



Advocacy Center
for **Democratic Culture**

RULES AND REGULATIONS

This manual sets out the rules and procedures applicable to all ACDC staff members, as well as financial policies and procedures with which compliance is required at all times by all ACDC staff members.



Contents

ACDC INTRODUCTION	3
Vision of ACDC.....	3
Mission of ACDC	4
Objectives of ACDC.....	4
The Assembly.....	4
The Board of Directors	5
Board Meeting.....	5
Board Officers and board members	6
1. STATEMENT	7
2. GENERAL OFFICE RULES.....	7
2.1 Office Language	7
2.2 General Office Behaviour	8
3. HIRING AND CONTRACTS	9
3.1 Terms and Criteria for the Establishment of Employment Relationship.....	9
3.2 Employment contract.....	10
3.3 Termination of Employment Contract with the Agreement	10
3.4 Unilateral Termination of the Contract by the Employee.....	11
3.5 Disciplinary Measures for the Violation of Labour Duties.....	11
3.6 Prohibition of all Forms of Discrimination.....	11
4. OPENING HOURS AND PRESENCE OF STAFF MEMBERS.....	12
5. HOLIDAYS.....	14
6. SICK LEAVE.....	16
7. THE ACDC’s POLICY FOR THE USE OF E-MAIL AND INTERNET FACILITIES	17
7.1 Description	17
7.2 Guidelines.....	17
8. FINANCIAL PROCEDURES.....	18
9.1 Accountable Documents:	18
9.2 Invoice requirements for purchase of goods/services:.....	18
9.3 Keeping of the Accounts.....	20
9.4 External Audit	20
9.5 Cash Float	20
9.6 Statutory payments.....	20

9.7 ACDC's equipment and Facilities	20
9. FINANCIAL REGULATIONS	22
9.1 Receipt of Funds	22
9.2 Banking of all revenue collected (if any)	22
9.3 Contributions to the ACDC by donors	22
9.4 Payment for Goods, Works and Services and petty cash	22
10.5 Reference materials	23
10. PAYMENT RULES RELATED TO THE PROJECT.....	25
10.1 Personnel involved in the project.....	25
10.2 Contracts	25
10.3 Salaries.....	26
10.4 Rent	27
10.5 Utilities	28
10.6 Refreshments	28
10.7 Honorary.....	28
10.8 Transport	29
10.9 Communications & Transport	30
11 ACDC Anti-corruption Policy.....	30
11.1 ACDC Anti-corruption Principles	30
12 ACDC Procurement Conflict of Interest Policy	31

ACDC INTRODUCTION

Advocacy Center for Democratic Culture (ACDC) is a local Civil Society Organization (CSO), based in North Mitrovica, Kosovo, which was established in December 2011.

The goal of the organization is to improve the engagement of a multi-ethnic population in Mitrovica region and raise the awareness of the citizens about democratic culture.

Planning and organizing multi-ethnic seminars to provide informal education for groups of all ages and ethnicities. Activities are planned according to the stated priorities of the population of Mitrovica. ACDC plans and organizes multi-ethnic sports and cultural events (music concerts, photo exhibitions, sports activities) and intercultural exchange also.

The official purpose of the organization is active social activism of a population in multi-ethnic region of Mitrovica, through the organization of educational, cultural, sports activities, and improvement of social life of all generations and groups. Organization plans and conducts its activities based on the priorities of population in Mitrovica region.

Organization cooperates with other civil society organization in the implementation of its projects and actions. In addition, ACDC establishes close cooperation with local governments and local institutions.

Vision of ACDC

Mitrovica, a safe place where accountable institutions and strong civil society cooperate in developing a democratic culture, where there is an appreciation for diversity and opportunity for citizens to make choices.

Mission of ACDC

Local civil society organization that identifies and promotes the interests of citizens and Kosovo society itself through project activities and advocacy, as well as strengthening civil society against accountable institutions.

Objectives of ACDC

- Work on strengthening the democratic culture and dialogue in Mitrovica region
- Significant improvement of social policies in Mitrovica region
- Identification and promotion of the interests of citizens in Mitrovica
- Establishment of effective mechanism that would allow civil society organization to monitor the accountability of local governments and institutions
- Create opportunities for free intercultural exchange

The Assembly

- The Assembly is the highest governing body of the organization. It shall consist of all members of the organization. The Assembly shall have ultimate responsibility for program and financial policies of the organization. The Assembly shall never fail to act in compliance with the organization's goals.
- In addition, the Board has the following authority:
 - To elect members of Board of Directors
 - To elect Legal Representative of the organization (Executive Director)
 - To approve reports of the organization staff members/officers
 - To approve procurement and other issues.
- The Assembly may delegate any responsibility to the Board of Directors of other body or officer of the organization, except those reserved exclusively for the Assembly by the Law on NGO.
- The Assembly regularly meets minimum twice per year to review and approve reports on assets, duties, incomes, expenses and the program of the organization for the previous year; and also the plan of assets, duties, expenses and programs for the following year.

- Extraordinary meeting of the Assembly may be called by half of the total number of members or by the Board of Directors.
- Written announcement for Assembly meetings, including the date and place of the meeting, along with the meeting's agenda must be distributed to all Board Members at least seven (7) days in advance of the meeting date
- The quorum for the Assembly meeting is 50% of members +1 and the decisions are made by a majority of present members.

