

Draft Minutes of the 108th Virtual Executive Committee (EC) Meeting of COAST Foundation held on 24th April, 2021 at 10:30am

Member participated:

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

Agenda transacted:

1. Review of the last 107th ECM minutes (21-Oct'20)
2. Review of last 23rd Pre-EC Audit and Finance Trend Meeting Minutes (16-April'21)
3. Micro finance trend analysis
4. Legal Issues (Case against staff and others) update
5. Protection from Sexual Exploitation and Abuse (PSEA) policy approval and Gender status
6. Human Resource Management (HRM) report
7. Revision of some HR clauses (Child marriage and other HR clauses inclusion)
8. Project information Matrix
9. Financial Overview up to Dec 2020
10. Asset purchase (Sonarpara and ITDC land with building)
11. Money laundering compliances of MRA
12. 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 106th Executive Committee (EC) meeting minutes:

- a. The meeting has urged to check the name of GC members which are mentioned in the Joint Stock for registration, are similar with the national ID card.
- b. The meeting has expressed their satisfaction to increase the profit or accumulated fund of MF during the year 2020-21. As MF has gone loss in the year 2019-20 and on the other hand banks are not responding for finance as per expectation due to COVID pandemic, so it is advised to increase more strategic communication with banks and other funding agencies for getting fund for investment.
- c. The meeting has appreciated the COAST team and to the external auditor S.K.Barua & Co (Chartered Accountants) for submitting the external audit report for the FY2019-20 to MRA and banks in due time. The EC has urged to keep continuing this effort.
- d. The meeting appreciated that, COAST has following the Money Laundering and Terrorist Finance Act 2015 properly in respect of all transactions happening in the organization.

2. Review of last 23rd Pre-EC Audit and Finance Trend Meeting Minutes

The Director-ME&IA presented the 23rd Pre-EC Audit Meeting

- a. Total 665 MF branches and 3 donor project have been audited during the period from Oct'20 to March'21.
- b. Tk.4,93,750/- identified as misappropriation by 219 staff (52%) where Tk.5,53,245/- has been realized in the spot and Tk.40,505/- is to be released as staff left organization. This amount will be deducted during final settlement with the staff.
- c. Syndicate loan is the highest concern for increasing the overdue. Around Tk2.17 corer captured by 215 syndicators where the outstanding amount Tk1.26 corer and among them 35.14% already been overdue. The meeting has instructed to establish strong monitoring system to realize the syndicate loans. Also advised to examine the loan scheme physically prior to final loan approval.

- d. Financial irregularities have been observed in respect of loan approval and savings withdrawal process.
- e. For project audit, major findings were related to VAT and Tax for proper calculation and depositing in due time. Director-FCC&EA informed that necessary training has been arranged in this regard.

3. MF Trend Analysis :

The Director-Core Programs presented the Micro Finance trend analysis during the period of till March 2021.

- i. At the end of March 2021, total member in MF program is 1.44 lac and number of Loanee is 1.19 lac (82% of member). Trend is increasing due to high demand of money after Covid crisis.
- ii. Total portfolio is stand on Mar'21 as Tk. 315.16 cr. is satisfactory according revised BP for 20-21 financial year.
- iii. Surplus is increasing as 300% up to Mar 21 followed the Business plan and happened due to its conservative projection considering the pandemic.
- iv. Accumulation Capital fund is stand as tk. 42.52 cr. in Mar 2021.
- v. Meeting propose to conduct short study on how the pandemic impact on rural economy especially demand on cash money, savings trend etc.
- vi. Meeting also requested to make a comparative view on major MF indicators of SPLY [Same Period last Yr.] as this issue is pending.

4. 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.

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

Deputy Director-Gender & Training, Ms Rumea has presented the Protection from Sexual Exploitation and Abuse (PSEA) policy. She described the sexual exploitation and abuse as per description of UN Secretary General (ST/SGB/2003/13) and Bangladesh High Court. She also described the other rules of the policy for protecting SE&A. The meeting has reviewed the policy carefully and approved for its execution in the organization level.

Regarding gender issues, there were no any significant issues that happened in the reporting time.

6. Human Resource Management (HRM) report

The Deputy Executive Director presented the status of HRM report up to March, 2021.

- i. Total staff of the organization is 1317 where female staff are 418 and male staff are 999. The male female ratio is 68:32.
- ii. Total staff in core programs are 847 and total staff in non-core programs are 470.
- iii. Total disciplinary actions were taken against 6 staff where the major actions were show cause, warning, financial fines etc. These actions were taken due to violations of rules and regulations of the organization.

