets Act 2003.

Section 26 of the Public Procurement and Disposal of Public Assets Act 2003, stipulates:

The Accounting Officer of a procuring and disposal entity shall have overall responsibility for the execution of the procurement and disposal process in the procuring and disposing entity, and in particular, shall be responsible for:

Establishing a Contracts Committee in accordance with this act;

Appointing the members of a Contracts Committee specified in the third schedule;

Causing to be established a procurement and disposal unit staffed at an appropriate level;

Advertising bid opportunities;

Communication award decisions;

Certifying the availability of funds to support the procurement or disposal activities;

Signing contracts for procurement or disposal activities on behalf of the procuring and disposing entity;

Investigating complaints by providers;

Submitting a copy of any complaints and reports for the findings to the Authority; and

Ensuring that the implementation of the awarded contracts is in accordance with the terms and conditions of the award.

Members of Contracts Committee

Section 27 (i) stipulates: “subject to sub-section (2) a Contracts Committee shall be composed of the members specified in the third table”.

Members specified in the third table are;

A Chairperson,

A Secretary, and

A maximum of three other members appointed by the Accounting Officer, one of whom shall be a Lawyer.

The said section 27, further stipulates;

The members of the Contracts Committee shall be nominated by the Accounting Officer and approved by the Secretary to the Treasury.

A Contracts Committee may co-opt advisors to assist it in the discharge of its functions.

The Accounting Officer shall inform the Authority of the composition of the Contracts Committee and qualifications of its members not later than fourteen days from the date of its appointment.

Members of the Contracts Committee shall be appointed with regard to their technical competence and skills required for the discharge of the functions of the Contracts Committee.

The tenure of the members of the Contracts Committee shall be three years and a member may be re-appointed for only one further term.

2. Functions of the Contracts Committee

Section 28, Public Procurement and Disposal of Public Assets Act 2003, stipulates;

A Contracts Committee shall be responsible for;

Adjudication of recommendations from the Procurement and Disposal Unit and award of contracts;

Approving bidding and contract documents;

Approving the Evaluation Committee;

Approving Procurement and Disposal procedures;

Ensuring that best practices in relation to procurement and disposal are strictly adhered to by procuring and disposing entities;

Ensuring compliance with this Act, and

Liaising directly with the Authority on matters within its jurisdiction.

N.B: For further details reference shall be made to the said Act;

3. Disposal Procedures

The Centre shall make reference to the PPDA Act for Disposals of the Centre's Property.

Ref. PPDA Act 2003

4. CONTRACTS ON BEHALF OF THE CENTRE

Section 33, of the statute shall be adhered to. Therein, it is stated:

Contracts on behalf of the Centre may be made in the following manner;

A contract which, if made between private persons, would be by law required in writing, and if made according to any law for the time being in force in Uganda is required to be under seal, may be made on behalf of the Centre under the common seal of the Centre;

A contract which, if made between private persons, would be by law required to be made A contract which, if made between private persons, would be by law required in writing, and if made according to any law for the time being in force in Uganda is required to be under seal, may be made on behalf of the Centre under its authority express or implied;

A contract which, if made between private persons, would be by law valid although made by parole and not reduced into writing, may be made by parole

on behalf of the Centre by any persons acting under its authority, express or implied.

A contract made according to and under the provisions of the Preceding subsection shall be affected in law and bind the Centre and its successors and all other parties thereto.

A contract made according to and under the provision of this Section may be varied or discharged in the same manner in which it is authorised in this section to be made.

5. COPYRIGHTS

The Centre shall reserve the right to the copyright of all publications, syllabuses, except examination syllabuses and instructional materials produced by its panels.

In respect of a publication produced by a panel the Centre will set aside for the authors 10% of the royalties accruing from the publication:

The authors will be those individuals who participate directly in the drafting of the manuscripts and are not employees of the Centre. The Centre, through its participating Specialist(s), will count as one of the authors.

The 10% royalties will be divided equally among the authors, the centre included.

When Specialist, single – handed, writes instructional material relevant to any aspect of the specific subject curriculum at the level he/she is directly responsible for, the Centre will reserve copyright.

When a Specialist writes material outside his/her subject, they will receive copyright. The Centre may publish the Specialist's work on the same contractual terms offered to outside authors.

6. SECURITY TO THE CENTRE'S COPYRIGHT.

The Director shall cause the Centre to adhere to the statutory mandated function of initiating and reviewing curriculum development, so that it controls copyright ownership. As by law established.

The table below illustrates the above requirement.

Market product	Production Initiation	Funding of Production	Control of the product
✓	The Centre	The Centre	The Centre
✓	Education Funding Agencies Group EFAG (The Centre is just hired)	EFAG	Centre
✓	NGO	NGO	Centre
✓	The Centre	<ul style="list-style-type: none">• NGO• Government• Any other institution	The Centre

PART H. STORING FUNCTION

1. RECEIPT OF GOODS

All goods for use at the Centre shall be received in the store and be issued from the store.

Care shall be taken to ensure that the goods received are in good condition and conform to order specifications, and the procedures governing the receipt of goods from suppliers into any Government store shall aim at ensuring that payment is made only for the quantities actually received in good order and condition and meeting the required specification.

The storekeeper must have a copy of the Local Purchase Order (LPO) in case these goods will be acquired against credit purchase arrangements.

In case of cash purchases, the storekeeper must have a copy of the purchase advance voucher.

Receipt of goods by the Storekeeper shall be witnessed by the user Department and verified by the Internal Auditor.

Official hours of receipt of goods into the stores are between 8.00am and 5.00pm except in special circumstances authorised by the Director.

Storekeeper should receive goods supplied, in the presence of an officer from the internal audit section.

The store keeper must cross check the supplier's goods Delivery Note against the Local Purchase Order (LPO) or the purchase advance payment voucher.

Only goods supplied in accordance with the provisions of the Local Purchase Order, or purchase advance payment voucher must be received in the stores.

Goods returned, should be communicated to the Management Accountant, on the goods returned voucher.

The storekeeper should receive the goods delivery note from the supplier, sign it and issue the goods materials received report, a copy off which should be sent to the Finance Accountant.

All goods received must be recorded on the Ledger Cards.