The Board of Directors

- The Board of Directors (hereinafter the Board) shall consist of reputable citizens of our society, i.e.: from NGOs, academia, media, culture, etc. The Board shall have ultimate responsibility for program and financial policies of the organization. The Board shall never fail to act in compliance with the organization's goals.
- In addition, the Board has the following authority:
 - To approve semi-annual program and financial reports
 - To represent and promote "ACDC" work in public and to partners
 - To contribute substantially in "ACDC" fundraising efforts
 - To approve formal cooperation between "ACDC" and other organizations
 - To verify and govern the organization's assets
- The Board has minimum three (3) members, who are elected for one-year term and from whom the Chairperson is elected.
- Board members may be elected for multiple consecutive one-year mandate.
- Board Members shall be substituted by new members on a rotational basis.
- Board Members may be discharged prior to the end of their mandate by a vote at the Regular Board Meeting (RBM) or at an Extraordinary Board Meeting (EBM).
- In case of death, resignation, or discharge of a Board Member, the Board shall elect a new member to serve for the remaining time.

Board Meeting

The Board shall hold meetings at least twice per year (RBM).

- The Board may also hold an EBM whenever 1/3 of the Board Members call for such a meeting. Such a request must be addressed to the Board Chairperson. The Board shall notify the members of the Board concerning the meeting.
- Written announcement for RBM and EBM, including the date and place of the meeting, along with the meeting's agenda must be distributed to all Board Members at least seven (7) days in advance of the meeting date.
- To hold a meeting, at least half of the members must take part. If this minimum cannot be reached, the meeting shall be postponed to a later date, and new announcements shall be sent to all Board Members.
- At every Board meeting, each Board Member has the right to one vote.
- Decisions of the Board shall be made by consensus, and when a decision cannot be made by consensus, it shall be made by a majority vote. The Board of Directors shall approve a special regulation in respect to its activities and decision-making procedures.
- Each Board Member must withdraw from voting or decision-making on any issue where he/she has a personal or economic interest.

Board Officers and board members

- The Board elects the Board Chairperson for a one-year term.
- The Board Chairperson calls and chairs Board meetings, represent and promote the organization in public, and contribute greatly in "ACDC" fundraising efforts. The Board Chairperson communicates directly with the Executive Director.
- The Board Secretary ensures that notes are taken in all Board meetings and that a typed copy of the Board meeting's minutes is distributed to each Board Member no more than seven (7) days after the Board Meeting has occurred.
- The Board Chairperson assists the Board and the Executive Director in making decisions regarding ACDC's financial matters.
- The board member that does not attend regularly board meetings can be re-voted on the board meeting and then board meetings can nominate another board member.

1. STATEMENT

- 1.1 All ACDC staff, upon signing their contract, has read and fully understands the regulations and procedures set out in this manual. Reading this document is the staff member's individual responsibility;
- 1.2 All ACDC staff shall abide by the rules set out in this manual of regulation to the best of their knowledge, and inform the director when any insufficiencies or problems arise as a result of compliance with the manual;
- 1.3 Any deviation from this manual of regulation needs to be approved by the Board of Directors and Executive Director of ACDC;
- 1.4 All ACDC staff shall respect the rules and procedures laid out in this manual of regulation;
- 1.5 Amendments to the manual of regulation can be made by ACDC staff members and shall be handed to the director for initial approval, after which it must be accepted by majority vote during a subsequent staff meeting;
- 1.6 In any case where the manual of regulation does not provide a clear guideline for required action, ACDC's Executive Director will have the final say in the matter. After that, an amendment to the manual of regulation has to be made addressing the issue for future reference.

2. GENERAL OFFICE RULES

2.1 Office Language

- 2.1.1 All official communications within the office – verbal and written – have to be in Serbian or English.

- 2.1.2 In the English language, we agree on “Kosovo” and “Mitrovica” as the proper way of indicating our location. In cases of dispute on or different names or different spelling in names of project locations we will use both the Serbian and the Albanian names (e.g. Syrigana/Suvo Grlo or Vushtrri/Vucitrn).

2.2 General Office Behaviour

- 2.2.1 It is not allowed to smoke in the office.
- 2.2.2 It is not allowed to consume alcoholic beverages during working hours.
- 2.2.3 Personal phone calls during working hours, especially on the office phone, should be kept to an absolute minimum.
- 2.2.4 Always be available to visiting (possible) partners of ACDC but limit the amount of small talk and focus primarily on the professional relationship. Visits of friends and relatives to the office should be kept to a minimum.
- 2.2.5 Coffee breaks in the office should be limited to a maximum of one in the morning and one in the afternoon and last no longer than 15 minutes.
- 2.2.6 Financial demands for project expenditures, as well as declarations of individual costs, should be handed in on paper at the designated place on the desk of the Accountant/Financial Manager.
- 2.2.7 The office space should always be kept clean and free, so guests can be appropriately received there.
- 2.2.8 If the office space is needed on a particular day and time, by either staff members or guests, it should be registered in written form and on the whiteboard.
- 2.2.9 If guests are using the office space, at least one staff member should always be present.
- 2.2.10 Respect each other’s work place at all times. Everyone is responsible for her/his own working space to remain tidy and accessible to be cleaned

regularly by the cleaner.

