



PROJECT FOR THE CONSERVATION OF MARINE RESOURCES IN CENTRAL AMERICA

Funding Agreement: (2010 66 836)

ADMINISTRATIVE MANAGEMENT SYSTEM

Internal document

June 2016

Produced with technical support from:



www.typsa.es

■ CONTENTS

1. INTRODUCTION	2
2. PLANNING AND MANAGEMENT OF RESOURCES.	2
3. ACCOUNTING AND ADMINISTRATION OF DOCUMENTARY EVIDENCE.	2
4. ACCOUNTS MANAGEMENT.	3
5. ADMINISTRATION OF LOCAL BANK CURRENT ACCOUNTS.	3
6. TRANSFERS OF FUNDS.	4
7. PURCHASING ADMINISTRATION AND CONSULTING SERVICES CONTRACTS	4
8. PROPERTIES, INVENTORIES, TRANSFER OF GOODS AND DOCUMENTARY CLOSURE.	5
9. AMENDMENT APPLICATION ON APPROVED BUDGET	5
10. ONLINE PURCHASES WITH CREDIT CARD	5
11. LIST OF ANNEXES.....	6

1. INTRODUCTION

This document does not replace the Operational Manual; the rules and procedures set out in the Manual are those governing management of the Project. The administrative system, with its annexed forms, is a guide to facilitate application of the standards and procedures set out in the Operational Manual.

The forms must be validated and may be adapted in accordance with users' requirements, following consultation with the MAR Fund Executive Management.

2. PLANNING AND MANAGEMENT OF RESOURCES.

Planning of the Project and its costs will be performed through the generation of five Annual Operational Plans (AOPs), within the framework of the General Operational Plan (GOP).

The AOPs will include the budget in accordance with the captions established by the KfW and will serve as support for the provision of funds.

The planning grid for each AOP should include a description of the costs of each activity and sub-activity, along with information regarding expected expenses. See [Annex 1 - Planning Grid](#).

In order properly to provide for the expenses involved in activities, particular attention must be paid during the preparatory phase, with an especial emphasis on allowing for a reasonable number of activities which are compatible, among other aspects, with the duration of the AOP and the required provision for the expenses planned in the budget.

The counterpart contributions are a part of the Project budget, and so should be included in the AOPs. Upon each annual administrative closure, certification of the counterpart contributions will be signed. The declarations will be signed by each of the area administrators and Member Funds, in accordance with the form set out in [Annex 2 - Counterpart Certificate](#), and sent to the MAR Fund Executive Management.

Recurring expenses will not be covered by the programme, except for those which are connected with the budgetary item (Administrative Expenses) for the Member Funds and Executive Management.

3. ACCOUNTING AND ADMINISTRATION OF DOCUMENTARY EVIDENCE.

The procedures for the administration of accounting documents will be governed by the clauses set out in item 7 of the Operational Manual (Archiving System).

In order to make payments for the activities corresponding to the project, the supplier of goods or services must provide an invoice in the name of the organisation implementing the funds, or in the manner established in the accounting procedures of each implementation body, duly including a description, sum, date and stamp. All documents relating to payments should have the identification stamp or mark of the Project and Project number (KfW 2010 66 836). If no invoice is available (normally minor expenses under special circumstances), a receipt must be signed in accordance with the form provided in [Annex 3 - Project Receipt](#).

Responsibility for preserving and safekeeping the original and/or a copy signed by the authorised individual of the accounting entries and expenses incurred lies with the Member Funds. Each year an audit will be performed at the

offices of the Member Funds in each country, at which they will be required to present the auditors with administrative documents ordered by month and bank account.

Every two months the area administrators must send the originals and/or a copy of the expenses incurred each month to the Member Funds. They will also be required separately to send documents regarding all bank movements (balances, statements, receipts, etc.).

