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# FINANCIAL MANAGEMENT POLICY

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SEPTEMBER 4, 2019

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## **FINANCIAL MANAGEMENT POLICY**

### **ABOUT THE AFRICAN CONFERENCE OF COMMANDANTS (ACoC)**

#### **Vision**

To enhance military professionalism in Africa through education, training and development of officers in African Command and Staff Colleges.

#### **Mission**

To conceptualise, inform and enhance education, training and development of the military officer in order to support policy formulation and military standards in Africa.

#### **Values**

• Professionalism • Military Cooperation • Human Dignity • Discipline

#### **Background**

The military tradition of learning from other institutions by exchanging students and instructors between colleges has contributed towards the current standards within African armed forces command and staff colleges. The pioneering colleges, with the desire to improve on these standards (and learning from similar international organisations), established the African Conference of Commandants (ACoC) during their first meeting in 2007 in South Africa. This meeting, under the theme of “Developing and Transforming Education in the Military, a Contribution to African Security”, expressed the desire for the highest standards in officer staff training in order to equip military professionals to the ultimate benefit of all the peoples of Africa.

#### **The ACoC Approach**

The development of the military professional is a process of lifelong learning and continuous growth. ACoC’s intent is to hone the skills of the select few who display the quality of leadership that would contribute to a safer, more stable and prosperous Africa.

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The colleges set out to further strengthen high moral and ethical values in those officers and develop a culture for respect of human dignity and rights.

As such, ACoC believes that highly professional officers can provide the necessary critical mass that inspires societies to respect societal values and contribute to the development of a culture of high moral and ethical standards. It is believed that the development of an ethos of excellence in a nation's officer corps will result in a better quality of military peace missions, thereby achieving better for all stakeholders. The niche value of ACoC is in the diversity of the many African nations, several cultures and various military backgrounds that they represent, which they can share and learn from.

### **Objectives**

The main objectives of the ACoC are:

1. Enhance harmonisation, interoperability, commonality, standardisation and cooperation between African Command and Staff Colleges.
2. Contribute to African security through quality education, which would provide the required knowledge; training to equip students with necessary skills; and development to ensure the right attitudes for the desired professional.
3. Develop curricula in order to enhance military professional standards.
4. Develop cooperation amongst African Command and Staff Colleges through; benchmarking; college curriculum best practice; directing staff exchange programmes academic accreditation and Combined Joint African Exercise(CJAX).
5. Translate requirements for improvement, as derived from lessons learned, into continental standards for military officers' training.

### **Membership of ACoC**

The ACoC is an independent association, whose membership is voluntary and open to all African Command and Staff Colleges or its equivalent.

#### Contact Details

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## INTRODUCTION

1. The African Conference of Commandants (ACoC) is envisioned to enhance military professionalism in Africa through education, training and development of officers in African Command and Staff Colleges. The military tradition of learning from other institutions by exchanging students and instructors between colleges has contributed towards the current standards within African armed forces command and staff colleges. The pioneering colleges, with the desire to improve on these standards, established the African Conference of Commandants (ACoC) during their first meeting in 2007 in South Africa. This meeting, under the theme of “Developing and Transforming Education in the Military, a Contribution to African Security”, expressed the desire for the highest standards in officer staff training in order to equip military professionals to the ultimate benefit of all the peoples of Africa. ACoC members shall pay membership fees to be able to support its annual activities so as not to solely rely on sponsors and donors. The ACoC funds are non-trading funds, and therefore do not require licenses. The ACoC's funds shall not be used to acquire fixed assets.

## DEFINITION OF TERMS

2. For the purpose of this policy or unless stated, the following shall mean:
- a. **Account.** Account means a report or statement of financial expenditure and receipts relating to a particular period or purpose.
  - b. **Membership fees.** Membership fees means regular fees or charges often paid to an organisation at regular intervals. For example, ACoC members have annual dues of \$2000.
  - c. **Sponsor.** Sponsor shall mean a person or organisation that pays for or contributes to the costs involved in supporting ACoC activities.
  - d. **Donation.** Something that is given to the organisation or money to support ACoC activities.
  - e. **Controlling.** The process of monitoring activities to ensure that they are being accomplished as planned and of correcting any significant deviations.