- 2.2.11 For environmental reasons, safety reasons and cost efficiency, one should never leave taps running or electrical equipment and lights switched on when not used. In case of malfunctions (leakage, short cuts) the landlady of the building should be called immediately and a note should be entered in the maintenance log inside the office.
- 2.2.12 After using office equipment (e.g. flipcharts, whiteboards, tools, book, laptop, and camera) they should be returned to their designated places in a ready-to-use manner.
- 2.2.13 If office equipment is used *outside* of the office, this has to be registered in the ACDC book! If it is used by a non-staff member, there has to be a written approval, signed by the Director or responsible project coordinator, as well as by the user, stating full responsibility for the equipment. The document should also include in writing when the piece(s) of office equipment will be returned to the office. This applies to all office equipment but particularly for electronic devices such as laptops, cameras, etc.
- 2.2.14 The toilet seat should be kept clean and dry with respect for the next user.

3. HIRING AND CONTRACTS

3.1 Terms and Criteria for the Establishment of Employment Relationship

- 3.1.1 An employment relationship may be concluded by any person of eighteen (18) years of age or above.
- 3.1.2 For the due payment of contributions and other legal duties, the employer is obliged to report the employee to the Tax Administration of Kosovo and other institutions which manage and administer the obligatory pension schemes and other obligatory schemes.

3.1.3 Every person which apply for position at ACDC must submit following papers:

- CV
- Motivation Letter
- References (On request)

3.2 Employment contract

- 3.2.1 An employment contract shall be concluded in written form and signed by the employer and employee.
- 3.2.2 An employment contract shall include the following:
- 3.2.3 Data on the employer (designation, residence and business register number);
- 3.2.4 Data on the employee (name, surname, qualification and dwelling);
- 3.2.5 Designation, nature and the form of labour and/or services and the job description;
- 3.2.6 Working hours and working schedule;
- 3.2.7 The date of commencement of work;
- 3.2.8 The duration of the Employment Contract;
- 3.2.9 The period of vacations;
- 3.2.10 Other data that the employer and employee deem important for the regulation of employment relationship;

3.3 Termination of Employment Contract with the Agreement

- 3.3.1 An employment contract may be terminated with the agreement of the employer and the employee
- 3.3.2 In cases of termination of employment contract with agreement, the employer is obliged to execute the salary to the employee for the days of the termination

3.4 Unilateral Termination of the Contract by the Employee

- 3.4.1 An employee is entitled to the unilateral termination of the employment contract.
- 3.4.2 An employee on a fixed term contract shall inform the employer in writing of his/her termination of the employment contract with fifteen (15) calendar days' notice, whereas an employee on an indefinite term contract within thirty (30) calendar days.
- 3.4.3 An employee may cancel his/her employment contract without providing prior notice in written form, where the employer is guilty a breach of obligations under the employment contract.

3.5 Disciplinary Measures for the Violation of Labour Duties

- 3.5.1 In an event of violation of labour duties, the following disciplinary measures shall be imposed to an employee:
- 1.1. Verbal warning;
 - 1.2. Written warning;
 - 1.3. Degradation from the post;
 - 1.4. Temporary Suspension;
 - 1.5. Termination of employment relationship.
- 3.5.2 Disciplinary measures, verbal warning, written warning and degradation shall be imposed for minor violation of job duties in compliance with the Collective Contract, Employer's Internal Act and the employment contract.

3.6 Prohibition of all Forms of Discrimination

- 3.6.1 Discrimination is prohibited in employment and occupation in respect of recruitment, training, promotion of employment, terms and conditions of employment, disciplinary measures, cancellation of the contract of employment or other matters arising out of the employment relationship and regulated by Law and other Laws into force.
- 3.6.2 ACDC does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation or any other characteristic protected by law in any of its activities or



operations. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provision of services. We are committed to providing an inclusive and welcoming environment for all members of our staff, clients, volunteers, subcontractors, vendors, and clients. ACDC is an equal opportunity employer. We will not discriminate and will take affirmative action measures to ensure against discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, color, gender, national origin, age, religion, creed, disability, sexual orientation, gender identity, gender expression or any other characteristic protected by law.

3.6.3 It is not considered as discrimination, any distinction, elimination or giving priority, relation to any designated place of work, based on certain criteria required for that job.

3.6.4 In the case of hiring new employees, employer is obliged to create equal opportunities and criteria to both male and female applicants. 3.6.5 Provisions of the Law No.2004/3 against Discrimination shall be directly applicable with regards to employment relationship concluded between the employee and employer.

3.6.5 The employer is committed in all areas to providing a work environment that is free harassment. Harassment on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation or any other characteristic protected by law will not be tolerated. All employees including supervisors and other management personnel are expected and required to abide by this policy. No person will be adversely affected in employment with the employer as a result of bringing complains of unlawful harassment.