As far as possible the task of receiving and inspecting inventories shall be carried out by the officer other than the one who places the orders and authorizes payment for the suppliers, and the documentation should permit the various elements of the transaction, including ordering; receipt and payment, to be identified with and checked against each other;

Inventories shall be accounted for by values as well as by quantity, and it is necessary to keep records so as to determine the unit cost of each inventory item and the reconciliation of the total value of the stock of inventories with the financial records;

Storekeepers shall arrange for the inventories for which they are responsible to be inspected regularly and for written reports to be made to them on the sufficiency of the storage accommodation and on the general condition of inventories and storage facilities.

2. TYPES OF STORES AT THE CENTRE

- Stationery and equipment store
- Timber yard
- Book store materials
- Finished factory goods store
- Cleaning materials
- Foods and Beverages
- Record for the Stores
- The following records shall be maintained

- Ledger Card
- Goods Received notes
- Store issue vouchers
- Goods returned vouchers
- Stores Requisition Forms

3. ISSUANCE OF STORES

Stores/stationery must only be issued against a store issue voucher, supported by a duly authorized store requisition form.

Store issuance must follow one method either “First in First out’ (FIFO) or “Last in Fist out” (LIFO) as determined by the Finance Secretary.

A copy of the store issue voucher should be sent to the Finance Accountant for posting.

The storekeeper with the Finance Accountant should workout the reorder level.

4. STOCK TAKING

Stock taking shall be conducted annually and shall be witnessed by the Internal Auditor. The stock taking shall be carried out on the stock counts/evaluation forms.

The stock count/evaluation forms shall be properly filled and kept for reference. The stock data and the Internal Auditor’s report thereto, shall be reported the Director with a copy to the Finance Secretary.

5. OBSOLETE AND DAMAGED STOCK

Routinely, the storekeeper shall identify and report to the Finance Secretary any damaged, static, or slow moving stock.

During physical stocktaking, the team shall endeavour to identify and report any static, slow moving or damaged stocks for further investigations.

A provision against the stores shall be made to take account of the damaged and obsolete stock.

The identified stock shall then be documented and separated from the rest of the normal stock. Authority shall then be sought from the Governing Council to dispose of the stock.

The disposal of static, slow moving, damaged or excess stock shall be carried out with the approval of the Governing Council.

PART I. MARKETING FUNCTION

1. CASH/CHEQUE SALES

- (i) The Marketing Office/Sales Office will be charged with the receiving and reviewing of orders from the clients.
- (ii) On confirmation of availability of goods in the stores, the client will be directed to the Cash Office where he/she will be advised to pay to the receiving Cashier.
- (iii) The Cashier shall issue a receipt to the client. The original and the duplicate shall be handed over to the client to be taken to the store.
- (iv) The Storekeeper shall acknowledge by stamping on the receipts. The original shall be handed back to the Client and the duplicate retained by the Storekeeper.
- (v) The Storekeeper will then prepare the delivery notes and hand the goods over to the client.
- (vi) In case of cheque sale using a crossed cheque, goods shall only be issued upon maturity of the cheque.

2. CREDIT SALES

- (i) The Marketing Office/sales Office will be charged with receipt and reviewing of purchase orders.
- (ii) All credit sales shall be authorised by the Finance Secretary upon verification from the Debtors Ledger.
- (iii) Credit shall not be extended to any client that has an outstanding balance above 1,000,000 (One Million) Shillings.
- (iv) Once the Finance Secretary confirms the credit worthiness of the client, he/she will instruct the Account Section to issue an invoice to the client. The duplicate copy of the invoice shall be sent to the Marketing Office.
- (v) The debtors' age list shall be maintained and shall be the basis for authorisation of credit sales. The debtors' age list shall be

maintained by the Accounts Section and reconciled monthly with the Cash office.

- (vi) Upon obtaining approval for credit sales to a given client, the Marketing Office shall raise a sales order to the Storekeeper who shall then issue the goods to the client.

3. RECORDS TO BE MAINTAINED BY THE MARKETING OFFICE/SALES OFFICE

- (i) Register of both existing and potential clients. This register must include details of business office location, telephone and a contact person.
- (ii) Sales Order Register. This will maintain all records of cash/credit sales.
- (iii) Invoice Register. This will maintain a record of all invoices issued by date and value. All invoices paid must be recorded in this register.

4. RECORDS IN THE STORES.

- (i) The Storekeeper shall maintain a record of the sales orders.
- (ii) Issue Vouchers. This will record all goods taken out of the stores either for sale or use.
- (iii) Delivery Notes. For all sales, a delivery note shall be issued to the clients.
- (iv) Local Purchase Order file. For all credit sales, the client shall issue a local purchase order which shall be filed in the Marketing office and regularly reconciled with the Cash office and Accounts Section.

5. MANAGING SALES PROMOTIONS

- (i) The Marketing office shall always ensure that all marketing and branding material is kept up to date with the most relevant and accurate information.
- (ii) The Marketing office shall also always ensure that all available discounts on offer are brought to the knowledge of the clients without discrimination.

6. MANAGING CLIENT RELATIONS

- i) The Marketing Office shall at all times keep the clients of the Centre up to date with all the relevant information from the Centre.
- ii) The Marketing Office shall maintain an up to date client database with sufficient information to regularly make contact and follow up on the Centre's clients and prospects.

7. MANAGING DISTRIBUTOR RELATIONS

- i) The Marketing Officer shall develop partnership agreements that will govern the Centre's dealings with reseller agents.
- ii) The Marketing Officer shall at all times keep the reseller agents of the Centre up to date with all the relevant information from the Centre.

PART J: SALARIES, AND OTHER EMPLOYEMENT BENEFITS

1 a) SALARIES

These are graded and paid by the NCDC Governing Council

- i) The salary scales of the Centre range from CD 1 highest scale to CD 13 lowest scale.
- ii) All salaries shall be expressed in Uganda Shillings and shall be paid monthly.
- iii) All salary scales are basic.
- iv) Where different salary levels are used for the purpose of fixing leave entitlements, allowances or passage or transport classes, they have been fixed with reference to basic salaries only.
- v) An officer on first Appointment shall receive his/her salary from the date of assumption of duty.
- vi) All staff salary payments shall be remitted to the individual staff Bank Account. In the latter case, the officer shall indicate his/her account number and the address of the Bank.

b) Entry Points

The entry points for officers shall be determined by the Governing Council.

