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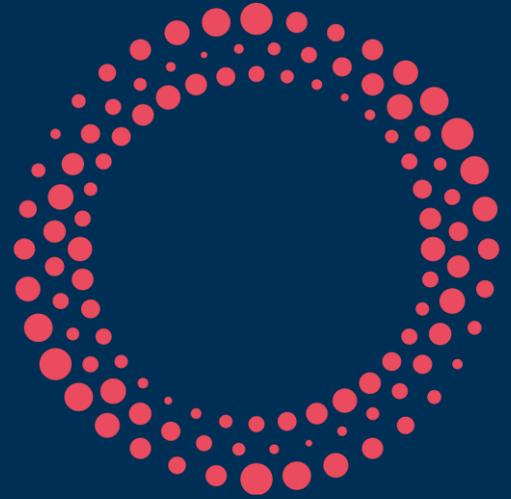
**COMMUNICATION ON  
PROGRESS (COP)**

Prepared By:

BEYOND REFORM  
AND DEVELOPMENT

Prepared For:

United Nations Global  
Compact



# COMMUNICATION ON PROGRESS

## REPORT

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# LETTER OF COMMITMENT

## ADDRESSED TO THE GLOBAL COMPACT

September 12, 2019

H.E. António Guterres  
Secretary-General  
United Nation  
New York, NY 10017  
USA

Dear Mr. Secretary-General,

I am pleased to confirm that Beyond Reform and Development/Irada Group SAL (BRD) supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects, which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. BRD will make a clear statement of this commitment to our stakeholders and the general public. We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy. This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely,

**Natalia Menhall**  
**Chairwoman**

# INTRODUCTION TO BRD

*Beyond Reform & Development aspires to attain inclusive governance systems, inspire innovative policy solutions, and create collaborative civil societies and human-centered partnerships across the Middle East and North Africa through the creation of learning opportunities for people, institutions, and communities.*

Beyond Reform & Development (BRD) is a mission-driven consulting firm specializing in policy research, public management, capacity development, and partnership building. With its headquarters in Beirut, BRD serves clients across the Middle East, the Gulf and North Africa, in addition to working with clients in Asia and Europe.

BRD's founding partners created the firm with the belief that citizens of the Arab region should not only demand solutions to their problems, but should also be proactive in partnering with governments in finding and implementing innovative policy solutions.

BRD has served clients and partners in 24 countries, including government institutions, municipalities, political parties, international organizations, civil society organizations, United Nations agencies and major universities.

## OUR VALUES

BRD was founded on a set of values that guide our efforts of reform and development. By staying true to these values internally and through our services, we hold to our mission to contextualize knowledge building and sharing, while building constructive partnership opportunities across the region.

### INCLUSION

We embrace all forms of diversity within a human system as a source of wealth. When people are included, they can innovate...

### PARTICIPATION

We value listening and engaging with people while helping them to build systems that can provide equal access to high quality services. When people own their systems, then they can lead.

### SERVICE

We value service as the strategy to influence positively governments and societies. When we serve, then we can influence change.

### INNOVATION

We value unique solutions using local assets and modern tools to deal with complex problems. When innovative solutions are developed, systems can be built...Harmony  
We value a holistic approach in transforming governments, societies and people. When we embrace the same values we promote, change can be achieved...

## OUR SERVICES

### POLICY RESEARCH

BRD undertakes interdisciplinary policy research using frameworks and methodologies tailored for each context and initiative. Our policy research supports policy makers and international agencies in finding viable, innovative and evidence-based solutions to socio-economic problems, and the challenges of governance and development.

Using qualitative and quantitative research tools, we conduct policy analysis and evaluation, develop policy solutions, and implement perception studies and impact assessments.

#### MANAGEMENT CONSULTING

BRD offers effective and adapted organizational development journeys to address the needs of public and para-public entities such as ministries, parliaments, political parties, municipalities and universities, in improving their performance and the quality of their public services.