4. OPENING HOURS AND PRESENCE OF STAFF MEMBERS

4.1 Opening hours of the ACDC office:

4.2 Monday until Friday 09:00 – 17:00

4.3 Lunch break duration up to 1 hour and at optional time regarding daily activities

- 4.4 All staff members must be in the office at 09:00 hours, unless otherwise stated in their labour contracts. In case staff members are not in time, the Director will ask for the reasons and register the delay and the reasons. The same procedure goes for being back in time after the lunch break
- 4.5 ACDC staff members are obliged to stay in the office until 17:00 hours. (Leaving at 16:00 hours as a matter of belated “lunch break” is therefore not allowed)
- 4.6 ACDC has a whiteboard in which all appointments of staff are written. It should state the hours a staff member is not in the office and the reasons for the absence. The Director is responsible for the administration and for checking the hours the staff members should be in the office. In case of absence of the Director, he will appoint someone else to administer. At all times it should be known in the office where all staff members are, to be able to answer phone calls and visitors. In addition, all appointments need to be entered in the online Google Calendar of the ngoacdc@gmail.com account. This makes it easier for all staff to access the ACDC agenda from both offices and from their homes
- 4.7 Staff members should always inform the Director and/or Office Manager when they leave the office and until when (approximately) and the reasons for the absence from the office
- 4.8 On Monday morning (if not earlier), each staff member must write all known appointments in the ACDC white Board and on the Google Calendar
- 4.9 All ACDC staff members are obliged to attend the weekly staff meetings, which are held on Mondays from 16.00-17.00 in the ACDC main office. Absence from staff meetings can only occur in exceptional cases and with permission of the Director. Additional mandatory staff meetings may be scheduled at the discretion of the Executive Director
- 4.10 When a ACDC staff member leaves the office for whatever purpose or reason, he/she must inform the Director and/or Office Manager (or, if the Director is absent, a colleague present) on the reason of the leave and at which time he/she will be back

- 4.11 In case an ACDC staff member does not follow the abovementioned rule, the Director has the right to ask for the reason and if necessary give a warning
- 4.12 Following three instances of neglect by a staff member to follow the abovementioned rules, the Director will write one official warning. In case the staff member after that warning again neglects the abovementioned rules for two times within a month after receiving the official warning, the Director will write a second warning. In case a staff member neglects the abovementioned rules again within a month after receiving the second official warning, ACDC will end the contract of the staff member concerned.

5. HOLIDAYS

- 5.1 ACDC gives free days for the following official holidays, without taking these days off the holidays each staff member has a right to according to his/her contract.

Taking into account the respect of history, culture and tradition of the people of Kosovo and its citizens, official holidays in Kosovo are the following:

- a) New Year, 1st and 2nd January;
- b) The Independence Day of Republic of Kosovo, 17 February;
- c) Constitution Day of Republic of Kosovo (April 9th);
- d) International Labour Day, 1st May;
- e) Europe Day, 9 May;
- f) Eid Al –Fitr- the first day;
- g) Eid Al Addha – the first day;
- h) Christmas Day (Catholic) – 25 December;
- i) Christmas Day (Orthodox) - 7 January,
- j) Easter Monday, (Catholic),
- k) Easter Monday (Orthodox).

The official holidays dates set out above shall be paid days off for all Kosovo employees, unless otherwise regulated by other Laws.

- 5.2 If official holidays mentioned above are on Saturday or Sunday, the following working day will be a non-working day
- 5.3 For the following occasions, ACDC gives one or more free days to

staff members without taking these days off the holidays each staff member has a right to according to his/her contract:

- 5.4 Family Slava, 1 free day on day itself or day after;
- 5.5 First Day of Month of Ramadan;
- 5.6 For bereavement of immediate family members, one week off;
- 5.7 For funerals, one day off;
- 5.8 For birth of your own child, (regulated by Kosovo law);
- 5.9 For your own wedding, one week off;
- 5.10 For wedding of direct family, one day off;

- 5.11 The number of free days that each staff member has a right to is stipulated in the individual labour contracts. The Director/Office Manager is responsible to keep records of free days taken

- 5.12 For working overtime, each staff member has the right of compensation of the time worked in overtime in the form of the equivalent time off. This must be confirmed with the Director/Office manager who keeps records of overtime worked

- 5.13 Vacation can be taken in consultation with the Director or the Office Manager when the Director is not present and has delegated this responsibility. A vacation of one week or more must be requested and approved by the Director/Office Manager at least one week in advance and in accordance with holidays planning. Every member of ACDC is entitled to a paid annual leave for at least 4 weeks

- 5.14 When a staff member asks for vacations later the Director/Office Manager has the right to refuse the leave asked for. When the Director agrees with the vacation periods, this must be recorded in the vacation chart

- 5.15 Each ACDC staff member has the obligation to make all necessary arrangements for his/her work and responsibilities before leaving on vacation. This means one or more staff member(s) take(s) over his/her tasks and responsibilities. The staff member going on vacation has the obligation to inform partner organizations of his/her leave and post a notification on his/her e-mail address

- 5.16 Free days or leave of one week or less must be asked for at least three days in advance, meaning three working days

- 5.17 The Director/Office Manager approves or denies the free days or

leave, according to the work schedule and responsibilities of the staff member that asks for the leave

- 5.18 Free days that are asked for less than three working days in advance will not be allowed, except in cases of:
- 5.19 -serious family problems like severe sickness or hospitalization of immediate family (parents, brothers, sisters, husband or wife or children).
- 5.20 -emergency cases, always to be discussed with the Director/Office Manager, who has the right to deny the free days
- 5.21 Not respecting the abovementioned rules will lead immediately to an official written warning by the Director/Office Manager. After two warnings, ACDC has the right to end the contract of the staff member who again does not follow the rules

6. SICK LEAVE

- 6.1 In case of sickness of a staff member, he or she must report being sick and not coming for work on the first day of sickness, between 09:00 and 12:00 hours, to the Director/Office Manager. In case the staff member is not able to do so, he/she must make sure a relative will do so
- 6.2 The Director/Office Manager has the right to ask for the details of the sickness and reasons for not being able to work. Also the Director/Office Manager has the right to visit the sick staff member during his/her sick leave (or sent someone)
- 6.3 During sick leave, the staff member will receive full payment of his/her salary by ACDC
- 6.4 It is the staff member's responsibility to provide for his/her own health insurance
- 6.5 ACDC is not liable for any accidents or other misfortunes during or outside the work

7. THE ACDC's POLICY FOR THE USE OF E-MAIL AND INTERNET FACILITIES

7.1 Description

ACDC's policy for employees' use of the organization's e-mail and internet facilities

Employees have access to the internet via ACDC's internet facility. Within reasonable limits, the internet facility can be used for private purposes. All ACDC employees must use the official email address name.surname@acdc-kosovo.org

Employees' activities on the internet, including the contents of their emails, are not subject to systematic monitoring. However, justified suspicions of misuse may cause ACDC to investigate a given user's internet and email activities.