- i) The starting salary of an officer who is first appointed to an office graded in the CD1 to CD3 scales shall be the fixed rate of pay at which the post is granted. The entry point shall take into account qualifications and where necessary, a specified period of post-qualification experience.
- ii) If the Governing Council decides to generally improve the salaries of staff, it shall apply to all salary scales.

- iii) Any relevant additional and recognised qualification obtained by serving officer between CD4 and CD13, above the minimum qualification required for the appointment to the post in which she/he serves, shall entitle the said officer for an increment of one notch above within the scale.
- iv) Any defect in appointment of an officer in employment of the Centre and or salary grade of an officer is subject to immediate correction upon detection.

c) Increments

- i) Officers who hold offices graded in an incremental scale, are subject to the maximum of the scale, to receive an annual award of an increment provided their work during the year has been satisfactory and they have completed any obligations as laid down in their letters of appointment and schedule of duties.
- ii) It is presumed that an officer's work has been satisfactory and that he has completed any obligations he may have had, and the Finance Secretary may pay increments automatically unless instructions are given to the contrary by the Director.
- iii) If the Director is not fully assured that an officer has done his work satisfactorily or if the officer has not fulfilled his obligations shall instruct the Finance Secretary not to pay the increment of salary at the due date after first taking appropriate action.
- iv) No increment of salary shall be paid to an officer serving on probation or after expiration of his/her prescribed probationary period unless and until he has been confirmed in his appointment.
- v) The minimum period of service required to earn an increment on first appointment is 6 months.
- vi) When the incremental date falls during the officer's leave pending retirement, or where the officer has been retired in the public interest, no increment will be payable.

d) Increment: Differed, Stopped or Withheld

If for any reason an increment cannot be paid to an officer on the due date, the Director shall defer payment accordingly and recommend the following alternatives to Council:

- i) That the increment be “withheld”, which means that the officer has not qualified for an increment on the due date and cannot therefore receive the increment, he shall move to the point on the salary scale where he would have reached had he qualified on the due date but no arrears of increment will be paid; or
- ii) That the increment be “stopped”, which means that the officer cannot be considered for an increment until another full increment earning period of one year has been served. An increment “stopped” is an increment lost. If an increment earning is granted after another full incremental earning period, the officer will move to the next higher point on the salary scale. This is severe punishment and should be only when circumstances warrant, as the cumulative effect of a lost increment over an officer’s career can be very considerable.
- iii) No increment shall be “withheld” or stopped, unless the officer has been warned in writing that such a course is intended, and that he has been given an opportunity of showing cause why such action should not be adopted, and Council have power to instruct the Accounting Officer not to pay an increment to an officer against whom proceedings to “withhold” or “stop” his increment are being taken.

2. CONTRIBUTIONS TO THE SCHEME / SSF SOCIAL SECURITY FUND

Provision of NSSF 1985 Act shall be adhered to. If the Governing council chooses that staff at the centre subscribe to NSSF, then provisions of NSSF 1985 Act shall be adhered to, unless the contrary applies.

3. RETIREMENT BENEFIT

- a) All contract staff shall be paid their retirement benefit as per their letter of Contract Appointment.
- b) An employee whose services are terminated (save for those under c vii) shall be entitled to receive all his / her benefits under his/her services contract up to the time of the termination of service.
- i) On compulsory retirement in public interest.
- ii) On retirement on medical ground. This is subject to medical board's report to the Council.
- iii) Resignation after serving for 5 consecutive years at the Centre.
- iv) On retirement after attaining 60 years of age.
- v) A member of staff shall qualify for retirement benefit after serving 5 consecutive years at the Centre.
- vi) In case of misconduct leading to dismissal of an officer, he/she shall not qualify for retirement benefit.
- c) Gratuities will normally be paid at the rate of 10% - 25% of aggregate salary (excluding all allowances) earned during the contract period. The gratuity rate will be stated in the contract agreement.
- d) All other retirement benefits shall be in accordance with the NCDC Standing Orders.

4. OVERTIME

The Director may approve overtime for officers in CD9 – CD13 only when it is essential for the public interest and the Centre's liability may not be discharged by giving time off in lieu.

Overtime shall be limited to any period of work in excess of 7 ³/₄ hours from Monday to Friday, Saturday, Sunday or Public Holiday.

The Head of Department of Supervising Officer intending to assign duty to staff in excess of 7 ³/₄ hours from Monday to Friday, Saturday, Sunday or public holiday shall seek authority or consent of the Director before assigning that duty.

Overtime shall be paid at 1 ¹/₂ times for any extra hours worked on any normal working day and 2 ¹/₂ times for overtime worked on public holidays or days of weekly rest (i.e. Saturdays and Sundays).

Overtime shall be adequately supervised.

Overtime payments shall be computed as follows:

$$\begin{aligned} \text{Annual working days} &= 365 \text{ minus Saturdays and Sundays} \\ &\quad \text{Minus public holidays} \\ &= 356 - (105 + 13) = 238 \\ \text{Monthly working days} &= \frac{238}{12} = 19.3 \text{ days} \\ \text{Monthly working hours} &= 19.3 \times 7.75 = 153.7 \end{aligned}$$

Overtime worked during Saturdays, Sundays, Public Holidays

$$\begin{aligned} \text{Overtime pay (Shs)} &= \text{Monthly rate hours worked} \\ &\quad \frac{\text{Of pay (Shs)}}{12} \times 2.5 \times \text{overtime} \\ &= 153.7 \end{aligned}$$

In addition to the payable overtime, an officer required by the Director to work overtime shall be paid:

A travelling allowance from his residence to and from the office.

An allowance for lunch.

5. ALLOWANCES

All allowances shall be reimbursed for payments made by officers during the performance of their functions. For this reason, therefore, they do not attract income tax and therefore there must be no profit to officers from them.