We help boost the performance of public institutions through assisting in strategy development, reforming management systems, and empowering civil servants. We offer customized solutions, systems and tools for organizational development, change management, human resource development, and strategic communications.

#### CAPACITY DEVELOPMENT

BRD offers a library of more than 50 highly experiential capacity development programs that are geared towards the specific needs of public servants, development practitioners, and civil society actors. We are renowned for our ability to design and develop cutting-edge interactive learning programs, training workshops and executive coaching packages.

All of our learning interventions place a strong emphasis on practice, simulations, role-playing, and case studies drawn from participants' milieu, everything we do is relevant and practical.

More than 10,000 leaders from the public, private and non-for-profit sectors have participated in our programs in the last 8 years.

We specialize in topics related to leadership, management, human resources, governance, policy making, public service, campaigning and advocacy, and communications.

#### PARTNERSHIP BUILDING

We have discovered, through eight years of experience, that we are capable of engaging stakeholders, be it governments, public institutions, civil society organizations, private sector corporations and communities. Through this engagement we help build partnerships with shared values and purpose, driven by service to lead political, policy and institutional transformations throughout the MENA region.

# HUMAN AND LABOUR RIGHTS

## OVERVIEW

Global Compact's criteria that correspond with Labor are part and parcel of Human Rights and we found it challenging to separate the two. Therefore, this section describes both the human rights policies and labor policies as one. It is divided into seven different sections: health, safety, working hours, remuneration, parental leave, fair treatment, and community impact.

BRD commits to Global Compact's standards and criteria that fall under Human Rights, which include ensuring workers are provided safe, suitable and sanitary work facilities and protecting workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats. Due to BRD being a consulting firm in its nature does not have an industrial component, the third Global Compact criteria of "taking measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products" may not be applicable but would commit to in the case that it does apply in the future.

Similar to its human rights policies, the labor policies are an integral part of BRD's values and commitment. To start with, BRD meets the Labor Standards that the Global Compact suggests, including the fact that it does not participate in any form of forced or bonded labor (nor will it ever be an option). All of its team members are part of the company due to their values, and the unjust concepts and standards of slavery will never be part of it. BRD also complies with Lebanon's Labor Law, including its minimum wage standard, in addition to ensuring its employees are registered within the National Social Security Fund and have Grade A health insurance. Lastly, BRD's structure is a participatory one. With that, employment based decisions are based on relevant and objective criteria.

To extend further in terms of labor policies (as set by the Global Compact), BRD is an equal opportunities employer. With this, the BRD team is quite a diverse one - its team members<sup>1</sup> come from all parts of the country and have various different backgrounds, including religious, non-religious, sexual orientation, age, class, and academic backgrounds. The academic background of the team members, to name a few, include public management, public health, pharmacy, engineering, business management, marketing, biology, political studies, translation, environmental policy and more. The commonality among them all is the desire to learn and to make impact in their communities and surroundings. In addition to Lebanon, learning consultants<sup>2</sup>, who come in for an average period of three to six months at a time, come from all over the world, particularly Oman, Palestine, Jordan, Algeria, Libya, Yemen, France, Tunisia, United Kingdom, United States, Mexico, and Namibia to name a few. Additionally, the majority of the firm is female: currently at 68% of permanent staff, 83% of Board of Directions, 50% of its Executive team. BRD's Chairperson is female, as well.

Violations of labor principles rarely occur in BRD. However, in instances when a labor violation would occur, it is automatically addressed. BRD is a participatory structure and that translates in the daily practices of the organization, when it comes to both internal and external decisions. All team members have the opportunity to address any work-related issues, including any labor violations that might potentially occur. Violations are not taken lightly and are immediately tackled by the management team.

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<sup>1</sup> BRD's full-time paid employees are all Lebanese, due to the Lebanese Labor Laws that add legal hurdles keeping organisations from employing non-Lebanese.