7. Revision of some HR clauses (Child marriage and other HR clauses inclusion)

Protection of child marriage issues have been proposed to include in the code of conduct and recruitment process. The meeting agreed upon these and approved for executions.

8. Project information Matrix

The Deputy Executive Director presented the project information in the meeting. He mentioned that the organization is implementing 12 development projects where 4 projects are related to Rohingya and Host Community in Ukhiya and Teknaf. For these project total approved fund BDT 71.81 crore. The fund has been received BDT 36.32 crore (51%) where the expenditure is BDT 33.61 crore and the utilization rate is 93%.

9. Financial Overview up to Dec 2020

The Director-FCA&HRM presented the latest external audit and the balance sheet up to September, 2020.

- i. Organization liabilities increased around Tk. 29.40 crore during last fiscal year [up to June 2020]. This liabilities included unutilized donor fund, fund borrowing for MF and provisional PF and Gratuity amount.
- ii. Some current assets (e.g. IDCOL loan to members, stock etc.) should gradually be written off as this asset is turned into bad debt in the field already.
- iii. Over “Cash in hand” observed by External Auditor. This happened during pandemic as branches had taken additional money as cash. However that should be controlled by planned way exercise.
- iv. As per balance sheet the total current assets Tk. 317.84 crore (in June 2020) and TK. 288.44 crore in June 2019. On the other hand the current liabilities are Tk. 208.75 crore in June 2020 and Tk. 173.20 crore in June 2019.
- v. Meeting proposed to prepare an aging report on the current asset item “Advance deposit & pre payment” where idle financing will be found out and then management can take decisions for next measures.
- vi. The external audit report has been submitted to MRA and banks in due time. For this effort, EC gave thanks to the finance sections and others involved with the process of external audit.

10. Asset purchase (Sonarpara and ITDC land with building)

Director-FCC&EA informed COAST has purchased a land of 62demal at Sonarpara, Jaliapalong Union at Ukhiya Upazilla in Cox’s Bazar with a cost of BDT 44,17,500/-. COAST is also planning to establish an echo friendly office-cum guest house for operating MF and FDMN and host community programs. COAST has planned to purchase total about 100 decimal land there. This place is closed to the sea beach and around 20-25minutes walking distance. COAST has also engaged an architect for designing land as office-cum-training centre.

A part from this, COAST is also purchased a 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 on 28th March 2021. Since 1998, COAST has been operating income generating activities, micro-finance, food security, health etc. from this place as per agreement between Church of Bangladesh and COAST. The board has appreciated the initiatives and has approved for its execution for development.

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. From July’20 to March’21 (9m) total loan disbursement was Tk 405.34cr, savings collection was Tk 79.70cr, loan outstanding end of March 2021 was Tk 315.16cr and members savings balance in was Tk 112.82cr The DED 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 been utilizing properly in MF program and also as FDR.

12. AoB:

- i. The Executive Director (ED) informed that COAST has finally got the registration from Joint Stock authority under Societies Registration Act, 1860 as “COAST Foundation” instead of “COAST Trust”. He also informed that COAST is in a process to take approval from NGOAB for changing the name. As NGOAB office is almost off due to pandemic lock-down, so it is expecting to get the NGOAB certificate by middle of June 2021. It is noted that the name change has been approved by MRA and they also issues a certificate as COAST Foundation keeping the registration no. same. The board has appreciated the matter and later on congratulated the COAST team for the success.

- ii. The ED has proposed two names to be included as EC member since the Ex-Vice-Chairperson (Minar Monsur) and the Ex-Treasurer (M Zahirul Alam FCA) have left COAST due to expire of tenure with COAST as per MRA compliances. The proposed name was Mahbuba Nasrin PhD (DU) and Monjurul Alam Chowdhury PhD (Chair-Ghashful). The meeting decided to discuss the matter more detail in next EC meeting.
- iii. The Vice-Chair has suggested to make a contingency plan including fund management for facing any sorts of disaster in future since COAST does work in coastal zones.
- iv. The meeting has agreed to conduct EC and AGM at the last week of June 2021 and the possible dates could be 19th and 26th June, 2021 respectively. The ED, COAST will finalize the dates later on with a consent of EC members.

Having no other discussions, the Chair concluded the meeting with a vote of thanks and hopes to follow the health issues to protect the COVID-19 and wishes that all should stay safe in this crisis period.

Prepared by

Approved by

M Rezaul Karim Chowdhury
Member Secretary-EC&GC and
Executive Director, COAST Foundation

26th April, 2021

Jasmeen Sultana Paru
Chairperson-EC&GC
COAST Foundation