## PURPOSE

3. This Financial Management Policy seeks to promote correct fiscal accountability and transparency, and set the context for the possible withdrawal of the ACoC funds.

## SCOPE

4. This policy is applicable to the African Conference of Commandants (ACoC).

## POLICY OBJECTIVES

5. Objectives of this policy are to:
  - a. Assist the Chairperson, the Secretary and the Treasurer in the prudent management of the funds.
  - b. Provide procedure regarding the control of the funds.
  - c. Ensure that funds are used in the best interest of ACoC.

## POLICY STATEMENT

6. In the execution of its mandate, ACoC shall hold a number of meetings as agreed by the ACoC annual conference. For the purpose of this policy, meetings would include the Troika meeting, the Workshop and the Annual Conference of ACoC.

## RESPONSIBILITY FOR MANAGEMNET OF FUNDS

7. The ACoC is responsible for managing its membership fees and donor funds in an accountable, responsible and transparent manner. It is therefore the policy of ACoC to adopt a common approach to financial management by committing to sound financial control.
  - a. The Controlling Authority of ACoC's funds is vested in a quorum of the ACoC Annual Conference. The quorum of the ACoC Annual Conference shall consist of at least **seven** (7) commandants of military colleges in accordance with the Constitution.
  - b. The funds provided by the sponsor shall be controlled under their own procedures and arrangements.
  - c. The ACoC Controlling Authority is deemed to be a juristic person. The ACoC Controlling Authority will therefore exist as a "person" independent of the members, where they have members, or persons for whose use or benefit ACoC was established. They may thus in their own right:
    - i. Conduct financial transactions within the limits prescribed.

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- ii. Be held responsible for expenses arising from its conduct for which no provision has been made in this policy or which the Treasurer has not otherwise approved for payment of these funds.
  - iii. Sue or be sued.
  - d. Delegations:
    - i. ACoC funds: Internal responsibilities for approval must be determined by at least two (2) Troika members.
    - ii. Sponsor: Internal responsibilities for approval will be determined by the sponsor.
8. The ACoC members, the Secretary or the Treasurer may be liable for a debt incurred by it due to gross negligence or mismanagement.

### USES OF FUNDS

9. The ACoC funds shall be used efficiently and productively to achieve its mandate. The funds shall be used for the following:
- a. To pay for the conference cost as charged by the venue, including water, lunch and dinner.
  - b. To pay for the interpretation costs, should this be necessary (see below, where interpreters are to be obtained from the armed forces).
  - c. To pay for honorariums, transport and accommodation of guest speakers as discussed below.
  - d. To pay for accommodation of members.
  - e. To pay for the purchasing of certain services as discussed below.

### MANAGERIAL APPROVAL RESPONSIBILITIES

10. **ACoC funds:** Delegations in the case where there is no sponsor or the ACoC Troika approves funds to be used to augment the sponsors contribution shall be as follows:
- a. **Chairperson.** May authorise the spending of the ACoC funds under control of the Treasurer with co-signature of another Troika member.
  - b. **Treasurer.** Authorised to sign bank transfers or bank withdrawals after approval by two Troika members. The treasurer shall make bank transfers or withdrawals in accordance with the budget and with the approval by two other Troika



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members. Bank transfers may only be done to a maximum of USD 30 000 considering the amount available in the bank.

c. **Secretary.** Requests bank transfers or bank withdrawals from two Troika members.

d. **Troika member.** Approves bank transfers or bank withdrawals by at least two Troika members.

11. **Sponsor:** The sponsors have their own delegations.

### REPORTING ON THE FUNDS

12. **Treasurer:** Reports to the ACoC Annual Conference.

13. **Sponsor:** Reports to their own authorities.

### ANNUAL BUDGETS AND REPORTS

14. **ACoC Funds:** ACoC secretary budgets for the next year's activities and obtain approval from the Troika members.