4. ACCOUNTS MANAGEMENT.

Register each expense every month in the Daybook (Settlement of Expenses) (*Annex 4 - Daybook*). This operation may be performed online using the web system created for this purpose. Each project fund implementer (Protected Area and/or Member Fund) will have a username and predetermined password to access the system.

The Daybook must record information on incomings, outgoings and the prior balance in each bank account held, with the exchange rate employed for each transaction being added. The system will automatically calculate the balance available in the account, and this will need to be verified and checked against the bank account statement at the end of each month.

It is important to keep control of the Daybook and verify full alignment with bank statements, as indicated in the Daybook form. When specific accounting operations are performed (for example, large cash payments), the relevant explanatory notes must be included in the Daybook. Update the financial planning balances and, where necessary, perform any relevant adjustments.

During the first week of each month the area directors must send the specific accounts daybook for the Project to the Member Funds, which will inspect and validate these records.

During the second week of each month the Member Funds must send the MAR Fund Executive Management the daybooks for the area administrator accounts and their own accounts. They must also include a copy of the special accounts and sub-accounts statements of the area administrators.

5. ADMINISTRATION OF LOCAL BANK CURRENT ACCOUNTS.

Administration of bank accounts is governed by Item 6 of the Operational Manual.

Specific accounts must be opened and used solely for Project expenses.

Operations may not be performed from specific accounts unless they are imputable to the Project. Loans or advances may not be granted to other projects using resources from this Project.

The bank account registration form must be completed (*Annex 5 - Bank Account Registration*) and an update sent to the Member Fund and to Executive Management whenever changes are made to them (authorized signatories, closing accounts, opening new accounts, etc.)

Each bank account will have its own accounting book. The accounting records controlling these bank accounts will be reconciled monthly against the account statement sent out by the bank.

6. TRANSFERS OF FUNDS.

The KfW will make four-monthly disbursements, as indicated in the planning grid and AOP. These will be performed by reducing the balances available on the date of request in the current accounts.

Each Member Fund must coordinate with the area administrator the frequency for the transfer of funds for component 1 and 2 activities.

During the first week following expiry of each four-monthly period, the area administrators must send a four-monthly accounts settlement report (Daybook for the four months) and disbursement request to the Member Funds, in a letter detailing the estimated budget to be employed during the next four-month period for each component and activity in accordance with the terms set out in the approved AOP. The Member Funds will consolidate the information on their own expenses with the areas' expenses and send this to Executive Management in order to request the disbursement for the forthcoming four months. In the absence of these documents, verbal requests will not be processed.

For the transfer of financial resources, the Member Funds will file a request with the MAR Fund Executive Management (by e-mail or fax) for the corresponding transfers, using the payment request form ([Annex 6 - Payment Transfer](#)).

The MAR Fund Executive Management will transfer funds to the Member Funds, in accordance with the activities specified in the approved AOP and the request for financial resources previously received. The Member Fund or beneficiary of the transfer will confirm receipt of the funds using the transfer receipt form ([Annex 7 - Bank Transfer Receipt](#)).

7. PURCHASING ADMINISTRATION AND CONSULTING SERVICES CONTRACTS

The practical instructions for procedures for the purchasing and procurement of goods, services and civil engineering works are set out in Item 8 (Procurement of goods, services and works) in the Operational Manual. The procedures described in the table will be used in all cases, taking into consideration any possible need to supplement them by means of the specific indications of national standards or any subsequent special regulations.

For the selection of offers, the recommendation is to use the form set out in [Annex 8 - Offer Comparison Table](#). In the case of international procurement procedures involving a sum $\geq 100,000.00$ EUR, direct coordination with the MAR Fund Executive Management will be required in order to establish the procedures and formats.

To keep track of the consulting contract services included in the annual work plan approved for each area, a list must be completed detailing information about consulting services hired at the end of each year, using [Annex 11. Consulting Contracts List](#).

In the case of the direct execution of minor civil engineering works (in-house construction), involving sums below those set out in the table and where no construction company is contracted, these procedures will apply only to the purchasing of the materials required. The corresponding activity must in all cases be indicated in the AOPs.