<sup>2</sup> Learning consultants are individuals who come join the BRD circle to learn about this field, while also their perspectives and their academic background. It is often exchanged as an internship credit at their respective academic institutions when applicable.

### "3-NO POLICY"

BRD implements a 3 NOs policy that is: "No Count, No Guilt, No Abuse" which gives team members freedom and flexibility over their work, without feeling guilty, while stressing on a sense of self responsibility and accountability towards their required tasks and other team members to ensure internal fairness and support.

## **WORKING HOURS**

### OFFICE HOURS

The office is open every day starting 8:30AM, with flexible working hours for all team members. Employees are personally responsible for their own time management. Employees know their tasks and are expected to complete them in a timely manner: the way they organize their own schedule is their responsibility and privilege. They can come to the office outside official office hours, take as much breaks as they want during the day, complete personal duties during working hours, and take days off as long as tasks and deliverables are completed in a quality and timely manner. This is an important element of the time management culture, especially since some project and services might require the team to work over the weekend.

### WORK FROM HOME

Team members can work from home when needed. However, the team agreed that this would be the case only when necessary under their own terms (feeling very tired, having another commitment, etc...). In fact, physical presence contributes to team synergy and collaboration and thus was decided as a core element of team self-management. It is important to mention that working parents can have their own schedules to work from home in a way that accommodates their and their children's needs.

### LEAVE ENTITLEMENTS AND COMPANY OFFICIAL HOLIDAYS

At BRD, days off are encouraged to ensure that individuals are taking the time that they need for self-care and well-being. These follow the "3-no's policy", that is: "No count, No guilt, No Abuse" allowing people to take days off at their own convenience in a reasonable manner and by being responsible about their own decisions.

### MEDICAL/SICK LEAVES

BRD does not require any documentation form it its team members when they need to take medical leaves, due to the organization being a value based one and the expectation that team members are responsible for their own work and life.

## **HEALTH**

### SOCIAL SECURITY

BRD considers that access to social security is a fundamental right for every human. All employees at BRD are enrolled in private medical insurance (covering class A) along with an enrollment in the National Social Security Fund (NSSF) after three months of probation.

### CLEANING

BRD ensures cleanliness of the office space through daily cleaning services. An informal code of conduct of space cleanliness is followed by employees to cater for the collective (food & beverages, recycling, trash, etc..)<sup>3</sup>.

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<sup>3</sup> Refer to Annex 1.

#### WATER AND FOOD

BRD provides safe drinking water to its employees, sanitary food storage, and an equipped kitchen with cutlery and food heating devices.

#### MEDICAL KIT

In addition, the office is equipped with a medical kit in case of emergency at the office and doctors are easily available for any health issues.

#### SMOKE-FREE ENVIRONMENT

Because we recognize the hazards caused by exposure to environmental tobacco smoke, as well as the life-threatening diseases linked to the use of all forms of tobacco, BRD is a tobacco-free environment for all employees and visitors (tobacco product and electronic cigarettes). Smoking is only allowed outside of the office (balconies, terrace, downstairs) for both employees and visitors. Smoking is a personal choice and second-hand smoking for non-smokers should be avoided. Smokers are asked to consider the inconveniences they might cause to non-smokers when meeting outside, as well as to make sure the smoke does not enter the offices by closing the doors and avoiding smoking directly next to them.

#### SAFETY

BRD ensures a safe environment for its employees at the office and on the field. For field work, specific measures are enforced to ensure maximum safety to the employees while conducting services outside of the office complementary to ensuring there is no security risk doing so rental cars for transportation, minimum of two people on the field, and petty cash. In addition, extra safety measures are taken into consideration when conducting work outside of Lebanon including analysis of country risks, transportation, functional mobile phones, and hiring of security companies if applicable to the needs on the ground<sup>4</sup>.