15. **Sponsor:** Provides funds as allocated to the specific activity of the ACoC.

### AUDITING

16. The Treasurer controlled funds are to be audited annually by the Treasurer's Armed Forces Inspector General. A copy of the report of the audit must be submitted to the ACoC Annual Conference.

17. The sponsor's funds shall be inspected in line with their own service financial regulation authority.

18. A copy of the audit report shall be submitted annually on the ACoC's fund during the ACoC Annual Conference.

### MEMBERSHIP FEES

19. All contributions by member countries shall be done on a voluntary basis. However, as agreed by the 8<sup>th</sup> ACoC Annual Conference in 2014, member countries are strongly encouraged to pay membership contributions amounting to USD 2000 per annum. To date contributions have not met the required levels of support, nor do they represent a fund substantial enough for ACoC annual activities to happen were the sponsors to reduce their donations.

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20. The funds are paid into the bank account held by the Treasurer. The amount for the annual contribution must be determined by the ACoC annual Conference.

21. External donations must also be paid into the account or be managed by the sponsor.

### **ESTABLISHMENT OF FINANCIAL MANAGEMENT AND CONTROL**

#### **INTERNAL FINANCIAL CONTROL**

22. The sponsor's funds approval document shall be accompanied by a covering document indicating the reason for the payment and two signatures.

23. This policy must be compliant with international audit standards.

24. The Treasurer must keep a record of all financial transactions. The financial state of the funds must be reflected in the balance sheet which is to be submitted to the Controlling Authority annually. A record of transactions must be kept for a period of five years.

25. The Treasurer of the ACoC funds shall be nominated from Botswana Staff College i.e. Defence Command and Staff College (DCSC), where the ACoC accounts reside. The take-over must verify that the funds are in accordance with the books. The Treasurer must ensure that there are at least two members of their staff capable of withdrawing the funds from the bank. The Treasurer must therefore ensure that they have at least three (3) people available to approve the withdrawal from the bank in order to compensate for personnel transfers. Approval for funds must also be accompanied by a document containing two Troika members' signatures. No cash is to be kept by the Treasurer, all transactions must be done by electronic bank transfers.

26. The Controlling Authority must ensure that the affairs of the fund are conducted in such a way that it can meet its financial liabilities when they become due.

#### **CONDITIONS OF THE HONORARIUMS OF GUEST SPEAKERS**

27. **Treasurer:** Should the salary of the secretary become the responsibility of the ACoC, in the event that the sponsor withdraws, the secretary must be made an offer for his/her salary and the contract is to be signed by two Troika members.

28. USD 250 for a guest speaker honorarium.

29. USD 125 for a guest speaker per traveling day. This is paid over and above the cost for traveling and accommodation.

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30. No honorarium or payment in kind may be paid to any member of ACoC, members of the Armed Forces or for the members of the defence industry.

### **CONDITIONS FOR THE TRANSPORT AND ACCOMMODATION ARRANGEMENTS OF THE GUEST SPEAKERS**

31. All guest speakers are to stay in a three-star hotel. Approval for better accommodation is to be obtained from the Chairperson and one other member of the Troika, excluding the Secretary and the Treasurer.

32. All guest speakers making use of air transport, are only provided economy class tickets, irrespective of the rank or stature. Should the sponsor pay for the transport, the tickets must be arranged from the sponsor's or the treasurer's office, as payment for the tickets may only be done in country where the funds reside.

### **CONDITIONS FOR THE ACCOMMODATION OF THE MEMBERS OF ACoC DURING MEETINGS**

33. All members are to stay in a three-star hotel. Approval for better accommodation is to be obtained from the Chairperson and one other member of the Troika, excluding the Secretary and the Treasurer.

### **CONDITIONS FOR TRANSPORT IN THE HOST COUNTRY OF MEMBERS OF ACoC**

34. Transport is to be arranged by the receiving hotel, using its shuttle. Should this prove to be insufficient, the host is to provide military transport for the guest speakers and members attending the meetings.

