

ACENTDFB-ABU

AFRICA CENTRE OF EXCELLENCE FOR NEGLECTED
TROPICAL DISEASES AND FORENSIC
BIOTECHNOLOGY
AHMADU BELLO UNIVERSITY, ZARIA

FINANCIAL MANAGEMENT MANUAL

FINANCE OFFICE

This Financial Management manual was sieved from the A.B.U's Bursary department Accounting Manual with little modifications peculiar to the of the ACENTDFB's operation. It is subject to periodical review whenever the need arises.



A. INTRODUCTION

The establishment of Ahmadu Bello University (ABU) began in 1961 following the recommendation of the Ashby Commission on "Post-School Certificate and Higher Education in Nigeria". A Law establishing a Provisional Council for the University was passed by the Legislature of Northern Nigeria in April while the Council itself was constituted in November, 1961, under the Chairmanship of the Hon. Shettima Kashim, CBE, who later became Sir Kashim Ibrahim KCMG, CBE. Sir Norman Stanley Alexander, a New Zealander and a Professor of Physics at the University College, Ibadan, was appointed the First Principal, later Vice-Chancellor, of the University in July and he assumed office in November, 1961.

Ahmadu Bello University began full operation in 1962, on the sites of these educational institutions: the defunct Nigerian College of Arts, Science and Technology, founded in 1955; the Clerical Training Centre, Kongo, founded in 1957; the Samaru Agricultural Research Station, established in 1924, and the Shika Livestock Farm, started in 1928. The University was named after Sir Ahmadu Bello (1901-1966), "the Sardauna of Sokoto" and the Premier of Northern Nigeria. As the first Chancellor of the University, Sir Ahmadu Bello performed its Opening Ceremony on the 4th of October, 1962. In 1975, the University was taken over by the Federal Government through a Decree (the Ahmadu Bello University [Transitional] Provisions Decree of 1975), thus becoming a Federal University.

B. BURSARY DEPARTMENT

The Bursary Department of Ahmadu Bello University is the custodian of the University's financial records and manages its resources. Its primary purpose is to manage the financial resources of the University through the efficient application of accounting principles, practices and procedures.

C. AFRICA CENTRE OF EXCELLENCE FOR NEGLECTED TROPICAL DISEASES AND FORENSIC BIOTECHNOLOGY (ACENTDFB)

The Africa Centre of Excellence on Neglected Tropical Diseases and Forensic Biotechnology, Ahmadu Bello University, Zaria, Nigeria is one of the fifteen Centres of excellence approved in 2013 for World Bank funding under the auspices of the Association of African Universities. The Centre which is anchored in the Centre for

Biotechnology Research and Training (for the research and capacity training) and the Department of Biochemistry of the University (for the award of the degrees and certificates), has five other departments in the University involved, that include- Biological Sciences, Microbiology, Pharmaceutics and Pharmaceutical Microbiology, Veterinary Pathology, Veterinary Parasitology and Entomology, and Veterinary Public Health & Preventive Medicine, Veterinary Pharmacology and Toxicology, and Zoology.

The Centre of Excellence runs three postgraduate degree programmes, namely Postgraduate diploma in Forensic Biotechnology, and MSc. and PhD degrees in Biotechnology. A full complement of senior academics drawn from the host and collaborating institutions, are available for quality teaching and supervision to ensure graduates of international standards. The Centre of excellence provides opportunities for research students to carry out internship or laboratory works in some of the collaborating institutions.

D. ACCOUNTING PROCEDURES ADOPTED BY THE CENTRE

The accounting procedures of the centre is a replica of the Bursary department's procedures and process which is sieved from the department's Accounting manual of operations suitable for treatment of donor agency related fund.

E. STAFFING

ACENTDFB is a centre recognized by the University with the following staff as part of its management:

1. The Center Leader who is the head of the center
2. The Deputy center leader
3. The Project Coordinator
4. The Monitoring and evaluation officer
5. The Finance Officer
6. The Procurement officer
7. The Safeguard officer
8. The Communications officer
9. The Director CBRT
10. The Head of Department, Biochemistry
11. The Internal Auditor
12. The Capacity Building officer
13. ICT Officer.