Claims for payment of allowances shall be made promptly on the appropriate forms and must be certified correctly by the responsible heads of departments. No claim for payment shall be considered unless lodged within 12 months of the event occurring, which first grade rise to it.

Performance Related Allowance (PRA)

This is an allowance paid to panel members, resource persons, facilitators, illustrators, editors and staff for participating in curriculum development activities and other special assignments as given from time to time.

The rates payable for PRA shall be determined from time to time in the annual budget estimates.

Sitting Allowances

This is an allowance paid to Council / Committee members and officers for participation in the deliberations and documentation of proceedings of their respective meetings (except management meetings). Rates payable shall be determined from time to time in the annual budgets.

Acting allowance

An acting allowance is an allowance which shall be paid to an officer who has been appointed to act in a higher post than his substantive post regardless of whether the post is vacant or not.

Acting appointment shall be made by the Director in consultation with the concerned officer. In case of the Director, the acting appointment shall be made by the council.

Acting Allowance shall be the difference between the Acting Officers current salary scale and the scale of the higher post he/she is asked to act in.

The staff identified to act in a higher post should be qualifying for that post if it fell vacant.

Acting allowances shall not be payable unless the acting appointment lasts for 30 consecutive days or more then the acting allowance becomes payable for the whole of the acting period.

Are not payable for any period in excess of 15 days during which an acting officer does not exercise the functions of the higher office for any reasons.

All other allowances not mentioned in these regulations but paid to public officers as per Public Service Circular Standing Instructions shall apply to NCDC staff. In this case the NCDC salary scales shall be equated to the Public Service salary scales.

Travelling in Uganda by Air

The class of transport for officers travelling at the Centre's expenses by aircraft is followed:-

CATEGORIES	AIR
Director	Business Class
Deputy Director	Economy Class
Senior Staff	Economy Class
Other Staff	Economy Class

When an officer travels by air at the Centre's expenses he will automatically be insured by the Centre for a sum equal to four times his annual basic salary in respect of any one journey to cover death or injury caused by a flying accident. This cover will extend only to the officer and not to members of his family. Officers must make their own arrangements if they want cover for their family members.

Transport expenses refund shall be

For an officer, on assuming duty on first appointment, for the officer, his wife and children from the place of the officer's recruitment to his duty station.

For all officers on sick leave, the Director may, at his/her discretion, approve transport allowances for the officer, his wife and up to one additional adult fare towards the cost of his children's travel from the officer's duty station to his home.

Travel by Officer's own motor vehicle

An officer may use his own motor vehicle for the occasions on which he is entitled to travel at Centre's expenses and claim the appropriate mileage allowance provided he travels by the most direct route.

When he travels to the place of his assumption of duty on first appointment from the place of his recruitment;

On any journey which an officer is required by the Director to make in Uganda in exercises of the functions of his office.

Travelling allowance outside Uganda

The classes of transport for officers travelling at the Centre's expenses on public transport outside Uganda are as follows:

CATEGORIES	AIR
Director	Business Class
Deputy Director	Economy Class
Senior Staff	Economy Class
Other Staff	Economy Class

An officer will be eligible for this travelling allowance when:

He travels outside Uganda on duty.

He travels to attend educational conferences and study programmes abroad provided that the journey shall have been sanctioned by the Director.

An officer who travels outside Uganda on occasions by other means than air transport will receive the travel allowance towards the cost, which is equal to the allowance as stated above.

This allowance shall not be payable when other transport arrangements are made by the Centre.

Entertainment Allowance

The Director will be paid an entertainment allowance at the rate of 15% of the per diem per night when he/she travels outside Uganda.

Night allowance in Uganda

Where distance makes spending a night out of usual station the Director shall authorize payment of night allowance.

Night allowance in Uganda shall be paid to officers at the Government rates.

An officer may not claim these allowances in respect of his wife and children even if they had accompanied him on duty.

An officer who is acting in a higher office than his substantive office may claim the allowance at the rate appropriate to the office in which he is acting.

Climate clothing Allowance

The temperate climate means any country North of latitude 30° N and any country South of latitude 30° S. Specific country means Canada and Russia.

A climate clothing allowance will be paid to all officers sponsored by the Centre to proceed on duty or on study overseas to temperate and cold climates.

An additional climate clothing allowance will be paid to all officers travelling on duty or study to a specific country and this allowance will be in addition to the allowance for which provision is made.

The climate clothing allowances payable to officers will be at Government rates once in three years.

Annual Leave Transport Allowance

All officers travelling for annual leave are entitled to Annual Leave transport allowance. The rates payable shall be by public means using the most direct route to a declared home destination.

Out-of-Pocket Allowance

The out of pocket allowance per night shall be paid as follows to the NCDC officials and Council members when they travel outside Uganda on Centre duties.

Out of pocket allowance per night shall be paid to NCDC officials and Council members at the following rates;

Chairman of Council	-	\$60
Council members and Director-		\$50
Deputy Director	-	\$45
Head of Department	-	\$40
Specialists	-	\$30
Others	-	\$20

6. ALLOWANCES FOR MEMBERS OF GOVERNING COUNCIL, COUNCIL COMMITTEES AND BOARDS

Subsistence Allowance

Members of the Council, Council Committees and Academic Steering Board who have spent nights away from their homes or station within Uganda for purposes of attending meetings of these bodies, shall be paid night allowance at Government rates.

Governing Council Member's transport

Members of the Council, Committees when travelling within Uganda to attend meetings at the Centre's expenses shall be reimbursed with transport using market rates.

Governing Council members outside travel.

Particulars	Air	Train	Steamer
Council Chairman	1 st Class	Reserved Compartment	Business class
Other members	Economy	1 st Class	1 st Class

7. BENEFITS

Benefits will be accorded to officials as follows:

Director

Reimbursement for telephone, water and electricity as approved by Council.

Official car with official driver.

A security guard.

A grounds man

Deputy Director

Reimbursement for telephone, water, electricity as approved by Council.

Official car with official driver.

Penalties resulting as a result of delays by the officer to present the bill shall not be borne by the Centre.

These benefits shall be reviewed from time to time depending on the economic situation.

8. FACILITATION FOR HEADS OF DEPARTMENT

All heads of Department shall be facilitated with 30 litres of fuel per month in the execution of duty. This fuel shall facilitate Heads of Department to travel within a radius of 15km from the Centre.