The organisation's internet facility can only be used in compliance with the following guidelines:

7.2 Guidelines

For technical, safety and ethical reasons, the following applies to employees using ACDC's internet facility:

- **Programme installations/ International Operations**
 - All programme installations on ACDC's computers must be approved by the Director or the person delegated the IT responsibility for the individual ACDC Operation.
- **Private use**
 - Within reasonable limits, employees can use the internet facility for private purposes, including private e-mails.
 - Email correspondence to and from ACDC's email facilities is considered as mail sent to and from the organisation, and requests to keep such correspondence secret or private cannot be accepted.
- **Additional limitations**

- Employees are not allowed to visit websites for private purposes where payment is involved. Employees are not allowed to visit pornographic websites or log into sex-related chat rooms. This applies in particular, but not solely, to websites whose contents are in violation of criminal law.
 - Employees are not allowed to download material that is protected by copyright, i.e. music.
 - Employees are not allowed to forward material or e-mails whose contents are pornographic or protected by copyright or in violation of ACDC's values, i.e. racist jokes.
- **Absence**
- When absent, employees should ensure that all incoming mails are answered by the automatic reply function which includes information on whom to contact in their absence. If necessary, a colleague could be asked to keep track of your incoming mails
 - When employees leave the organisation, ACDC reserves the right to read their e-mails in order to extract any information which is deemed relevant for solving the tasks at hand

8. FINANCIAL PROCEDURES

9.1 Accountable Documents:

Accountable documents will bear pre-printed serial numbers and will be printed by a contracted firm (only in cases when you are producing invoices) using appropriate purchase order the Authorizing Officer will take custody of these documents and he will be responsible for their safety movements and register. These documents will be [but not limited to]:

(a) Check books

(b) Cash books,

9.2 Invoice requirements for purchase of goods/services:



The Tax Invoice with VAT should contain the following elements:

- A Serial No., which should be a sequential number, enabling the identification of the invoice;
- The Day/Month/Year in which the invoice is issued;
- The name and address of the seller (being a taxable person for purposes of VAT);
- The Fiscal Identification Number issued by the TAK to the seller;
- The VAT registration number which is issued by the TAK of Kosovo to the seller;
- The full name and address of the seller;
- The Fiscal Identification Number issued by the TAK to the customer or purchaser;
- The full name and address of the customer or purchaser;
- The VAT registration number which is issued by the TAK of Kosovo to the customer or purchaser, even though that customer or purchaser may not be liable for VAT on that supply, such as in the case of an exempt supply;
- The date on which the supply of goods or services was made or completed
- The VAT rate applied (18% or any other rate as required by the law)
- The amount of VAT — if because of a special arrangement with the Government of Kosovo there is no VAT due on the supply of goods or services, reference to the special arrangement must be noted on the invoice;
- If the supply of goods or services is an exempt supply in accordance with the provisions of the Law on VAT, the invoice must include reference to the provision of the law that grants the exemption;
- If a taxable person supplies goods or services where the customer is liable for the payment of VAT, reference to the applicable provision of the Law on VAT or any other reference indicating that the supply is subject to the reverse charge procedure must be noted on the invoice;
- At a minimum, an invoice must be signed by the seller; if the customer or purchaser is available to sign, that person should also sign the tax invoice.

An invoice without VAT should contain the basic elements of an invoice such as:

- The name of the purchaser,
- Name of the seller,
- Fiscal Identification Number of the seller,
- Address of seller,
- Address of purchaser,



- Description of goods and Quantity, or extent and nature of services provided,
- Unit Price
- Total value of goods or services supplied
- Other information as may be required by the purchaser

9.3 Keeping of the Accounts

The Authorizing Officer will be responsible for bookkeeping for all ACDC financial transactions. The accounts must be kept in accordance with acceptable practices of accounting.

9.4 External Audit

The Authorizing Officer must within one month of end of each financial year complete books of accounts and submit them to the designated external auditor for preparation of an audit report (when there is need and available fund on the project). The External auditor must submit to the Board Members an audit report within 3 months. The External Auditor must be provided in a timely manner with all required information/documents by Authorizing Officer to ensure completion of the audit report in time.

9.5 Cash Float

The Authorizing Officer must keep a cash float of not more than 500 Euros which must be maintained on a petty cash basis.

9.6 Statutory payments

The Authorizing Officer must ensure that all statutory payments are submitted each month to specified agencies in a timely manner. Where the Authorizing Officer is unable to make such payments, the Board Members must be informed.

9.7 ACDC's equipment and Facilities

All equipment must be provided with a work ticket on which an authorized person would state clearly the purpose and source of financing.