### REMUNERATION

#### SCOPE

BRD's remuneration policy applies to all full-time, exclusive and non exclusive consultants.

This policy is designed around consultants' self-assessment. Following the yearly retreat, each consultant will re-assess his/her pay scale variables and inform the company's Chairwoman of the assessment results.

Whatever assessment consultants make for themselves will define the level of responsibility and performance expected from them towards the team and the organization.

#### REMUNERATION POLICY

BRD's consultants (full-time, exclusive and non exclusive consultants) offer 6 types of services. The below listed services are project related activities.

Service Title	Description
<b>Project Management</b>	Coordinating projects and logistics
	Desk researching and compiling data
	Organizing internal project meetings

<sup>4</sup> For example, prior to sending team members to conducting fieldwork in Somalia, BRD conducted an extensive analysis of the security situation on the grounds and in the localities. BRD negotiated to reduce internal travelling due to measures that did not fit our security standards for our team.

	Updating existing training manuals Writing project reports Visiting clients for project follow-up
<b>Research &amp; Field Consulting</b>	Designing research methodologies Conducting data collections
<b>Development Consulting</b>	Developing new training material Writing policy papers Writing analytical reports Designing new conceptual frameworks Developing written outputs for clients: management manuals, organizational structures, Leaflets...
<b>Management Consulting</b>	Facilitating management meetings Presenting outputs to clients Facilitating organizational development workshops
<b>Training</b>	Delivering training workshops
<b>Executive Coaching</b>	Providing one to one coaching for senior executives

#### TRANSPORTATION ALLOWANCE

All employees are entitled to a transportation fee of 8,000 Lebanese Pounds per day as per the Lebanese Labor Law. The total amount of transportation fees is included in the monthly salary.

#### TRAVEL POLICY AND MEALS AND INCIDENTALS ALLOWANCE

BRD ensures that employees are provided with Meals and Incidentals (M&I) allowance inside Lebanon (meal's expenses) and outside Lebanon (in country transportation, meal's expenses, fees and tips for porters, personal communications, baggage handlers and other services...).

In case the above rates are not enough to cover the consultants' basic expenses while on a mission, BRD reimburses reasonable and needed expenses after receiving expense reports, with related invoices.

#### PARENTAL LEAVE

We believe that both mothers and fathers deserve equal rights to parental leaves. While BRD provides a minimum of 10 weeks of paid maternity leave as per the Lebanese Labor Law, we are also keen to provide flexible work hours for fathers to be available for their children and support their wives. In addition, BRD believes that new parents should have as much time as needed before going back to a full schedule and should be given a space that allows them to pursue their working activities while being present for their young children.

Moreover, BRD is a breastfeeding friendly space and encourages breastfeeding and mothers to feel comfortable doing so. With this, we encourage children to be present at the office at all times. As part of the team, we know that parents will be able to judge the healthy and comfortable environment and atmosphere for them, their children, and their colleagues.

#### FAIR TREATMENT

##### HARASSMENT

BRD is committed to preventing harassment in the workplace and ensures that internal

policies of conduct are in place to prevent it and take the necessary actions legally, medically, administratively and psychologically in case it occurs within the office or outside of the office.

#### PRIVACY

BRD is committed to preserving employees' privacy in terms of information sharing and personal data. Confidentiality on personal issues is ensured by management and no personal data is transferred.

#### PARTICIPATORY STRUCTURE

BRD aims to create a participatory and inclusive structure, of which every employee feels ownership and responsibility, from managing partner to most recently engaged intern. As such, the structure within BRD is circular, and all team members are free to express and debate on issues pertaining to their tasks and jobs. The policies are participatory and include those affected by them to ensure that these policies cater as much as possible to their needs: for example, the parental policy is decided on by the mothers and fathers. In return, team members are expected to take personal ownership of collective duties, to ask for help from colleagues, report on encountered challenges, and so on. If they have suggestions or initiatives, they are expected to propose them to the group, ask for support if needed and lead on these initiatives.