F. EXPENDITURE APPROVAL LIMIT

The Centre leader was empowered by the VC to approve any expenditure for Naira component an amount not reaching up to the sum of N2,500,000.00 only. For any expenditure of N2,500,000.00 and above, the centre leader will approve upon recommendation by the management during the Management meeting.

Approval of expenditure in dollar is only done by the VC upon request by the CL on behalf of the beneficiary.

G. BOOKS OF ACCOUNTS

The Centre maintains conventional books of accounts, such as;

1. Cash Books
2. Vote books
3. Cash advance ledger
4. Fixed assets register
5. Ledger accounts
6. Statement of expenditure
7. Bank statements
8. Bank reconciliation statement
9. Standard Journal Vouchers (SJVs)
10. Store receipt and issue vouchers

H. BANK ACCOUNTS MAINTAINED BY THE CENTRE

The centre maintains the following accounts with the Central Bank of Nigeria:

1. USD (Dollar) Account
2. Naira Account

I. AUTOMATION OF ACCOUNTING SYSTEM

Necessary arrangements have been put in place to automate the accounting system of the centre: Imagination tools, A software developer company that automates the accounting system of the Bursary department of the University has been engaged by the centre. The process is on the approval stage.

J. BUDGETARY SYSTEM

The centre prepares a budget for the subsequent financial year in a pre-designed form approved by the World Bank called Work Plan. It is the responsibility of the CL and Finance Officer to prepare Work Plan and forward same to the Bank via National University Commission (NUC). Upon approval by the bank, the centre will strictly adhere to the approved budget when spending; Any expenditure outside the approved work plan will be considered as ineligible expenditure by the bank.

K. ACCOUNTING FOR REVENUE/RECEIPTS

1. Funds are received from the World Bank through the NUC upon achieving a result (DLR) by the centre.
2. The NUC upon receipt of such fund, credits the USD account of the Centre and notifies the Centre accordingly
3. Money credited into the USD account can only be accessed via approval by the VC who is the approving officer upon request by the CL. Likewise, for either direct payment or conversion of USD to naira designated account of the centre with the CBN.

4. Signatories to the accounts (both USD and Naira) are:
 - a. The Centre Leader (Signatory A)
 - b. The Project Coordinator (Signatory A)
 - c. The Bursar (Signatory B)
 - d. The Project Finance Officer (Signatory B)

NOTE: To access any fund from either the Dollar or naira account, at least two signatories must signed the mandate(A combination of signatory 'A' and 'B' jointly signed).

5. When the centre achieves DLR, and the amount is communicated, the Centre's finance office will debit the World Bank account code and credit the centre's account with the achieved amount.
6. When money is received into the Centre's account, the Finance office will debit the designated bank account code and credit the World Bank account code with the received amount using standard journal voucher (SJV).
7. The amount will be recorded in the debit column of the cash book and eventually recorded in the account ledger.

L. ACCOUNTING FOR EXPENDITURE

1. Approval for naira is by the CL while for USD is by the VC
2. Request must be accompanied by supporting documents
3. Approvals are forwarded to the Finance office for Payment Voucher (PV) processing
4. The approved figure will be committed into the vote book for control purpose
5. As for cash advance, the amount will be recorded against the Beneficiary's name in the cash advance ledger.
6. The payment voucher will be recorded in the payment voucher register.
7. The PV will be taken to the Internal audit unit for pre-payment auditing
8. Upon clearance by the audit unit, the finance office will prepare a schedule of payment signed by the CL and the Finance officer for onward submission to the University's cash office for upload into the payment Platform.
9. When uploaded and reviewed by the Bursar or Centre's Finance officer, the Centre leader or the Project Coordinator will do the final authorization, after which the payment is consummated.
10. For any commitments in form of Contract ,LPO's, Job orders or award letters the amount involved will be earmarked in the vote book, until settlement.