Books and records are maintained by the organization in compliance with the period required under Kosovo law. The minimum books and records that must be maintained are:

- Purchase book in which all purchases and returns must be recorded;
- Sales book in which all sales and returns must be recorded (if any);
- Cash receipts journal that relates to the sales book and purchase book such that all cash receipts and expenses are recorded;
- Bank statements, including records of deposits and withdrawals.
- Copies of supporting documents for the entries in the books/journals must be retained and associated with the applicable book/journal.
- Registration of goods should be made along with other registration of present goods received during the year
- The Employee book in which all employees, if any, shall be registered
- An annual inventory (if any), must be taken by the business and that record of inventory must be retained, along with any other inventories of goods on hand taken during the course of the year

Purchases for which an invoice is issued must be entered in the purchase book within 5 days after receipt of the purchase invoice. Sales (if any) for which a sales invoice is issued must be entered in the sales book within 5 days after issuance of the sales invoice. Cash purchases and cash sales must be recorded in the respective books or journals on a daily basis, no later than the day following the day of such purchase or sale. In addition, the beginning number and ending number of each day's sales receipts must be entered in the sales journal

All taxable persons, who make transactions in respect of the supply of goods or services between taxable persons in excess of €500, must make payment in respect of such transactions through a bank transfer.

9. FINANCIAL REGULATIONS

9.1 Receipt of Funds

For all moneys paid to the Board Members by cash, check, money order etc., an official receipt must be issued to the payee.

9.2 Banking of all revenue collected (if any)

All funds collected by the Authorizing Officer [by cash or check] should be receipted and banked intact the following day after collection and should not be used for petty cash fund.

9.3 Contributions to the ACDC by donors

All donations to the ACDC by cash shall be entered into the ACDC books as revenue but would only be used for the purpose indicated by the donor, where so indicated. Donations by kind in the form of goods or materials and other assets would be accounted for in the same way as if they were procured by the ACDC.

9.4 Payment for Goods, Works and Services and petty cash

10.4.1. All orders for procurement of goods, works and services must be made on official Purchase Orders regardless of the amount of money involved. All Purchase Orders should be treated as accountable documents. All payments should be made for goods and services with invoices attached to authorized Purchase Orders and a properly authorized payment voucher.



10.4.2. All payments exceeding 500 Euros must be made by check or bank transfer

10.4.3. No check must be signed before it is written and all authorizing papers must be attached for verification

10.4.4. Payments will be made only against invoices and for all cash payments, payees must sign a petty cash voucher

10.4.5. Applications for petty cash in [cash or check] must be made in appropriate forms and must be certified by finance director and approved by the executive director or in his absence, his Deputy. Petty cash should only be given to the employees and must be accounted within seven **days** of return [if it was for travel] or completion of the assignment for which the petty cash was issued. No petty cash will be given before the previous one has been accounted for

10.4.6. No advance payments shall be given for supply of goods or services unless provided for in the contract

10.4.7. Applicable Rates

While on official duty outside the ACDC area of jurisdiction, employees and Board Members of the ACDC will be allowed per diem at the rates that will be specified with special instruction

The per diem rate will include hotel accommodation, food and laundry. For accounting purpose, no receipts will be required but there must be evidence of night(s)/day(s) stayed out on duty. Day rate shall mean the Officer was out more than 10 hours but no overnight stay was involved

10.5 Reference materials

10.5.1. Organizational chart

10.5.2. Standard Forms



- ✓ General use forms – financial requests and orders
- ✓ Time sheet form
- ✓ Leave and Sick leave forms
- ✓ Vehicle log sheet
- ✓ Evaluation forms
- ✓ Equipment Handover Form
- ✓ List of participants

10.5.3. Official font is Arial, ont size 10 to 12

10.5.4. Financial reporting/requesting forms

The financial forms will be provided by Financial Manager.

10.5.5. Fundraising strategy for staff and the organization

Each project Manager and assistant is obliged to fundraise for the wellbeing of the organization. Project managers and assistants are obliged to write project proposals, identify potential donors and fundraise for their income. In case a project manager does not manage to bring incomes to the organization for the period of three months, the ACDC will offer the opportunity to use all available human and office resources for generating projects. In case that the staff member is not motivated or not bringing any incomes to neither the organization or raising funds for his/her own salary, the respective individual contract will be terminated with a possibility to return when if the funds are generated for him/her.

10. PAYMENT RULES RELATED TO THE PROJECT

For each project activity costs, the instructions below apply:

10.1 Personnel involved in the project

- List of the personnel with all needed information, including (only for non ACDC staff):

10.2 Contracts

11.2.1. When contracting with Business or NGO regarding implementation of ACDC projects (or purchase of goods or services), the minimum documentation requirements are:

- a) copy of the Business or NGO registration license
- b) fiscal number certificate (mandatory) and VAT certificate (if applicable)
- c) copy of the bank details
- d) copy of the legal representative's ID and authorization

11.2.2. When contracting with person as an employee or representative of a business or NGO regarding implementation of ACDC projects (or purchase of goods or services), the minimum documentation requirements are:

- a) copy of the Business or NGO registration license
- b) fiscal number certificate (mandatory) and VAT certificate (if applicable)
- c) copy of the bank details of business/NGO
- d) Copy of the legal representative's ID

11.2.3. The personnel involved in ACDC project has to indicate whether this position is his/her primary or secondary job (in the case the employee has two jobs). In ACDC should be a copy of the other contract that shows the duration of the contract other than

ACDC's projects. When contracting with such individuals the minimum documentation requirements are:

- a) copy of the CV,
- b) address of person and contact information,
- c) copy of the bank details,
- d) copy of the Kosovo or UNMIK ID, and passport for non-residents