#### HONESTY AND TRANSPARENCY

Team members are expected to act in an honest and transparent towards each other and through the conduct of their work. Furthermore, team members should never be intimidated by the possibility of doing mistakes. Guilt is not a value that BRD uses nor that team members should use with others. Rather, mistakes must be considered as opportunities for individual and collective learning.

#### DRESS CODE

There is no prescribed dress code at BRD and team members bear an individual responsibility to judge whether their look is appropriate.

### **COMMUNITY IMPACTS**

BRD's main aim is to impact positively societies and places where the team intervenes. Giving back to the community is rooted in the culture and mindset and represents the main vision of the firm. BRD team ensures that the work undertaken in Lebanon and outside of Lebanon does not violate human rights standards and/or harm the country and beneficiaries in any way. BRD thus conducts context analysis and assessment before engaging in any type of work in order to ensure that the work undertaken will not have negative and harmful effects. Most of the team members are activists and endorse and apply the human rights standards in their daily lives and thus organically, in their work as well.

In this sense, BRD engages in pro-bono work that is considered important and impactful and provides room as well for personal initiatives. BRD encourages personal initiatives by its team members as a way to maintain a culture of engagement with societal issues in the countries of intervention<sup>5</sup>. This pro-bono work is usually done by the team and is dealt with as any other project to ensure that it achieves its maximum impact.

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<sup>5</sup> Some pro-bono works include organizational development for a leading NGOs and leading a social enterprise, the facilitation of policy dialogue on pressing issues, the institutionalization of new entities and concepts, support on advocacy campaigns, policy consultation including SE legal framework, and any other consultations on specific issues and interventions when needed and asked ...

# ENVIRONMENT

It is important to note that the environmental criteria the Global Compact recommend is not fully applicable to BRD due to the nature of the firm's work. BRD is not industrial and is not production intensive. With this, environmental consciousness and integrating environmental policies has been more effective, especially in the past two years due to the nature of the projects that the firm has taken on. BRD recognizes the seriousness of the implications of environmental degradation, especially in the region, which is doubly prone to the dangerous effects of climate change due to our geographic location.

## **NATURE OF PROJECTS**

The types of projects we work on complement our policies. The waste crisis in Lebanon is one of the more pressing in the country, and we strive to be working on the most pressing issues in our region. The most recent being that of designing a pilot testing for municipal members and municipal police in Lebanon, which will be mainstreamed across the country for the different municipalities. We have also integrated environmental dimensions of environmental justice in projects that are related to strengthening institutions, even if they not explicitly focused on the environment, as environmental injustice feeds and has fed into conflicts facing us today.

## **INTERNAL ENVIRONMENTAL INITIATIVES**

Additionally, BRD recycles its waste, supporting local social businesses working to contribute to the waste solutions in the country. Recycling of the content used in all our work, includes the resources used at trainings which flip chart paper, manuals, and post its. BRD is also not production heavy, and despite it, its team members also minimize on printing, but do so double sided only when absolutely necessary. Additionally, BRD minimizes its use of plastic, especially when it is single use plastic, and discourages the culture of excess consumption. There is constant self-monitoring to ensure that no resources are being consumed in vacant rooms (light, air conditioning, etc.)<sup>6</sup>.

# ANTI-CORRUPTION

BRD's commitment to attain innovative, inclusive and participatory governance systems across the Arab World with integrity is one of the pillars of its Code of Ethics. As a regional and socially responsible company, we take full liability for our actions. BRD supports the fight against corruption through effective accounting and procurement policies as well as through an organizational context influencing honest employee's behavior. Each member of the team is committed to representing the values of the company which aspires to attain the highest standards of ethics.