35. The costs for a bus, travel guide and visits to museums or laying of wreaths is to be obtained from the conference fee. Members are to pay before the commencement of conferences. The funds are to be claimed from the members per diem allowance by their own countries.

### **CONDITIONS FOR THE CONFERENCE COSTS DURING MEETINGS**

36. Conference fee — this should be obtained from each member before the commencement of a meeting and must be mentioned in the meeting instructions. These conference fees must be approved by the Troika beforehand. The conference fees may be used for the conference cost, transport to visit the city and for dinners.

a. Dinner or function costs are to be negotiated with the hotels, should these be too exorbitant, this cost may be added to the conference fees for each member to pay.

b. Bus tours of the host country or city is to be added to the conference fees for each member to pay.

c. Laying of wreaths costs are to be added to the conference fees for each member to pay.

d. The conference fees are to be kept to the minimum, however, should there be a surplus or a shortage this must be paid to or obtained from the ACoC funds. A report on the conference fees is to be included at the Annual Conference.

37. The conference cost of the venue must be negotiated with the venue before the meeting. This will include the public address system, the multimedia projector, the computer, the refreshments (water), lunch, and stationery. Depending on the availability of funds, these costs must be covered by the ACoC funds, sponsor or by the conference fee.

### **CONDITIONS FOR THE HIRING OF INTERPRETERS**

38. Interpreters must preferably be obtained from member countries' armed forces and their transport and accommodation must be covered as if they were guest speakers. Hiring of civilian interpreters is usually more expensive than paying for the transport and accommodation of military staff.

### **CONDITIONS FOR THE TRANSLATION OF DOCUMENTS**

39. Translators are to be paid in accordance with the number of words of the specific document they were asked to translate. The rate of pay must be approved by two members of the Troika or the sponsor.

### **CONDITIONS FOR THE PURCHASING OF PLAQUES**

40. Plaques for the Troika Member and the "ACoC Meritorious Medal for Excellence" (in military leadership on the Command and Staff College's course) are to be purchased with approval from the Chairperson or the sponsor.

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41. Members of the Troika are also presented with a plaque indicating their membership of the Troika.

**CONDITIONS FOR PAYMENT OF PRINTING**

42. Printing costs are to be approved by the Chairperson or the sponsor.

**CONDITIONS FOR OBTAINING CONFERENCE BAGS, ELECTRONIC EQUIPMENT AND FOLDERS**

43. The conference gifts (such as conference bags, pens, writing pads or electronic devices) are to be obtained from military or civilian industry or host country sponsors. Sponsors for these conference gifts must be approved by the chairperson.

44. **Chairperson.** Should the conference gifts not be able to be obtained from military or civilian industry or host country sponsors, the sponsor or two members of the Troika is to approve the purchasing of the conference gifts.

**CONDITIONS FOR OTHER PURCHASES OR EXPENDITURE NOT MENTIONED ABOVE**

45. **Treasurer:** Approval of a quote by covering letter containing two signatures of Troika members. Nothing may be bought on credit, unless it is authorised by two members of the Troika. An account that has been approved must be paid within 30 days of receipt of the invoice.

46. **Sponsor:** Approval of a quote by covering letter containing two signatures.

**DISBANDING OF THE AFRICAN CONFERENCE OF COMMANDANTS FUNDS**

47. Should the ACoC cease to exist:

a. A final audited balance sheet together with a certificate to the effect that all liabilities have been met is to be forwarded to all the existing Armed Forces Command and Staff Colleges or equivalent in Africa.

b. The funds must then be divided up between all the members who have contributed to the funds pro-rata and paid over to the member's Ministry of Defence.

c. The Treasurer must close the bank account.

d. The records of the account must be kept by the Treasurer for another five years.

  
CHAIRPERSON

DATE: 01/11/19

\_\_\_\_\_  
SPONSOR

DATE: \_\_\_\_\_

  
TROIKA MEMBER

DATE: 01/11/2019

  
TROIKA MEMBER

DATE: 01/11/2019.

  
TROIKA MEMBER

DATE: 01/11/19