10.3 Salaries

- Salaries are paid by bank transfer individually to each staff / Original bank transfer order stamped by the bank or original cash deposit form is attached to pay slip or copy of monthly bank statement specifying the amount debited is attached to pay slip
- individual pay slip produced for each staff (signed and stamped by the NGO)
- copy of contract attached to each pay slip (signed by each staff for the whole project period)
- The personnel that has to be paid by ACDC (within the projects) and works somewhere else, he/she should define the primary employee. After defining the first employee project managers should contact ACDC financial department and inform them not later than 10 days after the person starts to work in ACDC's project. This includes as well personnel that are not working somewhere else.
- For personnel that are not employed somewhere else and those that has chosen primary job working in the project, for example:
- Gross Salary 200 Euro
- 200 Euro x 5% pension paid by employee = 10 Euro
- 200 Euro x 5% pension paid by employer = 10 Euro
- Remaining: 190Euro (if it is planned in the budget for the employee's payment, if not the remained amount would be 180 and then start the calculation all over again by the rates)
- $0 - 80 = 0$
- $80 - 190 = 110 \times 4\% = 4.4$
- Total net salary to be paid $190 - 4.40 = 185.60\text{Euro}$

Personnel that chooses ACDC as second employee:

200Euro x 5% pension paid by employee = 10Euro

200Euro x 5% pension paid by employer = 10Euro

Remaining: 190Euro (if it is planned in the budget for the employee's payment, if not the remained amount would be 180 and then start the calculation all over again by the rates)

190Euro x 10% tax = 19Euro

190Euro - 19 = 171Euro net

- Tax on salary is paid based on the current Kosovo tax administration law. ACDC submits to the donors the project proposals, including personnel. Certain number of ACDC employees is engaged in different projects that are awarded to ACDC at the same time. Since the working hours are limited to the regular time as allowed by the Labor Law, there is discrepancy between the amount of personnel expense presented in budget of the proposed/awarded projects and actual time spent by that personnel. So, basically this employee does not "earn" the full amount indicated in the project proposal. However, it is ACDC policy that an employee will receive fixed salary agreed with contract. The ACDC staff then has to return the excess of the amount to ACDC to be used for other general purposes. The excess amount beyond the fixed salary will be transferred to the ACDC funds/bank account every month.

10.4 Rent

- Rent is paid by bank transfer / Bank transfer order stamped by bank **or** original cash deposit form is attached to voucher **or** copy of monthly banks specifying the amount debited. Rent is paid separately to salaries.
- Tax on rent, with the new law starting from January 2009, 9% of the total (even for the smallest payment) goes for tax administration. Is paid by Bank transfer

- Copy of lease agreement attached to voucher
- Receipt signed by lessee for each monthly rent payment, copy of ID

10.5 Utilities

- Original utilities of invoices produced/bank transfer if such amounts are paid by bank transfer, highlighting the amount paid together with photocopy of invoice)

10.6 Refreshments

- Original invoices for refreshments/food for each meeting are produced / In case of rent of space for these meetings, rent is paid in cash in amount inferior or equal to 100 EUR, original receipt signed by lessee with copy of lessee's ID card is provided including payment for the tax on rent.

Attached:

- Participant list.
- Agenda
- Invoice /tax invoice

10.7 Honorary

- Honorary contracts are signed for each individual hired as Facilitator, translator or other. Wages in amount exceeding 100 EUR are paid by bank transfer under the same conditions as specified under section salaries. For wages equal or inferior to 100 EUR, original receipt signed by facilitator, translator or others with copy of facilitator, translator or others, ID card is provided. Copies of CV of facilitator, translator or others are attached to each pay slip.

ACDC is responsible to withhold personal income tax and pension contribution on such payments.

10.8 Transport

- Original transport bills are produced (fuel bills and other travel bills in separate vouchers). If in excess of 500 EUR (when it is about transportation by Bus than three offers should be presented to ACDC financial department). Approval procedure for using personal vehicle. In a specific form, the person/employee who needs to use personal vehicle for business purposes, he needs to submit the form where he/she will indicate:
 - Purpose of Travel,
 - Destination,
 - Departure Date, and
 - Return Date

The form must be approved by Director

When using taxi for business purposes, taxi invoice should be submitted. If there is contract with taxi Services Company, the invoice should indicate date, time, destination and the name of person who used the taxi. If there is no contract, but employee has to reimburse for the cost, except the taxi invoice, the employee should submit a filled petty cash expense request form, indicating:

- Number of invoice
- Amount
- Description of the expense, including purpose of the travel, time and destination
- The date when request is made.
- Taxi invoice

The form must be approved by Financial Manager

This form should be used also for other small expenses (coffee, newspapers etc.)

10.9 Communications & Transport

- Original invoices for landline telecommunications. Payment is made by bank transfer for amount exceeding 500 EUR. Bank transfer order stamped by bank is attached to voucher *or* copy of monthly bank specifying the amount debited.
- Mobile line office telephones should be used whenever possible instead of personal phones if it is approved by Director. Staff should not be in the office making project-related calls using a mobile phone, unless someone is calling them. ACDC staff will use post-paid and pre-paid office cell phones.
- Be informed that all payments that are made in certain month will belong to that month and not to the previous one

11 ACDC Anti-corruption Policy

ACDC is committed to maintain a high level of integrity in order to ensure that our work is conducted transparently and efficiently and that our status as non-governmental organization is never compromised.