## CODE OF CONDUCT

Our code of conduct also states that honesty and trustworthiness are the expected values of each employee since they are at the core of BRD's identity, in addition to its culture of integrity. BRD reinforces to create a participatory and inclusive structure, of which every employee feels ownership and responsibility. As a result, a free dialogue space leads to the signalment of any corrupt situation. This circular structure assumes that all opinions are important to ensure the proper functioning of the company. It is not only a privilege but a primary responsibility of every member of the team to deliver satisfactory and transparent outcomes.

## ACCOUNTING POLICY<sup>7</sup>

Furthermore, the engagement with anti-corruption policies is reflected in the accounting policy of BRD. Several actors are involved in the control of the financial records to assure proper management and supervision of all the economic transactions. For instance, all vouchers are recorded and posted to the ledger on a weekly basis. The Board Director monitors periodically to date expenditures and budget.

Lebanese law states that a joint stock company must have financial audits and financial reports. It states for SAL, both internal audit and a primary external audit are required. The courts assign a second auditor who also needs to sign these audits.

## PROCUREMENT POLICY<sup>8</sup>

Additionally, the procurement policy of BRD also proceeds following anti-corruption procedures. This one aims at ensuring that the procurement of goods and services are duly authorized, recorded and monitored while making sure they are of a satisfactory quality and offer value for money.

There is a strict policy of control and approval of the purchase of goods and services above a specific amount. For instance, if the cost of the products and services is between 200 USD and 1000 USD, it is approved by the Operations Associate. Now, if the value is above 1000 USD, it has to be supported not only by the Operations Associate but by the Chairperson as well, and a requirement to the Board of Directors is needed for the goods and services above 10,000 USD. This leads to an equitable procurement process involving several associates.

Violation of this policy would attack the principal values of the company. Given this fact, any corruption measure will be investigated, addressed and treated to the extent possible.

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<sup>7</sup> Refer to Annex 2.

<sup>8</sup> Refer to Annex 3.

# ANNEXES

## ANNEX 1:

SAMPLE LIST OF THE ENVIRONMENTAL PRACTICES BRD SUBSCRIBES TO, CIRCULATED BY EMAIL AND VERBALLY:

1. Smoking is a personal choice and should not be the rule.  
*This is why, the only place where you can smoke is in the smoking area on the terrace, though:*
  - a) The door should be closed properly;
  
2. Energy is a crucial element that we should help preserve.  
*This is why, when you are leaving the office, please remember to:*
  - a) Turn the lights off in all rooms;
  - b) Turn the printers if you are the last one to use them;
  - c) Turn the A/C off.
  
3. Cleanliness attracts people and positive energy.  
*This is why, it is important that each one of us:*
  - a) Put away all cups, dishes, utensils and mugs (specifically, next to the sink);
  - b) Clear the tables from any material (manuals, publications), food and cups after each meeting or gathering;
  - c) Do not leave any papers or documents in common spaces. If you do not need them, please RECYCLE them. If you do, put them aside;
  
4. Resources are becoming rare and their excessive use harmful to the earth and the people around us.  
*This is why, it is important to:*
  - a) Recycle our trash (Paper, Plastic, Metal and Other) by separating it and placing it in corresponding boxes;
  - b) Print when needed and double-sided when possible;
  - c) Use the Internet conscientiously, i.e. limit video calls, unnecessary downloads, live streaming...
  
5. Safety is a cheap and effective insurance policy.  
*This is why, when you are leaving the office, please remember to:*
  - a) Make sure all doors and windows are closed;
  - b) Make sure all the shutters are closed;
  - c) When you arrive or leave the office, close the building's gate.

## **ANNEX 2:**

### **PART OF BRD'S ACCOUNTING POLICY:**

#### **SCOPE**

This policy puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure BRD/I Group, ensure the maintenance of accurate records of financial activities and ensure compliance with governmental and private funding source reporting requirements.

