

**Minutes of 109<sup>th</sup> Virtual Executive Committee (EC) Meeting of COAST Foundation held on 25<sup>th</sup> June, 2021 at 10:30am.**



**Member participated:**

1. Jasmeen Sultana Paru, Chairperson
2. Gawher Nayeem Wahra, Vice-Chairperson
3. Mostafa Kamal Ahmed, FCA, Treasurer
4. Anjulika Khisa, Member
5. Rezaul Karim Chowdhury, Member Secretary (Executive Director, COAST)

**Agenda transacted:**

1. Review of the last 108<sup>th</sup> ECM minutes (24 April'2021)
2. Review of last 24<sup>th</sup> Pre-EC Audit and Finance Trend Meeting Minutes (18 June '21)
3. Plan of Operation, Budget & Financial Plan FY21-22
4. Micro finance trend analysis.
5. Legal Issues (Case against staff and others) update
6. Update Gender Issues.
7. Human Resource Management (HRM) report
8. Project information Matrix
9. External Audit ToR and appointment for 20-21 FY audit
10. Revision of Staff Medical Allowance Policy
11. Revision of Special Procurement Policy
12. Money laundering compliances of MRA.
13. Any other business (AoB)

The Chairperson started the online meeting with welcome to all members and other COAST staff participants. The major discussions and decisions of the meeting are as follows.

**1. Review of the last 108<sup>th</sup> Executive Committee (EC) meeting minutes:**

- a. Executive Director informed the meeting that COAST has been following the Money Laundering Act-2015 properly. The issue regarding money laundering, terrorist financing, smuggling and illegal drug issues have been discussing in each group meeting as well as staff meeting. These issues also mentioned in the passbooks so that the member participants can follow and be strict during spending their money taken from the organization.
- b. The meeting express satisfaction observing the MF Performance up to March 2021 where total member is 1.44 lac and number of borrowers is 1.19 lac (82% of member), portfolio is stand as Tk. 315.16 cr. and accumulated Capital fund is stand as tk. 42.52 cr.
- c. Meeting also concerned on syndicate loan Tk2.17 corer captured by 215 syndicators and advised for strong monitoring to improve the situation and realize money.
- d. The EC approved the purchased land of 69 decimal and a two-storied building (100ft x 30ft) at Dakkin Aicha, Charfassion, Bhola with worth of BDT 32.00 lakh from Church of Bangladesh. COAST will use this land for IGA and entrepreneurs development purpose.
- e. The meeting approved HR revision on protection of child marriage issues that will be included in the code of conduct and recruitment process for executions.

**2. Review of last 24<sup>th</sup> Pre-EC Audit and Finance Trend Meeting Minutes**

Executive Director has presented the 24<sup>th</sup> Pre-EC Audit Meeting minutes and summarized;

- a. 12 MF branch and 02 donor project are audited during the period from May-June' 21.
- b. Tk. 1, 30,635/- identified as misappropriation by 39 (52%) staff where 1, 21,410/- are realized. Tk. 9,225/- to be realized as staff left the organization. This amount will be deducted from final settlement of staff.
- c. Trend is observed overall static condition in both of the indicators as staff engagement and misappropriation comparing between the previous and current audit period.
- d. Treasurer suggest to reduce such common practice to strengthen better discipline. Treasurer also advised to ensure organizational compliance as we are always under surveillance of VAT authority.
- e. ED emphasis to strengthen the automation process as early and discuss the audit report regularly with Managers [BM-RPCs] for better monitoring the MF performance.

**3. Budget & Financial Plan FY21-22.**

Director-FCC&EA presented the Budget & Financial Plan FY21-22 where major features of the plans and discussion issues are;

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COAST Foundation

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Chairperson-GC & EC  
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- Last year budget utilization rate is 118% as because of land development in Sonarpara, Cox's Bazar, land purchase in Dakkin Aicha, Charfession, Bhola and procurement of car and Radio Saikot antenna.
- For the new FY2021-22, the total consolidated budget will be Tk. 87.38 crore (MF, Operation and Donor projects) which is 11% high comparing the previous year.
- Tk. 94.03 crore will come from MF service charge, donor grant, and cost recovery and overhead which is 14% higher than last years' forecasted income. Net surplus has been projected Tk.6.65cr end of FY22 which is Tk2.86cr (76%) higher than last year FY2020-21.
- There is a deficit budget of Tk.1.28cr for operation (other than MF and donor projects) which will be minimized by minimizing the cost, rationalizing of staff, increasing MF Income and fund raising for Radio and Enterprise.
- RLF [Revolving Loan Fund] is projected for 21-22 FY as 940 crore which is 33% higher than previous. The major source of fund is Bank loan [42%] and PKSf loan [33%].
- The EC has reviewed the financial plan and its fund management thoroughly and hereby approved the annual budget and financial plan for the FY2021-22. The EC also instructed to keep control on budget expense according to income.

#### 4. MF Trend Analysis:

Director-Core Programs presented the Micro Finance trend analysis up to May'21. Where major observations are;

- At the end of May 2021, total member in MF program is 1.43 lac and number of Loanee is 1.19 lac (82% of member). Performance trend found almost static comparing the month of March'21 due to fund shortage.
- Total portfolio stood on May'21 as Tk.315.90 cr. is satisfactory according revised BP for 20-21 financial year.
- Surplus is observed decreasing trend during April & May'21. This is happened due to impose lock down in April and program also face fund shortage.
- Accumulation Capital fund is stand as tk. 42.65 cr. in May 2021.
- Director Core Operation has presented the MF annual Business Plan for 2021-22 FY. The BP-22 has targeted to achieve following major portfolio indicators;
  - Establish 10 new branch in three regions
  - Member coverage will be increased at least 12000.
  - Portfolio outstanding will reach from BDT 308 cr. to 402 cr.
  - Add capital fund tk. 10.87 cr. with existing balance by end yr.
- Executive Director suggested to think on the impact of local lock down sudden impose by government and explore the scope on how MF operation keep continue under such a situation.