All materials corresponding to the compilation of offers must be archived, classified and sent by the area administrators together with all other administrative documents every two months to the Member Funds.

In the event of doubt, prior to making purchases and/or awarding contracts, the MCPA office may consult the Member Fund, which may in turn consult the MAR Fund Executive Management.

8. PROPERTIES, INVENTORIES, TRANSFER OF GOODS AND DOCUMENTARY CLOSURE.

Each organisation must have in place a record for the supervision of goods. The system is based on the inventory model, which must be updated every four months by the area administrators in accordance with the form in [Annex 9 - Inventory Record](#), and sent to the Member Funds, which will in turn submit it to the MAR Fund Executive Management.

In those cases where goods acquired with Project funds are donated to other actors (local communities or associations) which are not Project implementers, in all cases a handover and receipt document must be drawn up, using the form in [Annex 10 - Donation Record](#).

9. AMENDMENT APPLICATION ON APPROVED BUDGET

If during the annual AOP implementation, the implementing organization has the need to reallocate activity funds from the approved budget, the changes can be requested. This changes may result from unforeseen or force majeure situations and will be evaluated as long as it does not substantially alter the spirit and meaning of the AOP. To manage this application the following aspects should be taken into account:

- It is permitted to reallocate funds in two ways:
 - Between components only after the fourth year of project execution.
 - Between activities of the same component from the first year of project execution.
- If the adjustment increases or decreases less than 15% of the budget sub-activity (calculation based on the main activity budget), a written permission will not be needed to request.
- If the readjustment is greater than 15%, the request should be considered by Member Fund and with MAR Fund Executive Management. These changes must be notified through a justification letter for changes to be made. This letter must be accompanied by a annexed table of the proposed relocation of items, using the format of [Annex 12 Request for Budget Amendment](#).

The approval of the requested changes is granted by the Member Fund in consultation with the Executive Management and the implementing organization must have a written authorization before implementing them.

10. ONLINE PURCHASES WITH CREDIT CARD

If the need to shop abroad arises, because what is required is not available in your area, the purchase may be done online and be paid by credit card. This will avoid paying by bank transfer, which regularly causes unnecessary fees that raise the costs of the acquisition. The objective is to have a regulated procedure and provide administrative guidance to guide the process of making these purchases.

The minimum procedure required to make purchases online is as follows:

- a. Quotation of the required goods.
- b. Elaborate the offer comparison table, when the purchase exceeds the amount specified in the table of the operations manual section 8 "Purchase of goods, services and works" and attach copies of tenders to the comparative table.
- c. Prepare Purchase Order or Request for Payment (which the organization uses in its internal procedures).
- d. Make the purchase online and pay with the credit card authorized by the organization to be used to make purchase.
- e. Ask the vendor for the invoice with the organization's information. The supplier (after making the purchase) regularly sends this by email or when you receive the product or products

- f. Upon delivery, keep the receipt/slip used by the delivery company through which you got the package. This slip must have the signature of the responsible in the organization, as a signal of satisfactory acceptance.
- g. At the time of paying the credit card, attached the following to the accounting records:
 - Slip evidencing cash withdrawal, if check is not used to pay the credit card issuer.
 - Invoice sent by supplier.
 - Slip stating satisfactory receipt of the product.
 - Deposit slip to the credit card used to make the purchase.
 - Credit card statement showing the purchase done.

11. LIST OF ANNEXES.

1. Annex 1 Planning Grid.
2. Annex 2 Counterpart Certificate.
3. Annex 3 Project Receipt.
4. Annex 4 Daybook
5. Annex 5 Bank Account Record.
6. Annex 6 Payment Transfer.
7. Annex 7 Bank Transfer Receipt
8. Annex 8 Offer Comparison Table.
9. Annex 9 Inventory Record
10. Annex 10 Donation Record.
11. Annex 11. Consulting Contracts List.
12. Annex 12. Request for Budget Amendment.