9. STAFF MEDICAL EXPENSES

The Centre shall compute a percentage based on individual salary to be consolidated with the monthly salary.

Only staffs properly appointed by Council are entitled to medical facilities.

After an officer had completed one year's service and for reasons of ill-health where certified by a recognised medical doctor, sick leave on full pay will be granted for a period up to total of six months in any one calendar year, subject to the right of the Council to call for a second opinion after which the position will be reviewed by Council. If a continued period of sickness extends beyond six months, Council may at its discretion continue payment of salary either in full or in part for a further maximum period of six months subject to a second medical opinion.

Medical Treatment outside Uganda

If the Chairman on the recommendation of the Director approves that treatment be undertaken outside Uganda as recommended by the Medical Board, the Director on consultation with the Chief Medical Officer will make necessary arrangements for an officer to undergo treatment abroad.

The patient will be eligible for free economy class, air transport to the country in which he is to undergo treatment.

The cost of medical and hospital treatment will be handled excluding supply of and maintenance of dentures and spectacles. In the event of an officer or a member of his family dying in a country in which he had been sent for medical treatment, the body may be buried abroad or transported back home at the Centre's expense.

If the patient is required to convalesce in the country in which he has been treated and during his convalescence to be under the supervision of the specialist treating him, he will receive one-half of the appropriate night allowance for each night of convalescence spent in the country of treatment but outside the hospital.

No person may accompany a patient at the Centre's expenses unless a certificate is signed by the Director Medical Services and approved by the Chairman that it is essential for the medical well being of the patient that the person goes with the patient. The person will travel to and from the Country of treatment in the same class and aircraft with the patient and will receive the same night allowances as a convalescent patient under sub-paragraph above.

10. ANNUAL LEAVE

Salary in-lieu of annual leave will not be granted but may in exceptional cases where the officer cannot be released to proceed on his leave be granted by the Finance and General Purpose Sub-Committee on the recommendation of the Director.

Only staff properly appointed in accordance with NCDC Standing Orders is entitled to annual leave.

11. STUDY LEAVE

This will normally be with full pay with incremental credit.

An officer may on application to the Director, be granted a study leave of up to three years, provided that the Centre's financial obligations are limited only to payment of salary during the period of study.

The application for short study leave must include a proposal on the study to be undertaken which should satisfy the Director to be relevant to the officer's duties or Centre's function if the leave is granted

12. MATERNITY LEAVE

A woman officer should be allowed to go on maternity leave when she is between 36-38 weeks pregnant as determined by a recognized medical doctor provided that in the event of the Director noticing a deterioration in her output genuinely attributable to advanced pregnancy, and after obtaining a recognized medical doctor's opinion, the Director may decide to send her on maternity leave before the above stipulated period.

All women officers regardless of their status shall be entitled to 60 working days maternity leave on full pay.

If, as judged by the Director, an officer requires for maternity purposes, an additional period of absence from duty over and above the 45 60 days' maternity leave provided for under paragraph 2 above, such additional period of absence from duty shall be regarded as part of her annual leave entitlement, otherwise such additional period shall be regarded as leave without pay.

13. SABBATICAL LEAVE

Sabbatical leave on full pay lasting one year may be granted to an officer on application to the Director after seven years of continuous service.

14. LOANS

The Centre will undertake to administer, through the payroll, deductions and remittances committed by the officer to service the loan she/he acquired, as per agreement with the funding organizations.

PART K: HANDING OVER PROCEDURES

Duties of public officers on hand over

The Director shall ensure that on every occasion on which cash, receipt books, keys, etc are handed over from one public officer to another, the hand-over shall be evidenced in writing, and shall be conducted in such a manner as to leave no doubt or ambiguity as to the items handed over and taken over.

Shortages and discrepancies found during hand-over

Where, during a hand-over, shortages or discrepancies are noted between those balances or stocks of cash, receipt books, etc being handed over and those recorded in the relevant cash books and registers, the full facts relating to the shortage or discrepancies shall be recorded in detail the hand-over statement, together with an explanation of the shortage or discrepancies given the public officer who is handing-over.

Where the shortage or discrepancy is other than of a very minor nature, the public officer taking over shall make an immediate report to the Director who shall forthwith investigate the shortage or discrepancy.

Procedure in case of illness or absence of public officer

Where because of illness or for any other reason an outgoing public officer is unable to hand-over his or her duties and responsibilities in person, he or she will forward the keys of the strong rooms, safes, cash boxes, etc in his or her custody to his her Director by hand under sealed personal cover.

The Director shall then appoint a Handing-over Board comprising at least two officers who shall, on behalf of the outgoing public officer, jointly perform the hand-over statement in place of the outgoing officer.

A procedure similar to that prescribed in sub regulation (2) of this regulation shall be followed if a key-holder is unexpectedly absent from a duty, which cannot be held in abeyance until his or her return.

Where for any reason an incoming public officer considers that the state the records, balances, security etc is such that he or she cannot conscientiously take them over, he or she must immediately seek instructions from the Director promptly submit to the Director, a full written report of the circumstances of the case.

PART L: CREDIT MANAGEMENT POLICY

1. BACKGROUND TO THE POLICY

- 1.1 Revenue collection is of vital importance to the Centre. This revenue, in the form of sales, fees and charges constitutes a significant proportion of the Centre's internally generated income. The Centre relies on this income to fund some of its activities and any failure to collect income represents a risk to the sustainability of these activities.
- 1.2 Debt levels and their related annual costs are important long-term obligations that must be managed within available resources and as such an effective debt management policy would provide guidelines for the Centre to manage its debt program in line with those resources.
- 1.3 The Finance Secretary has responsibility, under the NCDC Standing Orders, for the administration of the financial affairs of the Centre. One such area of administration is that relating to the management of credit and the collection of debt.
- 1.4 In a bid to control the amount and type of debt issued by the Centre, the issuance process, and the management of its debt portfolio, the National Curriculum Development Centre realised a need to put in place written guidelines and restrictions in the form of a Credit Policy to govern management of its debtors. The Policy would seek to improve the quality of decisions, provide justification for the structure of debt issuance, identify policy goals, and demonstrate a commitment to long-term financial planning.
- 1.5 This Policy therefore sets out to define the credit management function, stating the objectives and responsibilities, in order that the principles of operation of credit management are clearly recognised and understood.