#### 5. Legal Issues (Case against staff and others) update

Director-Admin & SR presented the legal cases status of the organization. He informed that:

Total 56 legal cases are running against the staff and group members at the end of March 2021. The amount is claimed as 2.01 crore. He told that management decided to solve at least 29 cases through mutual discussion, where amount claimed below 02 lac.

#### 6. Protection from Sexual Exploitation and Abuse (PSEA) policy approval and Gender status

Deputy Director-Gender & Training, Ms. Rumeel presented the Protection from Sexual Exploitation and Abuse (PSEA) policy and its latest amendment. She also given a brief on CRM [Complaint Response Mechanism] and existing practice of complaint receiving and mitigation process.

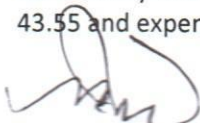
Meeting suggested to change the word "Exploitation" and look for alternative. They also advise to facilitate the spouse in the GRMs [Gender Relation Meeting].

#### 7. Human Resource Management (HRM) report

The Deputy Executive Director presented the status of HRM report up to May, 2021. Total staff no. is 1674 where male female ratio is 67:33. Among them core staff number is 854, non-core staff number is 112 and staff number in Rohingya projects is 354.

#### 8. Project information Matrix

The Deputy Executive Director presented the project information in the meeting. He mentioned that the organization is implementing 13 development projects where 4 projects are related to Rohingya and Host Community in Ukhiya and Teknaf. For these project total approved fund is BDT 74.43 crore and so received BDT 43.55 and expenditure BDT 37.70 and the utilization rate is 87%.



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On the other hand two projects are in pipeline named Access to Justice Project funded by FCDO (Foreign and Commonwealth Development Office) and Coastal Aquaculture Project funded by SwedBio and fund is 4.56 cr.

#### 9. External Audit ToR and appointment for 2020-21 FY audit

The Director-FCCA&EA informed the meeting that S.K.Barua & Co. (Chartered Accountants) conducted the 1<sup>st</sup> year audit (FY2019-20) with a fee of BDT 1.70 lac successfully and therefore it was possible to submit the report to MRA and other sectors like banks, PKSF in due time. He has proposed to appoint the same firm as 2<sup>nd</sup> time for the year FY2020-21. The Treasurer informed that, considering the volume of work, the auditor asked for the fee of BDT 3.00 lac, but amid COVID, the auditor (S.K.Barua & Co) finally agreed to take-up audit with a fee of BDT 2.00 lac for the FY2020-21. The meeting reviewed the ToR and instructed to present it to the AGM for further discussion and approval.

#### 10. Revision of Staff Medical Allowance Policy June 2021

The Deputy Executive Director (DED) presented the proposed Staff Medical Allowance Policy, June 2021 in the meeting. He mentioned that as the medical expenses of staff have been increased so the new policy has been proposed. The house discussed the proposal elaborately and then based on justification and the trend of the medical expense, the house approved the policy and requested to keeping accounts accurately to know the trend of the expenditure for medical purpose.

#### 11. Revision of Special Procurement Policy

The Secretary informed the meeting that the special procurement policy is needs to be revised for accelerating the procurement process specially for FDMN projects. The major changes for approval limit are as follows,

Position	Present Approval limit	Proposed approval limit
PM/PC	1,50,000/-	2,00,000/-
RTL	3,00,000/-	No approval limit
Joint Director-SDC	5,00,000/-	5,00,000/-
Deputy ED	40,00,000/-	40,00,000/-
Executive Director	Above 40,00,000/-	Above 40,00,000/-

Apart from, in respect of procurement (other than program), the cash purchase limit will be Tk.10,000/- instead of Tk.50,000/- considering the NGOAB compliances. For other expenses related to admin, repair, maintenance, construction and program implementation like training/ seminar/ meeting/ orientation/ workshop, etc., or any other program expense can be incurred by taking advance. The EC has reviewed and examine the rationality of the proposal cautiously and later on approved for its implementation, which will be implemented from 1<sup>st</sup> July 2021. The meeting also decided that if COAST management needs, then the concern RTL can be approved up to Tk.3,00,000/- for procurement.

#### 11. Money laundering compliances of MRA


The Director-FCC&EA informed the meeting that COAST is following the Money Laundering Act-2015 (amendment) properly. The issue regarding money laundering, terrorist financing, smuggling and illegal drug issues have been discussion in each group meeting as well as staff meeting. These issues also mentioned in the passbooks so that the member participants can follow and be strict during spending their money taken from the organization.

The member participants have invested their loan at right schemes. The Director-FCC&EA also mentioned that there are no any illegal financing has been reported for money-laundering, terrorist financing, smuggling, illegal drug and any other illegal engagements or purpose. The savings fund of borrowers also being utilized properly in MF program and as FDR.

#### 12. AoB

Next Pre-EC Financial Trend analysis meeting and EC meeting will be held on 11 and 18 Sep'21 respectively.

Prepared by



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27<sup>th</sup> June, 2021



Approved by



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Chairperson  
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