#### **ACCOUNTING POLICY**

- Access to the accounting system is controlled by the CFO to maintain the reliability and integrity of the data.
- Security is set by the CFO to allow different levels of access.
- Backup is done weekly to assure that the data is secure and will not be lost in the event of a computer failure.
- All vouchers are recorded and posted to the ledger on weekly basis.
- All vouchers are filed with all original supporting documents chronologically.
- BRD/I Group maintains supporting documentation (receipts, invoices, purchase orders, etc) for the lifetime of the organization.
- The books are closed at the end of each month.
- Necessary adjustments are made at the end of reporting periods and include prepaid and accrued expenses.
- BRD/I Group follows the currency conversion method set by the Central Bank of Lebanon.
- The currency gains/losses are calculated based on the difference of exchange rate set by the Central Bank of Lebanon and Ministry of Finance in Lebanon.
- BRD/I Group maintains a chart of accounts.
- The Board of Directors is responsible for ensuring that all expenditures are authorized and fall within the approved budget guidelines.
- The Board of Director review and monitor closely year to date expenditures vs. approved budget on regular basis and explain any variances.
- BRD/I Group accounting system allows the inputting of budgets.
- The CFO and Operations Associate are responsible for developing the following reports on monthly basis:
  1. Cash flow
  2. P&L according to the budget distribution cumulative
  3. Consultants1(partners) payments
  4. Ratios of revenues versus expenses per segment of operation (5 segments: UN, International organizations, academia, public institutions, political parties, others)
  5. Ratios of revenues versus expenses per country of operation

#### **PAYMENTS ARRANGEMENTS**

- BRD/I Group Operations Associate requests payments, following the completion of executed project/service. Receivables should be collected within a 1-month time frame at the latest, from the date of issuing the payment request.
- BRD/I Group Operations Associate approves payments that are below 1,000 USD.
- BRD/I Group Chairwoman and Executive Director approve payments that are above 1,000 USD.

- BRD/I Group Operations Associate issues payments, within a period of 2 weeks from the date of receiving the payment request or its equivalent.
- BRD/I Group CFO reconciles accounts.

#### PETTY CASH

- A monthly amount is allocated for Petty Cash to cover the daily office expenses.
- This amount can vary from 500 USD to 1,500 USD and is replenished at the beginning of each month.
- Supporting documents and receipts should be provided for every purchase made from the petty cash.
- The limit on the value of a transaction that can be paid using petty cash is 200 USD.
- The Administrative and Accounting Officer and the Operations Associate have custody of the physical cash, while the Administrative and Accounting Officer is responsible for recording the transactions in the accounting records.

#### BANKS, PAYMENTS AND RECEIPTS

- All accounts are in the name of BRD/I Group SAL (or Beyond Reform and Development/Irada Group SAL) and included in the organization's accounting records.
- BRD/I Group checkbooks are kept in safe place under lock and key.
- BRD/I Group bylaws state that the Chairwoman and the Executive Director is the person allowed to sign checks.
- During the absence of the Chairwoman or the Executive Director, a third full-time Partner is eligible to sign on behalf of either the Chairwoman or the Executive Director.
- A written bank reconciliation is prepared on monthly basis by the Administrative and Accounting Officer and audited and approved by the CFO.
- Whenever the reconciliation is prepared, all differences between the bank balance and the organization's "book" balance are explained/reconciled.
- All voided checks are clearly marked as void.
- All outstanding checks or other reconciling items are reviewed and followed up on a timely basis.

#### FIXED ASSETS

- All fixed assets registered are maintained with a listing of all currently existing assets on the accounting software.
- The register includes information about the ID number, cost, purchase date and condition of each asset.

#### OTHER ITEMS

- For any additional topics related to accounting that are not mentioned in this policy, BRD/I Group abides by the information provided in its bylaws.

## **ANNEX 3:**

### **PART OF BRD'S PROCUREMENT POLICY:**

#### **SCOPE**

This policy applies to all full-time, exclusive and non exclusive consultants at BRD/I Group.