2. CURRENT SITUATION

The Centre maintains a schedule of all its trade debtors although this is not fully backed with signed documentation between the Centre and all the Debtors. The non-existence of documentation on some of the past debtors has rendered the process of making collections from them difficult with some of them remaining uncollected for more than 3 years. In addition, there is currently no formal procedure for management of issuing, follow up and collection of due credit. However, for those whose credit records are available collections have been made although often delayed.

3. POLICY VISION

The vision of credit management for the Centre is:

“To minimise the amount of non-collectable debt through the prudent extension of credit, the balancing of financial risk and the efficient collection of income within a framework of customer care and client sensitivity”

4. SCOPE

This policy applies to all sources of non-tax revenue across the Centre unless subject to a specific policy relating to fees and charges or income generation previously agreed on by the Centre.

5. DEFINITIONS OF KEY TERMS

Credit Management is defined as the management of the risks and costs associated with allowing customers time to pay. The use of the word credit in the context of this policy relates to the provision of goods or services for payment at a later date.

5.1 Prudent extension of credit means supplying goods and services with payment due generally on receipt of invoice. Payment periods may be offered where necessary to ensure that the Centre’s products and services remain accessible but will vary depending on the product or service.

- 5.2 Balancing of financial risk means evaluating the financial risk of providing goods and services in advance of payment and the likely prospect of recovering sums due. This involves the checking of creditworthiness to inform decisions to provide services in advance of payment or, alternatively, to insist on payment first where creditworthiness is in doubt.
- 5.3 Efficient collection of revenue means encouraging people to pay on time by offering a wide variety of payment methods, including direct debit and using cost effective collection methods, such as reminder letters, telephone calls and personal visits. It also means making decisions on the advancing of credit and the collection of debt in an equitable manner that considers financial status only (i.e ability to pay).
- 5.4 Customer care and client sensitivity means handling all customer enquiries with courtesy and sensitivity and meeting the needs and expectations of different client groups, including offering flexible payment options and a wide variety of payment methods.

6. OBJECTIVES OF THE POLICY

The policy encompasses the following objectives:

- 6.1 To administer an efficient debt collection process that is organised such that responsibilities of departments are clearly defined and processes are well understood and documented.
- 6.2 To ensure that all amounts due are collected according to the agreed payment terms and that the most efficient methods of payment are used.
- 6.3 To ensure that the cost of providing goods or services on credit terms and the cost of recovery is kept to a minimum.

6.4 To identify high risk customers, especially those likely to get into financial distress and to take appropriate action to safeguard further revenue losses and establish satisfactory payment arrangements.

6.5 To maintain high quality and comprehensive accounts receivable information to provide robust management information and accurate customer accounts history.

7. LEGAL FRAMEWORK

The legal framework within which this credit policy will be implemented by the Centre is set out in various laws at national and Centre levels. The Policy will be governed by the following Laws and regulations;

- NCDC Act
- NCDC Standing Orders
- NCDC Financial Regulations
- The Contract Act
- The Sale of Goods Act

8. SITUATIONAL ANALYSIS

An analysis of the Centre's internal and external environment yields the following observations on the Centre's Strengths, Weaknesses, Opportunities and Threats as regards credit management;

Strengths:

- The Centre has an operational Legal Office that would efficiently pursue any legal redress.
- A Marketing Unit is in place to centralise and coordinate all management of credit.

Weaknesses:

- Poor management of records especially on past debtors

Opportunities:

- New, secure and faster payment options such as EFTs are now in place.

- The Centre is in the process of implementing a Computerised Accounting System; this will enable easier and more accurate tracking of debtors.

Threats:

- Loss of some clients due to implementation of more stringent credit terms.

9. COST-BENEFIT ANALYSIS

The Centre will enjoy the following benefits with respect to the Costs it will incur as a result of implementing this Policy;

COST

BENEFIT

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Costs of designing, printing and delivery of new credit management documents such as Invoices, reminder letters. • Loss of some clients due to implementation of stringent vetting and credit terms. • Costs of training Staff in management of debtors. • Costs relating to annual Policy review. | <ul style="list-style-type: none"> • Improved management of Debtors' information. • Reduced exposure to bad debts as a result of more stringent vetting of prospective debtors prior to issuing credit. • Efficient management of the Credit activities. • Having in place an update and realistic Policy. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

10. RESPONSIBILITIES

10.1 The Finance Secretary has responsibility for the efficient administration of the Centre's financial affairs and to protect the Centre's financial resources and establishment of an efficient internal control system.

Consequently, responsibility for the implementation of this policy rests with the Finance Secretary. All officers must comply with this policy and the Finance Secretary must be consulted, and give approval, for any deviations to this policy. Where any clear and substantial change is to be made to this policy, that deviation will require approval by the Director of NCDC.

- 10.2 The Finance Secretary will monitor the overall debt position of the Centre and keep under review the arrangements for the effective and efficient collection of debt.
- 10.3 The Finance Accountant will report the overall debt position to the Finance Secretary who will in turn report to the Director and the Finance and General Purpose Committee of the NCDC Governing Council on a regular basis.
- 10.4 In the absence of the Finance Secretary, responsibility for the Credit Management function is passed to the Marketing Officer.
- 10.5 Key Accounts Receivable transactions, including the raising of high value invoices, issuing of credit notes and making of refunds require authorisation in accordance with the credit limits and approvals set out in this Policy.
- 10.6 The Marketing Officer shall oversee the day-to-day implementation of the Credit Policy and should ensure that all staff in the Marketing Unit are conversant with this Policy.

11. PRINCIPLES OF OPERATION

- 11.1 The Policy Principles set out below represent the standards and procedures that shall apply to all revenue collection throughout the Centre.

Any deviation from these principles will require the explicit approval of the Finance Secretary and the Director. Dispensations are only likely to be given in circumstances where they further the greater economic interests of the Centre, avoid undesirable social or economic consequences or where the processes in this policy are incompatible with the currently employed technology.