M. PROCUREMENT

Any expenditure that exceeds the sum of N200,000.00 will be referred to the procurement unit of the Centre which is guided by the Public Procurement Act 2007 which will be dealt with in the centre's procurement manual.

N. INTERNAL AUDIT UNIT

The internal audit unit of the centre, representst the Internal audit department of the university. It is headed by a chartered accountant who is responsible for:

1. Prepayment auditing.

2. Stock verification and
3. Assessing the internal control of the centre and its viability.
4. Reporting the activities of the centre to the Chief Internal Auditor of the University on quarterly basis.
5. Carrying any investigation when the need arises.
6. Submitting by annual report to the Bank via NUC.

O. FIXED ASSETS REGISTER

The centre purchase fixed assets via procurement process. The finance officer, upon receipt of necessary documents and approvals, processes payment and records such asset in the Fixed assets register. Fixed asset register is a list of all fixed assets presented in a tabular form procured by the centre reflecting the asset's information in the following format:

1. DATE OF ACQ.
2. PV NO.
3. DESCRIPTION
4. QTY
5. UNIT COST (N)
6. TOTAL COST (N)
7. CONTRACTOR
8. LOCATION
9. ID. NUMBER
10. S.R.V. NO.
11. INVOICE NO

P. TAX REMITTANCE

The centre remits taxes in form of value added tax (VAT) or withholding tax (WHT). WHT is paid to the tax authority on behalf of contractors using their Tax payer identification numbers (TIN), while the VAT is paid using the University's TIN.

Q. CASH ADVANCES RETIREMENTS AND REIMBURSEMENT

Cash advances given to any staff must be retired within 14 days after completion of the assignment. Failure to retire such advance can lead to prevention of subsequent advances or rather deduction of such amount from his/her monthly salary. Staff with three unretired advances will not be given further advance.

Reimbursement as a result of out of pocket expenses can only be approved via presentation of evidence to the CL.

A retirement/claim form has to be filled by any staff in respect of cash advance retirement or claim for reimbursement along with a letter addressed to the Finance Officer with all necessary attachments.

Retirement forms must be cleared by the Internal audit before such advance be removed from staff's cash advance ledger.

An unspent amount must be paid back into the Centre's account and receipt will be raised by the finance office upon presentation of evidence. Such receipt will form part of cash advance retirement documents.

R. PETTY CASH SYSTEM

Petty cash is being maintained by the centre to take care of its day to day operating expenses. Any expenditure not exceeding the sum of N30,000,00 can be paid through petty cash. An initial float of N200,000.00 was released and constantly reimbursed upon exhaustion.

The CL approves payment for petty cash, after which a petty cash voucher (PCV) will be filled and the amount paid to the beneficiary in cash.

Request for reimbursement is done by the Finance officer in a designed request form for reimbursement, attached with all the PCVs, cash book and SJV to be sent to the CL for approval.

S. FINAL ACCOUNTS

Preparation of annual, and semi-annual report in form of Financial statements and Interim Financial Report (IFR) are sole responsibilities of the Finance Officer

Financial reports are prepared in accordance with International Public sector Accounting Standards (IPSAS) and Financial regulations, while IFR was for submission to the World Bank.

The component of the Financial report includes:

- a. Statement of Financial Position,
- b. Statement of Financial Performance,
- c. Statement of Cash flow,
- d. Bank reconciliations,
- e. Cash books,
- f. Ledger accounts, and
- g. Statement of Expenditures

The components of IFR are:

- a. Sources and uses of funds,
- b. Uses of funds per project implementation plan,
- c. Eligible Expenditure Programme,
- d. DLI statement, and
- e. IFR Annex.

The financial year of the Centre is January to December, The Bursar of the University is responsible for inviting the External auditor for auditing the financial statement of the centre, such audit report is sent to the World bank via NUC before 30th June of the subsequent year.

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FLOW CHART