11.1 ACDC Anti-corruption Principles

- It is the obligation of ACDC staff to be familiar with our anti-corruption policy and procedures, to comply with these, and to bring forward any issues or doubts;
- ACDC does not tolerate corruption within our own ranks and proven instances of corruption will be treated as a violation of duty and will be treated accordingly;



- ACDC does not tolerate corruption by our beneficiaries regarding the project activities and benefiting and proven instances of corruption will lead to exclusion from ACDC projects;
- ACDC will seek to recover any assets lost due to corruption;
- ACDC is committed to prevent corruption by assessing and reviewing the risk of corruption in our work and designing our interventions accordingly;
- ACDC is committed to transparent and simple procedures, monitoring and documentation in order to avoid corruption in our work;
- ACDC is committed to avoid conflicts of interests;
- ACDC is committed to operate easily accessible complaints mechanisms for staff and beneficiaries;
- ACDC is committed to investigate all allegations of corruption according to transparent and fair procedures. ACDC is aware of the risk of unfounded allegations of corruption being used adversely and such knowingly false accusations will be treated as violation of duty and treated accordingly;
- ACDC will protect staff members from pressures to violate this policy and will ensure that unchecked discretion is not awarded to any member of staff;
- ACDC will work to avoid that our beneficiaries will be victims of corruption;
- ACDC will inform our beneficiaries on their entitlements;
- ACDC will inform our partners and contractors of our policy and will not accept breaches;
- ACDC will systematically assess and work to reduce the risks of corruption when working with suppliers and through partners and contractors;
- ACDC will never invite to solutions which are not legal or transparent and always follow formal procedures;

12 ACDC Procurement Conflict of Interest Policy Personnel, including staff, consultants, and volunteers, conducting business on behalf of **ACDC** have a responsibility to do so in a manner that is objective and ethical. The goal of all such business dealings must be to benefit **ACDC**. The following policies apply:

1. Personnel will conduct **ACDC** business ethically and objectively, in compliance with all applicable laws, regulations and **ACDC** policies.



1. Personnel must not accept gifts, entertainment, meals or travel that might directly or indirectly influence the personnel's business judgment or decisions, or that might give the appearance of impropriety.
2. The purchase of goods or services from a business in which personnel or personnel's family has a financial interest of 10% or more in that business, or may directly benefit from such purchase, is a potential conflict of interest. Such situations should be disclosed to **ACDC's** Executive Director and Financial Manager for review prior to the purchase. If an exception is necessary, the personnel must provide a written disclosure of the transaction to the Executive Director and the written disclosure must accompany the procurement request. If the Executive Director is the individual experiencing the conflict of interest, the Financial Manager shall review the written disclosure for approval.
3. Any promotional benefits that result from a business transaction will be provided to **ACDC** and not to an individual.
4. Personnel may not accept any sum from any vendor attempting to "reward" the personnel for the decision to do business with the vendor. Any acceptance of such sums, or kickbacks, will result in termination of the personnel's employment, contract, or volunteer assignment (and possible legal action); and in the termination of the business relationship with the supplier.
5. Gifts - In conducting **ACDC** business, personnel may encounter offers of gifts from vendors. The following guidelines apply:
 - Offers of gifts should generally be refused.
 - While there may be occasion to accept such gifts (for example company promotional trinkets, e.g., pens or note pads), these or other gifts should never be accepted in return for a business favor.
 - Gifts of cash or monetary gifts of any kind or amount may never be accepted by personnel.
 - The cumulative value of gifts received from a vendor, in total, should not exceed \$200 in any 12-month period.
 - Personnel should review with their supervisors any offers of gifts.
6. Business Entertainment - In conducting **ACDC** business, personnel may from time to time be invited by a vendor to attend a sporting event, cultural



activity, or other entertainment event. It may be appropriate for personnel to accept such offers according to the following guidelines:

- The vendor is in attendance.
 - Business will be conducted at the event.
 - The value of the entertainment is reasonable and not excessive.
 - Personnel's business judgments and decisions will not be influenced by the entertainment or by the expense involved in the entertainment.
 - The entertainment offer is from a vendor with whom **ACDC** has an existing relationship or contract.
 - The entertainment offer is not made during a time period where proposals or bids are being sought to establish a new contract.
 - Entertainment offers should not be accepted with routine frequency.
 - Personnel should review with their supervisors any offers of business entertainment.
7. **Business Meals** - In conducting **ACDC** business, personnel may from time to time find it appropriate to do so in conjunction with meal times. While personnel should not routinely plan business meetings around meal times in order to be the recipient of a "free" meal, it may not be inappropriate for personnel to accept such a meal from vendors. The following guidelines should be observed:
- Business will be conducted at the meal.
 - Personnel's business judgments and decisions will not be influenced by the meal or by the expense involved in the meal.
 - Personnel who are so authorized should occasionally, at **ACDC's** expense, pay for the meals, including the vendor's meals.
 - Personnel should review with their supervisors any offers of business meals.
8. **Business Travel** - In conducting **ACDC** business that requires out-of-town travel, personnel may receive offers from vendors to pay for transportation, lodging and meals. It may be appropriate for personnel to accept such offers according to the following guidelines:



- The vendor will be at the travel destination.
 - Business is the sole reason for the travel.
 - The vendor will pay only for the personnel's transportation, lodging and meals, NOT for personnel's family members or other traveling companions.
 - Personnel should review with their supervisors any offers to pay for expenses associated with business travel.
9. Personnel who are uncertain about whether or not to accept any offer from a supplier are advised to not accept the offer if there are any doubts at all. Supervisors should be made aware of all offers made to personnel. In turn, supervisors should contact **ACDC's** Executive Director to discuss any questionable offers and any known violations of this policy.