#### **PROCUREMENT POLICY**

BRD/I Group's procurement policy aims at:

- Ensuring that the procurement of goods and services are properly authorized, recorded and monitored.
- Ensuring that the purchased goods and services are a satisfactory quality and offer value for money.

#### **PURCHASE OF GOODS/SUPPLIES BELOW 200 USD**

The purchase of the below mentioned goods and services is paid from the petty cash.

- Office cleaning
- Office maintenance
- Office electricity bill
- Office utilities
- Parking fees
- Occasional catering
- Courier services

Support documents and/or receipts should be provided for every purchase made.

It is preferable that the monetary value of each good/service paid for from the petty cash does not exceed 200 USD.

#### **PURCHASE OF GOODS/SUPPLIES ABOVE 200 USD**

The purchase of goods and services that are between 200 USD and 1,000 USD is approved by the Operations Associate. The purchase of goods and services that are above 1,000 USD is approved by the Chairwoman and Operations Associate. The purchase of goods and services that are above 10,000 USD is approved by the Chairwoman, Operations Associate and Board of Directors.

For all purchases that are above 200 USD, an equitable procurement process is implemented, with regard to open competition and probity. The Administrative and Accounting Officer and the Operations Associate are responsible for requesting at least 3 quotations, while providing to potential suppliers the following details:

- Thorough description of the goods required/service to be performed.
- Delivery timescales.
- Deliverables by which performance will be measured.
- Closing date beyond which tenders will not be accepted.

The tender documentation must not state BRD/I Group's expectations of the cost or the budget allowed for the project to ensure that the prospective supplier is as competitive as possible and does not inflate costs to fit the criteria.

Should this information become available to the prospective supplier this invalidates their application.

Care should be taken in establishing, detailing and recording the evaluation criteria as once the invitations to tender have been sent to prospective suppliers the criteria must not be amended.

The contract should normally be awarded to the tenderer submitting the best service and value. This does not necessarily mean the lowest tender. In evaluating a tender other than on the basis lowest price, the following may be used as a means of evaluation:

- Delivery or completion date
- Cost effectiveness
- Quality
- Aesthetic and functional characteristics
- Technical merit
- Service and technical assistance during and after the contract period
- Track record of previous goods/service supplied
- Financial viability of the prospective supplier
- Can a suitable working relationship be developed?
- Any other relevant agreed criteria

Copies of all tenders received, together with all correspondence with those invited to tender should be retained on file.

#### ONLINE PROCUREMENT

BRD/I Group has an electronic shopping (e-shop) card that is used for purchases of goods/services that can be only performed online.

Online procurement follows the same terms as those of goods/services that are above 200 USD.

Regarding the limit on the e-shop card, BRD/I Group abides by the rules and regulations of its bank.

The Chairwoman is the person in charge of:

- Managing funds available in the e-shop card.
- Ensuring enough credit is always available in the e-shop card.
- Purchasing requested good/services online on behalf of BRD/I Group partners.
- Providing support documents to the Administrative and Accounting Officer and CFO to keep track of purchases performed online.

#### PREFERRED SUPPLIERS

BRD/I Group operates a list of preferred suppliers. Suppliers are automatically entered onto the list if they have undertaken more than three pieces of work which have met with BRD/I Group requirements in terms of delivering products and services of a suitable quality, price and within the timescale agreed.

#### INVOICE PROCESSING

An invoice should be submitted to BRD/I Group requesting a payment for the offered good/service. Whenever the supplier cannot submit an official invoice, s/he is requested to submit a MEMO to BRD/I Group, while including all payment details.

The Operations Associate is responsible for checking invoices for:

- Accuracy in terms of figures and conformity with the order placed.
- That the services or goods have been received and of the expected quality.
- Following up any problems.

The Operations Associate is responsible for arranging payments to suppliers, whether in cash or in check. Suppliers are paid within a period of 2 weeks.