- 11.2 It should be recognised that income derived from the supply of goods and / or services is reduced by the cost of allowing credit terms by way of lost interest or interest costs during the credit period; the costs of collecting outstanding debts; and lost opportunity to utilise revenue. It is also recognised that taking on credit risk presents the risk of losses due to bad debt, which results in total loss of income in addition to the incurred costs of collection.

11.3 Conditions for extending Credit

- 11.3.1 Conditions of supply shall be implemented either by the customer signing a formal contract or the customer receiving a copy of the terms and conditions of supply prior to the service or product being provided.

- 11.3.2 In general, credit terms will not be offered to new customers and payment will be required in advance or on receipt of an invoice. In exceptional circumstances, customers will be allowed credit terms but this will be informed by a risk assessment of the client.

- 11.3.3 All new customers to be supplied on credit terms shall be required to complete a customer questionnaire in advance of the supply of any goods or services.

- 11.3.4 Risk assessment of new debtors shall be carried out subject to prescribed requirements and limits for specific services. The depth of

assessment undertaken will be proportionate to the level of indebtedness to be incurred.

11.3.5 Approval to supply new debtors on credit terms shall be on the authority of the Finance Secretary with consultation of the Director.

11.3.6 Credit limits will be established taking full consideration of the level of risk and the nature of the service or product provided and shall be granted in accordance with set procedure. The credit boundaries shall be between **UGX 100,000** and **UGX 15,000,000**.

11.3.7 It is essential that accurate and up to date customer information is maintained and that any amendments are notified and acted upon immediately and in accordance with the procedures for maintenance of customer account data.

11.4 **Payment Terms**

11.4.1 Where recovery of income is likely to be at risk, arrangements to take payment in advance of service provision will be made. All other opportunities to receive payment in advance will be taken.

11.4.2 Where supply is made on credit terms, standard terms shall be in place for each type of supply.

11.4.3 Unofficial extended payment terms will not be granted to customers.

11.4.4 Discounts will not be offered on credit sales unless previously set or agreed on.

11.4.5 Interest may be applied in accordance with contractual terms, or other applicable Statutory Legislation, to undisputed debt that has not been paid within the agreed payment terms.

11.4.6 Failure to pay on time or poor payment history may result in the rejection of future requests for supply on credit terms.

11.5 Raising of Invoices

11.5.1 Responsibility for the accuracy of invoicing remains with the Marketing Unit.

11.5.2 All invoices will be generated promptly and as close to the point of provision as possible and in any event within 5 working days of that provision.

11.5.3 A clear description of the goods or services provided will be contained in every invoice to assist the customer and to facilitate prompt payment.

11.5.4 All invoices shall be raised in accordance with Financial Regulations.

11.6 Payment Methods

11.6.1 All methods of payment shall be available to all customers for the benefit of both the Centre and the customer and will include cash, cheque, standing order, direct debit, and Electronic Funds Transfer.

11.6.2 All opportunities for “netting” should be taken, where lawful. i.e. where sums are both due to the Centre and due from the Centre in respect of the same customer.

11.7 Customer Service

11.7.1 Customers will be provided with the contact details of the Marketing Unit in order that they have access to officers with detailed and specific knowledge of the goods and/or services provided at all times.

11.7.2 As a minimum, offices will be open to take customer queries either by telephone or in person between the hours of 8:00am to 5:00pm Monday to Friday with exception of public holidays.

11.7.3 All customers will have access to their account information and history on submission of a formal request.

11.8 Collection of Income – Sundry Debtors

11.8.1 A series of four (4) reminder letters will be generated when invoices remain unpaid beyond the agreed terms.

11.8.2 The use of the telephone in making successful collections is a major contributor to effective collections. The telephone will be used to collect debtors both within and outside normal office hours to obtain payment to the terms agreed.

11.8.3 All debts that remain outstanding after the normal recovery process has been exhausted and where the debt has reached 60 days past the due date will be considered for referral of legal action to the Legal Officer.

11.8.4 In instances where the recovery process has failed, client sensitivity is to be fully considered when deciding on the method of collection used to pursue and enforce payment of that debt.

11.8.5 It is the responsibility of the Marketing Unit to ensure that all debt outstanding to the Centre from one debtor is pursued and recovered.

11.8.6 All outstanding debt is to be pursued until such time as it becomes uneconomic or disproportionate to the administrative effort required in determining “uneconomic”, account must be taken of the overall impact on the Centre of non-pursuit of that debt including the likelihood that

other customers may then also choose not to pay their outstanding debts.

11.9 The use of Third Parties and Legal Action – Sundry Debtors

11.9.1 Legal Action will be taken after all other methods of contact have been exhausted.

11.9.2 Legal Action will be instigated on the authority of the Director following consultation with the Finance Department and the Legal Officer.

11.9.3 For debts considered uneconomical to refer for legal action, the use of tracing and collection agents will be considered prior to any decision to write off the debt.

11.10 Other Enforcement Action

11.10.1 Other forms of recover action that may be used in order to secure a debt are as follows:

- Attachment of earnings
- Attachment of benefits
- Charges of properties
- Filing for bankruptcies and liquidations
- Use of small claims court

11.11 Bad and Doubtful Debts and Bad Debts Write Offs

11.11.1 Bad debts incurred will be notified to the Finance Secretary by the Marketing Officer and the Finance Accountant.

11.11.2 Provisions for bad and doubtful debts shall be reviewed on a monthly basis and variations reported upon. Sufficiency of provisions will be amended annually.

11.12 **Insolvency**

11.12.1 The Marketing Officer will be responsible for reporting all insolvencies.

11.12.2 Responsibility for the monitoring of insolvencies, completion of documentation and representation at creditors' meetings shall rest with the Marketing Officer.

11.13 **Dispute Management and Credit Notes**

11.13.1 All disputes regarding invoiced charges and fees shall be recorded monitored and reported on in accordance with departmental procedure, every endeavour being made to ensure that disputes are resolved within the reasonable timescale prescribed in that procedure.

11.13.2 Credit notes will only be raised following the correct process and authorization procedure as follows:

- The document should be clearly headed "CREDIT NOTE"
- It should carry an identifying number and date of issue
- It should carry the number and date of the original invoice
- It should carry the name and address of the customer
- It should include proper explanation as to why the credit is required
- It should include a description of the goods or services for which credit is being claimed or allowed and also the quantity and amount for each description
- It should include the total amount credited
- The credit note shall be reviewed and properly authorized by the Finance Secretary
- A copy of the credit note request shall be kept on file with reference to the credit number issued or a reprint copy of the credit note

11.13.3 Charges will only be reduced or cancelled where an error has occurred.

11.13.4 Debts properly due but not collected will be pursued to the point of write off.

11.14 Management Reporting

11.14.1 Levels of debt will be monitored on a quarterly basis using the following data:

- Level and ageing of outstanding debt in aggregate and by type
- Details of Accounts that have been referred for Legal Action
- Level and status of invoices held in query
- Number and value of credit notes raised and credit to invoice ratio
- Analysis of debts written off
- Analysis of doubtful debts
- Analysis of high risk debtors
- Days Revenue outstanding
- Value of debts subject to repayment plans
- Cash against revenue

12. POLICY REVIEW

This policy shall be reviewed annually by the Finance Department and Internal Audit and should any amendments be deemed appropriate, these will be presented to the Finance and General Purpose Committee of the NCDC Governing Council through the Director for formal approval.

13. FINANCIAL IMPLICATIONS FOR POLICY IMPLEMENTATION

A budgetary provision should be created to cater for the following;

- Research aimed at reviewing and improving the Policy.
- Training of staff that are to be directly engaged in implementation and management of the policy.



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 Kampala, Uganda.
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 E-mail: admin@ncdc.go.ug
 Website: www.ncdc.go.ug

CONTRACT FOR SALE OF GOODS

THIS CONTRACT FOR SALE OF GOODS IS MADE THIS __ DAY OF _____, 20__ BETWEEN **NATIONAL CURRICULUM DEVELOPMENT CENTRE OF P.O.BOX 7002 KAMPALA LOCATED AT KYAMBOGO** (SELLER”) AND _____, A [CORPORATION/PARTNERSHIP/SOLE PROPRIETORSHIP], WITH ITS PRINCIPAL PLACE OF BUSINESS AT [COMPLETE ADDRESS] (“BUYER”) FOR THE PURCHASE OF THE GOODS DESCRIBED BELOW:

NO:	DESCRIPTION	QTY	UNIT PRICE	TOTAL
1.				
2.				

Terms and Conditions of Sale

- (i) PAYMENT TERM:** Payment terms are net thirty (30) days from date of invoice. If payment is not received by the due date, invoices are considered past due. Past due payments will be subject to a service charge of one and one-half-percent (1 ½%) per month or the maximum amount allowed by law, whichever is less.
- (ii) ACCEPTANCE:** Buyer will have the right to inspect the goods upon receipt, and within __ business days after delivery, Buyer must give notice to Seller of any claim for damages on account of condition, quality, or grade of the goods, and Buyer must specify the basis of the claim in detail. Failure of Buyer to comply with these conditions will constitute irrevocable acceptance of the goods by Buyer. All notices between the parties must be in writing and delivered by courier or by certified mail, return receipt requested.

- (iii) RISK OF LOSS:** Seller shall not be responsible for any claims or damages resulting from a delay in delivery or failure to perform which results from: governmental regulations, strike, lockouts, accident, fire, delays in manufacturing, transportation, acts of God, or any other causes beyond the control Seller. In case of partial or complete destruction of goods, Seller is excused unless destruction is due to Seller's own negligence.
- (iv) RETURNS OF GOODS:** No Cash refund will be issued. For returns of goods tendered under this Sales Contract to be effective, the Seller must receive written notice of that return at its headquarters within 5 working days after delivery. Returns are allowed only if non-conformity is substantial and non-curable. A "RETURN AUTHORIZATION" form obtained from Seller must be accompanied by Invoice Number and description of all defects of the goods on which the Buyer intends to rely. The failure of Buyer to comply with these conditions shall constitute irrevocable acceptance of the goods by Buyer and Buyer is barred from any remedy. All returns must be delivered back to Seller's headquarters. All goods turned must be clean, free of price tags, and packed neatly. Seller has the right to refuse any returned goods or to credit the Buyer with the lesser amount paid, if the goods are damaged through improper packing or improper display methods at Buyer's locations.
- (v) WARRANTY:** Seller warrants that the goods are free from substantive defects in workmanship and materials and gives 5 working days limited warranty unless otherwise specified, from the date of delivery. Seller's liability under the foregoing warranty is limited to replacement of goods or repair of defects. No other warranty, express or implied, is made by Seller, and none shall be imputed or presumed. The warranty will not apply to those goods that are damaged due to misuse, abuse, negligence or notification by any party other than Seller.
- (vi) ASSIGNABILITY:** This Sales Contract shall not be assignable by the Buyer without the Seller's written consent.
- (vii) LIMITATION OF DAMAGES:** In no event shall the Seller be liable for (i) special, indirect, consequential, or punitive damages including but not limited to labor costs incurred by the Buyer or (ii) any damages whatsoever resulting from loss of use or profits arising out of or in connection with the

goods sold hereunder. In no event shall Seller's liability exceed the purchase price of the goods in question.

(viii) WAIVER: No waiver of any claim or right arising under this Sales Contract will be effective unless the waiver is in writing and signed by the waiving party.

(ix) TAXES: All sales taxes, tariffs, and other governmental charges shall be paid by Buyer and are Buyer's Responsibility except as Limited by Law.

(x) ENTIRE AGREEMENT: The parties intend this writing to be the final expression of the terms of their agreement and further intend that this writing be the complete and exclusive statement of all the terms of their agreement.

(xi) ATTORNEY FEE PROVISION: In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Sales Contract or seeks a declaration of any rights or obligations under this Sales Contract, the prevailing party shall be awarded reasonable attorney fees, together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

(xii) GOVERNING LAW: This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by Uganda Law of Contract.

SIGNATURES:

FOR SELLER (NCDC)

FOR BUYER (.....)

NAME:

NAME:

POSITION:

POSITION:

DATE:

DATE: