

Manual
Of the administrative, financial and legal issues
management
"Center for Scientific and Practical Initiatives"
Social Found

Updated in December 2022

Acronyms

AIDS	Acquired Immunodeficiency Syndrome
PC	Project Coordinator
ChA	Chart of accounts
FM	Financial Manager
LC	Labor contract
HIV	AIDS virus
HR	HR manager
HRM	Personnel management
HSV	Holidays, sick days and holidays
IRB	Institutional Review Board
IT	Information Technology
KZ	The Republic of Kazakhstan
KZT	Kazakhstani tenge
LC	Local currency
MCI	Minimum calculated indicator
MoU	Memorandum of understanding
MSW	Master of Science in Social Work
NGOs	Non-governmental organization
IDP	And durable property
Acc	Accountant
OM	Office Manager
CSPI SF	"Center for Scientific and Practical Initiatives" Social Found
SF	Social Found
DP	Project director
PFA	Pension Fund Agreement
PhD	Ph.D
PHI	Protected Health Information
PII	Personally identifying information

I. Introduction and Overview

A. Introduction to the Guide

1. Purpose of the Guide

This Manual represents the structure and procedures of administrative, legal and financial operations of the "Center for Scientific and Practical Initiatives" Social Found (hereinafter CSPI SF). It includes operational procedures within the framework of the legislation of the Republic of Kazakhstan.

2. Updates, editing and learning

The guide will be updated regularly as needed. In addition, Asel Maratovna Terlikbayeva, President of the Foundation, and Sholpan Aliyevna, Primbetova, Vice President, may issue additional policies, procedures, and guidelines to be used in conjunction with or, if indicated, supersede these Guidelines. All such additional documents will be kept for integration in the next version of the Manual.

Personnel with relevant responsibilities will be given this Manual and asked to sign a statement (*Annex 1* Statement of Purpose of the Manual) stating that they have read this Manual and will follow its objectives. New personnel will be specifically trained for their job responsibilities and periodic training will be provided to all employees annually to update and bring process knowledge up to date with the latest version of the Manual.

3. Other related documents

In addition to this Operational Manual the Recruitment Manual provides more detailed information for consultants working full-time, part-time and working in the Republic of Kazakhstan. In addition, the document localized procedures for travel, procurement and branding. The Social Found "Center for Scientific and Practical Initiatives" complies with the relevant laws of the Republic of Kazakhstan and the requirements of financial agencies.

The subject and goals of the activities of the CSPI SF

The subject of the CSPI SF's activities is the implementation of educational, legal, charitable and social support, and other socially useful activities.

The purpose of the CSPI SF is to carry out activities aimed at:

- Building a viable scientific country and regional infrastructure to improve the situation in conducting social and scientific research in the field of global Social health problems both in Kazakhstan and in the countries of Central Asia. Infrastructure development and capacity building will include: research management, sociological research, data management and storage, technical equipment and data collection, data analysis, information sharing and application of research data in practice. The SF can use the services of the media and information systems to improve the efficiency of the SF;
- Assistance in increasing the number of researchers, teachers, scientists, applicants for scientific degrees engaged in research in the field of behavioral aspects and sociology, in order to form programs that contribute to the effective solution of global health problems in Central Asia; as well as in the field of socio-economic issues
- Conducting international, regional and country scientific and practical conferences, symposiums, seminars, trainings, round tables, discussions, competitions, short courses on methods in the field of social sciences to inform and disseminate about ongoing research on the prevention, treatment and solution of health problems, as well as other events;
- Strengthening the capacity and competitiveness of collaborating institutions in Kazakhstan and Central Asia in obtaining grants;
- Creation of local scientific and research infrastructure on global health issues;
- Combining the leading multifunctional experience of leading universities in the world and the region to create a comprehensive partnership between government bodies, non-governmental organizations, the research community and educational institutions, which will promote the development of cultural harmonization and science-based decision-making;

- Conducting sociological, research, environmental and medical research in various areas of the socio-economic, educational and medical life of the country and developing recommendations for the effective solution of existing problems;
- Participation in the implementation of state social order projects;
- Design, development and implementation of the latest research achievements;
- Combining the efforts, intellectual, creative and business potential of young scientists to solve socio-economic problems;

To achieve this goal, the CSPI SF, in accordance with the current legislation, solves the following tasks:

- promotes the implementation of state programs aimed at providing material and medical assistance, social protection and rehabilitation of patients with socially significant diseases through a system of grants;
- interacts with Social authorities and local governments, Social and religious associations; scientific, educational, educational, sports institutions, mass media to consolidate efforts to work with patients with socially significant diseases;
- establishes relations with non-governmental foreign and international organizations to achieve its goals;
- contributes to the preparation, Socialation and dissemination of information reference materials, educational and methodological and popular literature, means of visual agitation.

II. Administrative and management structure

This section describes the management and staffing of the CSPI SF. Information related to financial management and processes is included in Section V (Finance).

A. Administrative, managerial and personnel structures

1. Basic management and staffing

Asel Terlikbayeva, MD , MSSW is the President of CSPI SF. Vice President - Sholpan Primbetova, MP , MSSW . Together they provide top management and are supported by a team including a finance manager, an accountant, an IT specialist, an office manager, a translator and a human resources manager. The CSPI SF also has staff hired specifically to work on funded research projects. The Vice President establishes the delegation of authority in advance in the absence of employees in each of the above positions. This delegation of authority should be given to the employee's supervisor and team prior to leaving .

The organizational structure is given in Annex 2.

The management of both technical and operational matters is overseen by key personnel: the FM and Project Directors (PDs). The President and Vice President are responsible for developing overarching project strategies that create strong bonds between local and alliance partners to ensure project success. The President and Vice President are also responsible for all aspects of implementing the essence of research, including research integrity and bioethical issues. The Vice President, through FM, is also responsible for establishing systems and overseeing major financial, administrative, legal, banking and contractual issues of project implementation and ensuring that program delivery is seamlessly linked to the operational aspects of projects.

Annex 3 contains a directory of all KZ employees .

B . Project management and reporting

The CSPI SF has developed an effective approach to the oversight and management of research and teaching, which includes careful and balanced attention to project management as well as to the technical content of the assignment. Just as important as the technical approach are the smooth running of the project team, close coordination with collaborating partners, efficient management of project resources (local and external), and careful documentation of project activities.

1. Office communications

The CSPI SF team holds weekly staff meetings with key administrative and project teams to review and discuss current issues and activities. Minutes of the meetings are sent to all local employees of the CSPI SF.

The team communicates face-to-face via email, Skype, Zoom and other technologies within and between the administrative and field offices, and also visits them regularly.

2. Field offices of CSPI SF

When CSPI SF project activities are planned in cities/regions of Kazakhstan outside of Almaty, where the main office is

located, the team is responsible for opening field offices, proper management and reporting.

2.1 Creation field offices

The project director is responsible for defining the roles and responsibilities of the field office in relation to project design, project implementation, space, staffing and infrastructure requirements. In addition, the DP must define the requirements for conference rooms, telecommunications, facilities, storage, etc. The DP should explore the possibility of sharing premises and facilities with other partner organizations (eg AIDS Centre, Red Cross, etc.) and the location of a local office. The DP or Project Coordinator is the key person in finding office space according to the needs of the project and is responsible for the process of reviewing with the help of the finance department and signing the lease agreement by the landlord and the senior management of the CSPI SF.

2.2 Hiring a field team

The project director should prepare a staffing plan and job descriptions for field team members. They should be consistent with the proposed roles and responsibilities for the office and project operations, including program, logistics, administration and finance, IT/telecom. The DP, through the FM, establishes reporting responsibilities and the structure, oversight and management of the field team. The recruitment of field staff is governed by the local Recruitment Manual. The Project Coordinator is responsible for the work of the field team and the local office.

2.3 Infrastructure, security and field office equipment

The DP indicates possible security measures and the level of associated costs depending on local conditions. The DP defines office equipment/furniture requirements that may include, but are not limited to: computers, desks, cabinets, water filter, refrigerator, stove or water heater, air conditioners, copier, desktop calculators, etc. He/she defines requirements for IT equipment, connectivity and security, including cameras, generators, voltage regulators, etc. Ultimately, the field office should be equipped and provide access to the CSPI SF email accounts and data storage systems.

2.4 Education

Newly recruited staff must be trained in the procedures and policies of the CSPI SF, organized and conducted by the FM, the financial and administrative department and the information technology department. Ongoing on-the-job training should be organized and conducted by the FM, IT department and Human Resources Manager for field personnel.

2.5 Management

The Project Coordinator should provide secondary oversight of CSPI SF staff in the field to ensure that the program is implemented with quality and resources in mind, and that program staff adhere to organizational procedures, including scheduling, management, and expense reporting. The Project Coordinator should organize periodic meetings with the CSPI SF field team so that all employees share work plans, results, problems and areas of cooperation. The project director is responsible for the regular monitoring, management, control and supervision of the site coordinator.

2.6 Communications and Marketing

The Project Director and the Project Coordinator are responsible for establishing a communication strategy with key partners on the site and ensure that such communication is conveyed to all relevant team members, including members of the central office. The Project Coordinator is the key contact person on the site. The Project Coordinator presents the project and CSPI SF on the website and follows the marketing and branding strategy of CSPI SF.

2.7 Financial and program reporting

The Project Coordinator is responsible for preparing purchase requests for goods and services, monthly financial and program reports for the Finance Department and the Project Director.

3. Program planning, budgeting and implementation

The "Project Initiation Protocol" documents the timeline, goals, and objectives of the project. It also specifies the working details of how to implement the project, documenting specific milestones for the duration of the project, work plan, calendar and budget that will serve as the basis for activities. Control over the overall activities of the project rests with the Project Director and the Accountant.

C.Approach of CSPI SF to internal control and management

The success of a management system depends on a system of sound internal controls. The Committee of Sponsoring Organizations of the Tradeway Commission (COSO) believes that an effective internal control system should consist of five elements: 1) Control environment; 2) Risk assessment; 3) Control activities; 4) Information and communication; and 5) Monitoring.

1. Control environment

- Integrity and moral values
- Commitment to Competence
- Advice directors and audit commission
- Basic principles and working style of management
- Organizational structure
- Distribution powers and responsibilities
- Politics and procedures management personnel

2. Risk assessment

- General corporate goals
- Process Level Tasks
- Identification and analysis of risks
- Change management

3. Control activities

Policies and Procedures

- Security (Apps & Set &)
- Application change management
- Business Continuity/Support
- Outsourcing

4. Information and communication

- Information quality
- Communication efficiency

5. Monitoring

- Current monitoring
- Separate ratings
- Deficiency reporting

Management oversight creates a common environment that guides the attitude of the entire organization and develops policies and procedures to ensure ongoing and effective monitoring of the organization's performance. To ensure the operation of administrative systems, a set of oversight measures consists of documents and procedures established to identify, collect, classify, analyze, record and report on the operations of the organization, and to ensure accountability for related assets. Detailed control procedures are used by the organization to reduce the risk of errors in any transactions, records and reports.

1. Segregation of duties

Segregation of duties is one of several steps to improve internal control over an organization's assets, it is a measure of security when more than one person is required to complete a task. Segregation of duties is a key concept of internal control. Enhanced protection against fraud and errors must be balanced against the need for increased cost/effort. Based on Botha & and Eloff's "Separation of Duties for Ensuring Access Control in Work Environments", segregation of duties as a security principle has as its main goal the prevention of fraud and errors. This goal is achieved by distributing tasks and their associated privileges for a specific business process to multiple users. This principle is illustrated by the traditional example of separation of duties, which is the requirement for two signatures on a check. For example, internal cash controls are improved if financial processing responsibilities are separated from accounting responsibilities. Sharing

these responsibilities reduces the likelihood of theft, as there must now be two dishonest people working together to recognize each other's dishonesty, plan the theft, and then carry it out. All organizations should share functional responsibilities. Separation of duties ensures that errors, whether intentional or unintentional, cannot be committed without being discovered by another person. Without segregation of duties, it is easier to commit cash theft. One dishonest person can steal money and deposit a fictitious amount into accounts, thus covering up the theft. Another step in improving the internal control of cash is the use of a cash register, the issuance of receipts and the presence of two people when processing cash.

2. Accounting for office supplies and case management

CSPI SF manages and monitors all office supplies on a monthly basis. Deliveries are summed up during the monthly receipt/reconciliation process. The purpose of this tracking is to manage the flow of office supplies (all consumable supplies) in the office and ensure they are purchased, managed and used for project purposes. This information can be used for annual budgeting for office supplies.

The President and Vice President work to approve and monitor such spending against funding requirements.

All files of the main office and project(s), including financial statements, financial records in accordance with the requirements of the Republic of Kazakhstan (receipts, receipts, stubs, invoices, tax notices, all other legally binding documents, etc.), bank records, administrative and management records (human resources files, hiring and firing records, various types of employment contracts, consultant contracts and labor agreements, service contracts, travel approvals, etc.) are maintained in accordance with Kazakh laws. All such files are stored in appropriately marked folders and in closed filing cabinets at the main office. Other types of project documentation (registration forms of participants, documentation containing data, consent forms, etc.) are stored at the main office in closed file cabinets in a safe place. Only authorized personnel should have access to these files: accountant and office manager.

3. Equipment and IT services

IT department of the CSPI SF adheres to policies regarding data confidentiality, disaster recovery, duplication and security of data and equipment. CSPI SF has developed a separate document on IT SOP - *see Annex to this document # 4*.

4. Accounts and email usage

CSPI SF provides employees with an e-mail system to facilitate the work of the company and communication with other employees and local offices. E-mail users should be aware that all correspondence sent by the CSPI SF reflects on the Organization as an institution; Users must ensure that nothing they submit can harm the Organization's reputation or interfere with its operations. Employees' personal use of e-mail should be limited and should not interfere with or interfere with their use at work. It is forbidden to use corporate e-mail for personal purposes, as well as register on different sites in order to receive various services that are not related to the workflow.

5. Broadcast protected medical information

Based on collective and personal responsibility, all work with computers and telephones is the property of the CSPI SF and can be claimed at any time for urgent reasons. Employees of the CSPI SF must provide access to work computers and phones, providing logins and passwords for accounts and programs, as well as to encrypted media.

Responsibility for organization and project information

Taking into account that the computers of the employees (hard drives, flash drives, virtual storages) have all the data of the project and the CSPI SF, the loss of which can harm the CSPI SF (both professional and corporate image), each employee must be aware of and bear responsibility for the inadmissibility of such . All necessary rules are provided by the IT department.

D. Grants and contracts (for research and teaching purposes)

1. Financing and fundraising

CSPI SF can receive funds from local and international donor agencies and funds, in which case accounting and financial management must comply with local legal and financial legislation and deduct local taxes.

2. Relevance studies

i . Legal Compliance

All personnel must comply with laws and policies regarding human research. All employees of the CSPI SF involved in research activities undergo the appropriate training necessary to work with people.

ii . Compliance with Kazakh laws

In 2020, Kazakhstan adopted a Code that requires all research conducted in Kazakhstan to comply with international human policy and research ethics laws. The CSPI SF complies with the laws of Kazakhstan on research involving humans.

iii . Informed consent of research subjects

In all studies, CSPI SF uses informed consent to collect information from study participants. The text of informed consents is relevant for each project. Completed informed consent forms signed by the participants are stored in closed file cabinets in the office of the Project Director. All project participants receive copies of signed consent forms.

III. Communications

B. Marketing materials and website maintenance

CSPI SF independently develops content for the website <https://cspisf.org/>, it is planned that the materials of the site will be in Kazakh and English.

C. Visual identity

a . Logo and Word Trademark Policy

To ensure consistency in the visual identity of CSPI SF communications, the CSPI SF logo and the text that appears next to it - known as the word trademark - have been incorporated into templates for business cards, newsletters, letterheads, fax cover sheets, PowerPoint presentations , posters conferences, announcements of lectures and events, signs and promotional materials.

The logo and word mark, including size, color and placement in the templates, cannot be changed. The logo and word mark cannot be made wider, narrower, shorter or taller as this distorts them. The logo must remain proportional . *Annex 5 contains a sample logo of the CSPI SF.*

b . Sharing Signs

Some funding agencies (for example, the US Agency for International Development (USAID , Centers for Disease Control (CDC), Global Fund (GF), etc.) require their logos to be equally recognizable - "co-branded" - with the logo of the OF CISR on materials related to projects supported by these agencies In the absence of a co-branding requirement, the decision on whether to include partner logos with the CSPI SF logo, and, if so, how to place them on presentations and other materials, is decided by the CSPI SF.

D. Production of letterheads

CSPI SF prints letterheads through a local supplier in accordance with CSPI SF procurement instructions or using a color printer of CSPI SF.

Fax stationery and cover page templates have been developed for correspondence in accordance with the laws of Kazakhstan.

Note: If the letter or fax contains **protected health information** , the following text should be added at the bottom of the template:

“This fax transmission is for use by the specified recipient only and may contain information that is confidential or privileged. If you are not the intended recipient, you are advised that any disclosure, copying, distribution or use of the contents of this fax is strictly prohibited. If you received this fax in error or are not the intended recipient, please notify us immediately by contacting the sender at the telephone number listed above and delete and destroy all copies of this message. Thanks.”

a . Use of forms

The CSPI SF letterhead should be used for all correspondence with partner and funding agencies (eg, NIH , CDC , GF , and USAID), as well as for official communications between the CSPI SF and external organizations or individuals.

Letterhead from local entities, including CSPI SF, must be used for all correspondence related to incorporation in the country, banking transactions, office lease agreements, supplier contacts, offers, invoices, consultants and employment agreements, tax notices and all other legally binding documents if the official name of the organization should be used. *Annex 5 contains a sample letterhead of the CSPI SF.*

E. Advertising products of CSPI SF

Promotional products with the logo of CSPI SF are available for distribution among participants of training programs, conferences and meetings sponsored by CSPI SF, as well as among employees of CSPI SF. Products may include but are not limited to: pens, notepads, T-shirts, calendars, bags, mugs, computer bags, etc. The design of promotional products with the CSPI SF logo, including size and color, has been standardized and cannot be changed.

Prior to ordering promotional products, CSPI SF staff must provide documentation that the materials have been included as a separate line item in the approved program budget. If it does not have an item for promotional items, then you must obtain written permission to purchase these items from the President and Vice President. This permission must be granted to the Project Director prior to placing and executing orders.

F. Copyright and Data Usage

Employees of the CSPI SF should be careful not to infringe the interests of the copyrights of others and to preserve the interests of the CSPI SF. Agreements with consultants should state that the CSPI SF owns the copyright to materials that the consultant may create. It is also wise to indicate to staff and consultants how the data collected for the work of the CSPI SF may or may not be used. In addition, employees and consultants should be aware that upon completion of their work or assignment, they should not delete data on the computers of the CSPI SF unless they have express permission to do so from their supervisor.

G. Consent to media mention and relationships

CSPI SF staff writing reports or developing other materials must obtain written consent from persons whose name and medical information may be used in project Socialations or for other promotional purposes. For each person, a *Consent Form for Socialation of Name* must be completed and duly signed. (*Annex 6*) and provided to the office manager of the CSPI SF, who stores the Forms in files.

- If the research subject is illiterate or does not know the language in which the Form is written, CSPI SF staff should ask another person to read the Form to the subject and sign as a reader/translator at the indicated place.
- If the subject is illiterate, he/she may sign by making a mark on the indicated line.

Any employee of the CSPI SF taking photographs or filming must obtain written consent from the subjects whose images may be published by the CSPI SF at some point. See below for details on *the Photo/Video Permit Form (Annex 7)*.

In general, CSPI SF strives for Sociality of its work and encourages employees to interact with the media in order to increase the significance of CSPI SF programs.

1. Media inquiries of Kazakhstan

If an employee of the CSPI SF is approached by the local media, then the staff contacted by them should immediately inform the President of the CSPI SF, who will determine the appropriate response strategy. At the same time, the Vice-President of the CSPI SF is also available for consultation.

2. Field visits with media representatives

If the President of the CSPI SF plans to send a media representative to the project field office, the representatives of the agencies operating on this project site should first be contacted. As a courtesy, it is important to establish prior contact with partner agencies to enable them to fully prepare and increase the likelihood of a positive outcome of the visit.

For high-ranking visitors, such as a representative of a well-known international newspaper, the President should take the following steps:

1. Contact the Vice-President of the CSPI SF and discuss and plan the visit together

2. Contact the Ministry of Health and other local partners to find out what protocols they would like the CSPI SF to follow during these visits.

The above guidance also applies to high profile visitors from a funding institution such as an international foundation.

H. Socialations

Posts must comply with the logo and wordmark policy and co-branding requirements described above.

Socialations funded by a grant or contract funding may require written recognition of the grant or contract (including, for example, the co-operation agreement number), if specified in the regulations.

I. Graphic Design Services

The project director provides guidance and assistance to the staff of the CSPI SF in the development of posters, teaching aids, clinical materials and PowerPoint presentations. Most design services can be provided at home for free. Depending on the size, complexity and time requirements of the project, the CSPI SF may hire a freelance graphic designer or, if the information is in Russian (or another language) for in-country materials, the graphic designer may be a hired consultant in Kazakhstan.

i . Printed materials

CSPI SF coordinates the printing of newsletters, posters and Socialations requiring color, laser or offset printing. This includes identifying the most cost-effective printing method and supplier in accordance with CSPI SF procurement guidelines, coordinating the delivery of electronic files to printers, providing proofs and sending changes to printers, and scheduling delivery of the final product.

J. Business Cards

A standard business card template has been developed for the office and employees of the CSPI SF. These templates are supported by the office manager. The printing of business cards for employees is also coordinated by the OM and is in line with office procurement guidelines.

K. Newsletters

1. Content

The project director coordinates the writing and production of the newsletters. It is a quarterly four-color Socialation for internal and external audiences. The newsletter is issued in Russian and, if necessary, translated into Kazakh/English, depending on the audience. The content of both Socialations is determined by the teams of the CSPI SF and submitted for approval to the Vice-President.

L. Website and social media

1. Changes in content and design, newsletters

The Vice President and Marketing Specialist oversee the content on the CSPI SF websites, social networks (Twitter , Facebook , etc.) and program pages, including page templates, text and images. All requests for additions and changes to the website must be directed by email to the Vice President. Text changes on a website can usually be made within 24 hours of being submitted. In addition, vacancies in Kazakhstan will be posted through mailing lists and other professional contacts.

2. Technical contact

Marketing and Administration Specialist is the initial point of contact for technical issues related to the CSPI SF website. Depending on the complexity of the problem, the marketing and administration specialist of the CSPI SF will work with the IT manager to solve any technical problems. The Kazakh and English versions of the site will be translated by a staff translator or hired agency and uploaded by a staff IT specialist.

M. Press releases

1. Production

The Marketing and Administration Specialist of the CSPI SF coordinates the development, approval and distribution of press releases about the programs of the CSPI SF and their achievements with the DP, President and Vice-President. Employees interested in press release development should e-mail their ideas to the Marketing and Administration Specialist at least five business days prior to the required press release distribution date.

Even if the press release is intended for distribution to the local media, it must in any case be approved by the CSPI SF marketing and administration specialist.

2. Consultations and approvals

Prior to writing a press release, the CSPI SF marketing and administration specialist consults with relevant members of the CSPI SF executive teams to determine if the topic is appropriate in the context of the CSPI SF mission and strategic communications priorities. After the press release is approved, the marketing and administration specialist works with the CSPI SF staff to develop information and write the text. Depending on the topic of the press release, the marketing and administration specialist consults with the project directors and the Vice-President. The Project Director and/or Vice President must provide final approval for press releases prior to distribution.

3. Distribution

For press releases developed for local media, the CSPI SF marketing and administration specialist works with project directors to identify suitable media outlets and determine their processes and deadlines for receiving press releases. If possible, the marketing and administration specialist distributes the press release electronically to the local media. In situations where distribution of a paper copy is required, the marketing and administration specialist coordinates distribution with the staff of the CSPI SF.

N. Photo

If possible, photographs or videos taken in Kazakhstan should be sent to the CSPI SF marketing and administration specialist who maintains the CSPI SF image library.

Any employee of the CSPI SF taking photographs or filming must obtain written consent from persons whose images may be published by the CSPI SF at some point. ***For each person photographed or recorded on video and intended to be published on any media resource, you must complete, properly sign and provide a consent form to a marketing and administration specialist*** who stores the forms on file (*Annex 7 - Photo/Video Consent Form*).

If the subject of the photo or video is illiterate or does not know the language in which the form is written, CSPI SF staff should ask another person to read this form to the subject and sign at the indicated place as a reader/translator. If the subject is illiterate, he can sign by making a mark on the specified line.

All employees of the CSPI SF, unless otherwise agreed by the marketing and administration specialist, give the implied consent to their photographing or video recording and the Socialation of their images in print or electronic Socialations.

See the section above for copyrights of photos and videos.

IV. Procurement policies and procedures

A. Procurement policies and procedures

The purpose of the procurement policy is to ensure that the CSPI SF team gets the best deal when purchasing goods and follows the systems approved by the CSPI SF, which have been designed so that the company can delegate greater authority and responsibility for procurement and payment to the project team. For the implementation of projects, procurement is carried out daily, weekly and monthly. All purchases and payments are subject to approval and must be made in accordance with the CSPI SF Signatures Policy for Purchases included in this section.

1. All purchases of goods or services, regardless of where they are purchased, must comply with the policies of the organization.
2. Price offers: it is necessary to receive 3 bids/quotations from potential suppliers. Requirements include:
 - Proforma invoices can be used as quotations, but are not accepted for payment - invoices with the supplier's stamp are required.
 - Requested proposals must be attached to the expenditure documentation or written explanations must be provided.
 - The administrative staff is responsible for opening offers.
 - It is important to take into account the local legislation of the Republic of Kazakhstan.

B . Procurement procedures

The following describes the steps required to purchase goods or services. The process depends on the total cost of the purchase.

1) PRE-ALLOWED TIME:

a) Procurement for a project begins when the project team identifies a need to procure goods or services from an external supplier.

b) Project staff should normally schedule at least 2-4 business days for small purchases of typical materials or services for an amount in tenge equivalent to less than 1,000 (one thousand) US dollars.

c) For purchases in tenge equivalent to more than 1,000 (one thousand) US dollars, the initiator of the purchase must collect bids, fill out the purchase application form and obtain the approval of the President of the CSPI SF prior to purchase. This process should be scheduled for at least 5 days, and may take longer.

e) The needs of the project program can sometimes make it impossible to plan long enough. In such cases, the requester should discuss the procurement with management to determine a workable plan to complete the procurement more quickly.

2) WHAT TO BUY:

a) The project specialist specifies the goods or services to be procured in sufficient detail to ensure that the supplier knows exactly what the project requires and can deliver.

3) WHO IS RESPONSIBLE:

Project staff typically handle procurement related to their technical work and operations, with the assistance of administrative staff if required; employees of the administrative and financial department are engaged in the purchase of consumables, equipment and services for office management.

The Administrative and Financial Department of the CSPI SF is responsible for collecting quotations, analyzing offers, selecting a prospective seller, negotiating payment terms, preparing a purchase order, receiving an invoice for payment, verifying the delivery of goods or services, and receiving receipts from the seller. The FM must follow the steps below to complete the purchase in accordance with Table 2 of this Guide.

4) COLLECTION OF OFFERS:

a) Buyer may use newspaper advertisements, supplier directories, price lists, websites, phone calls or faxes, emails to solicit quotations from suppliers.

5) DISCUSSION OF CONDITIONS:

a) It is important to discuss payment terms. After initially identifying the supplier that best meets the technical and price requirements, the buyer should discuss payment terms with the likely supplier. If the purchase amount exceeds 1,000,000 tenge, equivalent to 2,500 US dollars, the technical officer may request assistance in negotiations from the Management. However, it is often advantageous for the buyer to discuss payment terms with the seller in order to be sure that they can deliver on time and within a reasonable amount of time. The basic information required to agree on payment terms is set out below.

C. Payment, price and negotiation advice

Almost all providers, especially new ones, require full payment in advance. This should not be encouraged as it increases the risk of non-return of funds, allowing for prompt delivery or quality of service provided. Full prepayment for any goods or services is not allowed. 100% prepayment is not payable without delivery of goods/services. In situations where it is not possible to avoid some part of the payment, such as a deposit, finance staff require the signature of the President or Vice President to assume such risk. Such a risk is acceptable only in emergency cases. Any prepayments should only be tracked in the ledgers and offline if the amounts cannot be tracked in the system.

With regard to prepayments, CSPI SF recommends that its financial staff negotiate with suppliers to minimize the amount of prepayment for services or goods. Local sellers usually require 100% prepayment for goods and partial prepayment (25%, 50% or 70%) for services. It is desirable that the CSPI SF make an advance payment of no more than 70% (preferably 50%) under the agreed contract. In the event that a supplier requires a higher maximum prepayment, finance staff will endeavor to negotiate a minimum prepayment to the extent possible. The minimum prepayment can be considered as a factor in the evaluation and selection of a supplier.

All payments must be made by bank transfer

PURCHASE REQUEST:

Once the price and terms of payment are clear and the supplier has been identified, an invoice for payment must be received. The buyer sends it to the Administration and Finance Department for verification. When the Purchase Order (invoice) is approved, the actual purchase can be made. (See *Annex 8 Procurement Request Form*).

PURCHASE AND INVOICE:

After the purchase, an invoice/invoice must be issued. Invoices are required for all purchases. To make a payment, the office accountant (OB) must receive an invoice from the supplier that includes all items listed below. If the supplier does not have a printed invoice for payment, he can use his form provided by the project, but fill in all the data in it, sign and stamp. *The invoice form for payment is given in Annex 9* . If the terms involve multiple payments, the supplier must issue a single invoice that specifies the terms and amount of the two or more payments. The invoice for payment must include a printed request for payment, the name of the supplier, address and telephone numbers, complete information with a description of the goods, indicating quantity, unit price and total cost, in the absence of correction fluid used by the seller or project, the seal of the supplier with the name company, tax file number and commercial register number, as well as the seller's signature on the invoice for payment.

PAYMENT BY TRANSFER:

To pay by bank transfer, the supplier must provide detailed bank details. The finance department pays the supplier directly based on the invoice.

DOCUMENT:

To complete the registration of a financial transaction, the supplier must provide either receipts for all payments made, or a single receipt for the final payment, as the case may be. The receipt from the supplier includes: the name of the supplier, address (and, if possible, telephone number), confirmation of the amount of payment received, as well as the seal of the supplier or his signature and its transcript (*Annex 10*).

D. Purchasing using the purchase requisition form

The Purchasing Policy using the "Purchase Requisition Form" applies when an employee needs to purchase goods or services that are subject to the following requirements for a purchase requisition:

GOODS: For the purchase of non-expendable property, which is defined as property worth more than 1,000 (one thousand) US dollars in Tenge, and whose "useful life" is more than 2 years. Accordingly, non-expendable property includes furniture, computers, office equipment, audio/video equipment. Please note that some properties may have a value of less than \$1,000 but have a "lifetime" of more than 2 years and are therefore non-expendable.

SERVICES: To purchase services only if the amount of the invoice for payment exceeds 1000 USD to support the operation of the project. Accordingly, such services may include the installation of new telephone lines, printing, and professional services provided by the company (repair/renovation and construction of offices, security services, etc.).

E. Procurement approval within work plan and budget

Procurement of items that are not subject to the requirements for the procedures of the Procurement Requisition Form as described in the previous section, but which are approved purchases in accordance with the work plan and budget, can be purchased directly (following the general documentation and authorization procedures) without a Procurement Request Form. purchase. Such positions include:

- Visas , taxis
- Employees, consultants, third-party services
- Express Mail
- Rent and utilities, telecommunications
- Catering/premises for conferences, seminars and training events
- Rental or maintenance of equipment and computers

Note: The list provides illustrative examples, but if you are in doubt about whether what is required for the project is in

accordance with the procurement policy, you should consult the CSPI SFGuide.

F. Procurement for program/project activities

Often employees are required to pay for the costs associated with events within the program (conferences, trainings, seminars, etc.), i.e. accommodation and transportation of participants, as well as related costs for the event. As a general rule, all program activities should be part of the approved project work plan. If they are not included in the approved work plan, they may also need approval from the President and Vice-President of the CSPI SF).

When planning program activities, the project director should determine:

- Purpose of the program event ;
- Agenda for the program event ;
- Who / how many will be participants ;
- Program event budget ;
- Will accommodation and transportation be provided for participants;
- room ;
- What additional services will be required (coach, translation, meals, etc.)

To request the organization of accommodation, accommodation and catering for program events, the project director must submit a written purchase request at least 15 working days before the event. The purchase requisition must include the following information:

- The date the funds are required;
- Expected dates of events;
- Number of participants;
- Per diem for participants;
- Detailed budget;
- What services are needed.

The Financial Manager (FM) checks the form for completeness, making sure that the activity is included in the project budget, and that the proposed cost and time frame are appropriate and reasonable. After checking these points, the President signs the form to recommend the activity to management.

The approved form must be sent to the finance department at least 7 business days prior to the date the funds are required. No cash advances will be processed for the payment of the hall or other conference facilities. Separate activity requests should be prepared by staff for each activity and each employee involved in the activity.

G. Service and Vendor Agreements

All services and goods of the supplier are pre-approved by the annual budget. Such agreements include:

The following types of agreements and transactions may be executed by the President:

- security service agreements;
 - contracts for the lease or maintenance of vehicles;
 - contracts for utilities and telephone services;
 - equipment maintenance contracts ;
 - office cleaning services ;
 - conferences and related meetings;
 - local professional services agreements;
 - maintenance and repair.
-
- For all agreements, the following will apply: The agreement will be valid for a maximum of one year and may be renewed only once (up to the second year); other than long-term leases or project contracts;
 - CSPI SF will have the right to terminate the agreement with 30 days' notice at any time;
 - A clear scope of work and deliverables will be provided in all agreements;
 - CSPI SF uses standard model agreements that have been checked for compliance with the laws of Kazakhstan. FM sends agreements to the President for final review and signing;
 - The President will be the only person who signed the agreement on behalf of the CSPI SF, unless otherwise provided by an additional power of attorney or order;
 - There must be no conflict of interest (for example, contracts cannot be with relatives of employees):

- The seller or service provider must not offer (and will not offer during the term of the agreement) any compensation, reward, gift, favor, service, part-time job, reimbursement, loan, share of ownership, or anything else in monetary terms for any official, employee, student or teacher of the CSPI SF as an inducement to enter into or continue the agreement;
- The Agreement does not provide for compensation for losses from the CSPI SF.
- Copies of all signed agreements will be kept in the office of the CSPI SF for the next 5 years, and then will be sent to the archive for further storage.

Special Terms of the Security Services Agreement:

- The agreement will be signed with a security company, not with an individual;
- The company must be able to prove that routine background checks have been carried out on individuals who will provide security services.

Special policies and guidelines apply when signing service agreements required by the CSPI SF office. The president and financial manager are responsible for enforcing these rules.

Procurements included in the approved budget and exceeding \$1,500 are signed by the President. This includes positions such as seminars, meetings and trainings; The President approves domestic and regional travel and international travel within the CIS; approves the hiring of the program consultant; approves recruitment; approves business trips/participation of project directors in conferences/seminars/meetings outside the city of work.

V. Finance

A. Financial management and procedures

Internal control consists of three integrated elements: 1) General control environment; 2) Efficient financial and administrative systems; and 3) Established control procedures.

The CSPI SF has taken a number of steps to ensure that these three elements are designed and implemented accurately and appropriately. While this Operations Manual provides the basis for such internal controls, continuous improvements and enhancements may be required.

To ensure the efficiency of financial and administrative systems, an accounting system consists of procedures established to identify, collect, classify, analyze, record and report on an entity's transactions, and to maintain records of related assets. The Organization maintains detailed control procedures to reduce the risk of error in any financial transactions, records and reports. These procedures include:

- Permission for transactions must be issued by persons acting within their authority, and the transaction must comply with the conditions of authorization;
- Transactions must be recorded in amounts and in the accounting periods in which they were performed; transactions must be recorded in the appropriate accounts;
- Access to assets must be limited to authorized personnel in accordance with the policy/authority of the signatory;
- Independent comparisons of assets with the registered accounts of those assets should be made;
- Different sources and outputs of registered accounts should be compared with each other (i.e. the totals of the accounts are compared with the totals of the source documents);

1. The role of financial management

The Financial Manager is responsible for the overall management of the CSPI SF, including the financial aspects of the CF. FM is solely responsible for allocating and disbursing all project funds in accordance with these Guidelines. The Vice President and FM provide operational assistance to the President in the areas of financial management and processes. The FM supports the President and Vice President in financial management, and the Project Directors are responsible for reporting the costs associated with the project.

The Financial Manager, supervised by the Vice President, is responsible for day-to-day oversight of the operational components of the project, including financial support teams, and for compliance with the financial policies and procedures of the CSPI SF. CSPI SF complies with all laws of the Republic of Kazakhstan. The accountant is responsible for maintaining the local accounting system and prepares mandatory reports to the tax inspectorate of the Republic of Kazakhstan, the Agency on Statistics and other local governments.

B. Financial management

1. SF opened settlement accounts with Halyk Bank of Kazakhstan.

The President and the Accountant have access to a bank account and funds to conduct operations in Kazakhstan. The President of the CSPI SF in Kazakhstan is the main person signing the accounts, the second signature is from the Accountant, who prepares payment orders, requests certificates.

The President may delegate bank signature authority to the Vice President or the Financial Manager. Any bills and salaries are paid by bank transfer.

Bank reconciliation form

The Accountant submits bank statements and all payment orders to the Financial Manager on a monthly basis, or more frequently (upon request).

2. Overview of the financial cycle of the project

The following sections provide a summary of the financial procedures established by the CSPI SF with respect to coordinating the control of the movement of funds. The financial cycle describes: disbursement of funds (cash flow), recording of these funds (accounting control), monitoring of expenditures (budget tracking and monthly reports) and reconciliation of the costs incurred.

C. Kazakhstan financial management and accounting

1. Keeping a cash register

CSPI SF does not maintain a local cash account. If necessary, corporate cards are opened for employees, allowing them to make payments to suppliers.

Control over funds on corporate cards is carried out through the banking application and advance reports of employees.

Cash Policy

If necessary, cash transactions can be used in the CSPI SF. In this case, cash transactions will be carried out on the basis of the Rules of Conduct, in accordance with local legislation.

2. Accounting system and budget management in Kazakhstan

For the purposes of local reporting, the accounting system of the CSPI SF follows Kazakhstani legislation and submits to local tax and other authorities periodic reports that do not indicate the source of funds. In order to track the expenses of the office and the SF project, the CSPI maintains “internal” records of the expenses of the office and projects. Activities and budgets are categorized by account codes and country project codes and according to predetermined budget allocation rates.

i . Ordered audits

The CSPI SF will use local audit firms to periodically reconcile taxes and other mandatory payments and/or to periodically verify compliance with local laws. At the request of the CSPI SF, OBs may be asked to prepare a list of locally available accounting firms. In addition, the CSPI SF will cooperate with any audit conducted by the donor .

ii . Local accounting and inspection procedures

CSPI SF will carry out its financial and accounting practices in accordance with Kazakhstan accounting rules (financial and accounting). CSPI SF offices use the 1C accounting system (accounting software used in Kazakhstan) to comply with national accounting standards, CSPI SF requires its financial and accounting staff to be fully cooperative and transparent with national inspectorates who may initiate financial audits at their discretion Anytime. Thus, employees must provide access to the financial system and company documents, including 1C Accounting databases and contract files. All members of the finance team should actively look for ways to improve the financial and administrative system of the CSPI SF in order to be prepared for any future legal, audit or financial complications. Accordingly, the office of the CSPI SF should use the 1C accounting system, obtain accounting/tax journals, participate in relevant financial and administrative trainings, and, under the guidance of the Vice President, consult, meet and discuss with other international organizations current financial and administrative trends, research use computerized audit/tax update programs, consult with lawyers or audit/tax firms.

Financial personnel of the CSPI SF must include in their financial files any documents required by local or national law

to comply with local tax, audit or financial regulations. Financial staff is provided with a list of required documents .

3. Internal control at the office level

All offices of the CSPI SF have the following internal control systems in place to ensure the security of relevant financial and confidential assets.

- An office accountant should be located in an office with secure doors, windows, and rooms. Accountant must take the necessary measures to ensure the proper security of the financial cabinet and the office as a whole. Thus, all financial premises should have a reliable and durable lockable door and, if necessary, window bars. In addition, the office safe should be placed in a place that is inaccessible for viewing during off-hours. If necessary, the FM must inform the office manager of other security measures that need to be taken to ensure the safety of cash in the office.
- The financial office must be under constant surveillance and must be locked down during non-working hours. The accountant and FM must control the key to the financial premises, and only the accountant must control the key to the office safe.
- It is recommended that the Accountant, if there are cash transactions, establish "cash hours" when project staff can receive money for office or personal payments. Hours can be set according to a schedule, but must be in the morning to ensure that all accounts and documentation are updated before the end of the business day. By setting a fixed checkout schedule, he minimizes the amount of time the OB has to open the safe during the business day. FM and Accountant should include wording about "cash hours".
- The President or Vice President may request a cash check at any time. The RO must be prepared to present cash and prepare a cash reconciliation form for all parties to sign. Cash reconciliation should occur regularly, but randomly, and not disclosed. The original cash reconciliation forms must be kept in an individual folder and copies submitted with the monthly financial statements at the central office in Almaty. The cash book is stitched, sequentially numbered, signed by FM and stored in the financial department.
- The Accountant must have an individual printer, which is located in the financial office and is used to print financial documents. While it doesn't have to be expensive, it should be a separate printer to keep financial documents secure and private. Accordingly, no other office personnel should have access to this printer.
- The Accountant must have a vertical, lockable metal file cabinet for storing financial files. The Center's Human Resources Coordinator must also have a vertical, lockable metal file cabinet for storing personal files. The filing cabinet should consist of separate drawers, with one drawer for consultants and staff files, another for important financial documents, and a third for purchasing files. These files should be regularly reviewed, monitored and controlled by FM.
- FM and Accountant should work closely with project directors to clearly describe policies for cash procedures, procurement processes and signatures. At the project level, the PR and project directors are responsible for ensuring internal financial controls and procedures. At country level, the Deputy General Manager/Finance Manager and the office accountant are responsible for such systems.

4. Procedures of CSPI SF for monthly payroll calculation

i . Submission and approval of the monthly time sheet

As stated in *the CSPI SF Recruitment Guidelines* , all wages must be paid once a month on the last working day of the month, but no later than the 10th day of the following month, by direct transfer to the employee's debit card. All employees of the CSPI SF are paid in Kazakhstani tenge in accordance with their employment contracts. All employees have access to an electronic version of the time sheet, where they must record daily the time spent on each type of activity in the CSPI SF. *The form of the time sheet is given in Annex 16* . By the last day of the current month, all employees must provide their supervisors with a completed, signed monthly time sheet for review, review, and approval. The project director receives all the timesheets of the project staff, checks, approves, signs and sends to the HR manager. After review and approval by the supervisor, all completed monthly timesheets and labor costs must be checked by the HR manager and approved by the President of the CSPI SF.

ii . Alternative submission and timesheet approval

In all cases, the worker's supervisor/project director must approve and sign the time sheet. However, in the event that the supervisor is unavailable due to a business trip or other absence, the project director may sign the time sheet. If an employee will be absent from the office during a vacation or other long absence on the last day of the month, his time sheet must be completed, approved in advance and submitted to the HR manager. In all cases, you must comply with local legislation on payment procedures.

iii . Recommendations for monthly payroll and timesheet

The issuance of a payroll is subject to the completed, signed and authorized submission of original timesheets from all employees. To the maximum extent permitted by applicable law, timesheets not received by the above deadlines will result in the employee not being paid on payday. Each employee is solely responsible for the timely submission of a completed and signed time sheet signed by their supervisor. The original signed time sheet must be attached to the payment order. A copy of each time sheet should be made and kept in a separate folder for consultant and employee monthly sheets. Copies of timesheets are NOT required to be kept in the personal files of consultants or employees. If the HR manager discovers an error, it must be brought to the attention of the employee and the employee must make the appropriate corrections and re-approval with the supervisor. Time sheets must be completed in ink (blue) or printed out, and errors must be crossed out in one line and signed with an explanation of the error recorded on the time sheet. *Do not use white marker for corrections.* Faxed time sheets and their photocopies are not suitable for audit documentation, so only the original signed and approved time sheet must be provided for payment purposes. If you are faxing a copy of the time sheet due to a business trip, you must provide the HR manager with the original time sheet as soon as possible after your return .

iv . Additional payroll procedures

All other payments are subject to national legislation and the CSPI SF Recruitment Manual. Financial officers of the CSPI SF are required to keep payroll in accordance with the requirements of national accounting and make all necessary tax, social and pension contributions for statistical agencies in accordance with national requirements.

v . Overtime Compensation

Overtime pay is regulated by the CSPI SF Recruitment Manual.

vi. Health insurance

Employee insurance costs must be included in employee income and subject to all applicable taxes.

5. Types of advances and payment procedure

The CSPI SF pays advances, which are amounts of money made available by the project to a staff member or consultant to cover specific estimated costs of the project. When the person spends the funds and provides the proper documentation for the project, the advance must then be reconciled. Reconciliation means that the advance was spent on legitimate project costs, it is credited to the individual's advance account, and the actual costs can be recorded and charged to the appropriate project and account codes. Advances are not paid expenses of CSPI SF. Therefore, the CSPI SF is responsible for these funds until receipts are received to compensate for the advance. Based on this fact, it is the policy of the CSPI SF that no employee may have more than two outstanding advances at any given time, and that advances must be fully reconciled within five days of the end of the trip or ten days of the last day of the workshop assembly. If any advance is not settled within this required time, the amount will be automatically deducted from the employee's next paycheck. In accordance with the policies and procedures of the CSPI SF, various types of advances are permitted, as indicated below.

i . Travel advances

A travel advance is given to an employee or consultant to ensure that they have sufficient funds to pay for accommodation and meals during project travel. They are generally issued to employees or consultants who will be residing in a location where the CSPI SF does not have a hotel account and/or the employee will be away from their registered home for more than two nights. Advances for travel are provided on the basis of the rates established by the CSPI SF travel expenses for the place where a person is traveling, or the rates of travel expenses established by the legislation of the Republic of Kazakhstan for places outside the regulation zone of the CSPI SF. The per diem rates established by the CSPI SF are based on current Kazakhstani rates and must be used by all staff and consultants when traveling on CSPI SF projects.

Employees or consultants interested in receiving advance payments for the project must complete the CSPI SF travel

advance application form , which can be found in *Annex 17* . To complete this form, the traveler must complete Section I , location and number of days in Section II , and sign the form. He must then ask his supervisor to approve the advance for the trip or attach documentation to prove that the trip has been approved.

Travel advance is only available upon submission of an approved travel advance application form. The staff member or consultant is not required to submit it if they do not wish to receive an advance and can cover all anticipated travel expenses from their own funds. However, the approved trip will be refunded regardless of whether an advance payment has been made for the trip. If an advance has been taken, the balance due to the traveler, if any, will be refunded upon submission of an approved *travel expense report* as shown in *Annex 18*. Please note that travelers may request additional funds to cover other anticipated business expenses, such as local travel expenses or phone calls.

ii . Advances for program activities

A program activity advance may be given to a staff member or consultant who is responsible for the administration and logistics of a program activity such as a seminar, training, meeting or conference. Ideally, however, the logistical and financial arrangements for such activities should be coordinated through appropriate financial and administrative staff who can make financial payments through contracts or agreements with suppliers. In the event that an advance payment is required, *the Program Activity Planning/Budget Form (see Annex 19) should be developed by the Program Officer* responsible for the activity and approved by the Deputy General Manager/General Manager. Please note that if a program activity has been included in a regionally approved workplan and budget, the President or Vice President will provide the necessary approval for this Activity Plan/Budget. The approved action plan/budget should then be sent to the appropriate finance staff for processing. The program activity advance must be paid in full to ensure that the staff member has sufficient funds for all anticipated expenses. All receipts and supporting documentation for advance reconciliation must be submitted within 10 days of the completion of program activities.

iii . Operating advances

An operating advance may be given to an employee or consultant who is responsible for procuring goods or services for the operation of an office. In general, such advances must be made in their own name by FM and OB at the regional level. Procurement of goods or services for office operations must be carried out in accordance with the CSPI SF Signatures Policy. In addition, the goods or services must comply with the approved project work plan and budget.

iv . Personal advances

Personal advances against the monthly salary of an employee or consultant are highly discouraged and require the approval of the President of the CSPI SF. If personal advances were allowed, they will be automatically deducted from the employee's salary and reconciled in the 1C accounting system. In emergency cases, after prior agreement with the supervisor and the President, the employee is entitled to receive an advance on wages.

VI. Conflict of interest

The federal Public Health Service (PHS) has adopted regulations ([42 CFR Part 50 Subpart F](#) and [45 CFR Part 94](#)) on Promoting Objectivity in Research. These regulations describe the actions an individual and an organization must take in order to promote objectivity in research. The regulations apply to all PHS funded grants, cooperative agreements, research contracts (but not Phase 1 Small Business Innovation Research or Small Business Technology Transfer program grants), and subawards where the originating sponsor is PHS. The regulations require that investigators submitting applications for funding on behalf of a subrecipient, where the prime sponsor is PHS (e.g., funding from the National Institutes of Health, the Food and Drug Administration, the Centers for Disease Control), prior to the submission of the subaward application to the PHS Grantee organization¹, disclose to Social Fund “Center for scientific-practical initiatives” (CSPI SF) any significant financial interests related to their institutional responsibilities at Social Fund “Center for scientific-practical initiatives”.

1. Definitions

Institutional responsibilities means an Investigator’s professional activities on behalf of CSPI SF (e.g., teaching, administration, research or clinical care). Specifically, these include:

- Externally sponsored research or scholarly activities (includes activities such as proposing, conducting, and analyzing research and disseminating results);
- Research (includes participation in study sections, peer review of manuscripts, or effort on non-sponsored research);
- Instruction/University Supported Academic activities (including preparation for and presentations of formal and informal courses to students/trainee groups, mentoring students and trainees, and participation in resident

training);

Practice Plan and affiliated hospitals;

- Administrative activities including serving as Department Chair, Program Director, or service on institutional committees, participation in department activities or faculty advisory boards, etc.; or
- Special Service activities on behalf CSPI SF including institutional community service.

Investigator means the project director or principal Investigator and any other person, regardless of title or position, who is responsible for the design, conduct, or reporting of research funded by a subaward, or proposed for such funding, which may include, for example, collaborators or consultants. CSPI SF's Principal Investigator/Project Director, upon consideration of the individual's role and degree of independence in carrying out the work, will determine who is responsible for the design, conduct, or reporting of the research.

Significant Financial Interest means:

(1) A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appear to be related to the Investigator's institutional responsibilities on behalf of CSPI SF.

(i) With regard to any publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value of any equity interest in the entity as of the date of disclosure, when aggregated for the investigator, investigator's spouse and dependent children, exceeds \$5,000. For purposes of this definition, remuneration includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); equity interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value;

With regard to any non-publicly traded entity, a significant financial interest exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or

(ii) With regard to intellectual property rights and interests (e.g., patents, copyrights), a significant financial interest exists upon receipt of income of greater than \$5,000 related to such rights and interests

(2) Third party reimbursed or sponsored travel (i.e., that which is paid on behalf of the Investigator and/or the Investigator's spouse/dependent children) of greater than \$5,000 that is related to the Investigator's institutional responsibilities (i.e., administrative, teaching, research, or clinical activities) must be disclosed to CSPI SF. The details of this disclosure will include at a minimum, the purpose of the trip, the identity of the sponsor/organizer, the destination, and the duration. This disclosure requirement excludes travel paid for by CSPI SF and does not apply to travel that is reimbursed or sponsored by an U.S. federal, state, or local government agency, an U.S. Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education. The term significant financial interest does not include the following types of financial interests:

(i) Salary, royalties, or other remuneration paid by CSPI SF to the Investigator if the Investigator is currently employed or otherwise appointed by CSPI SF, including intellectual property rights assigned to the CSPI SF and agreements to share in royalties related to such rights;

(ii) Income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles;

(iii) Income from seminars, lectures, or teaching engagements sponsored by an U.S. federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education; or

(iv) Income from service on advisory committees or review panels for an U.S. federal, state, or local government agency, an Institution of higher education as defined at 20 U.S.C. 1001(a), an academic teaching hospital, a medical center, or a research institute that is affiliated with an Institution of higher education.

2. Disclosure

(v) Prior to the submission of an application to the PHS Grantee for funding, the Principal Investigator and all other Investigators at Social Fund "Center for scientific-practical initiatives" must have disclosed to CSPI SF's Conflict of Interest Committee (COIC)/designated official an up-to-date listing of their Significant Financial Interests [SFIs] (and those of their spouse and dependent children), as defined above. Any new Investigator, who, subsequent to the submission of an application to the PHS Grantee for funding from the PHS Grantee, or during the course of the research project, plans to participate in the project, must similarly disclose their SFI to the COIC/designated official

promptly and prior to participation in the project.

(vi) Each Investigator who is participating in research under a subaward where the prime award originates from PHS must submit an updated disclosure of SFI at least annually, during the period of the award. Such disclosure must include any information that was not disclosed initially to Social Fund “Center for scientific-practical initiatives”, pursuant to this Policy, or in a subsequent disclosure of SFI (e.g., any financial conflict of interest identified on a PHS- funded project directly as a PHS Grantee and/or indirectly through a subaward) that was transferred from another Institution), and must include updated information regarding any previously disclosed SFI (e.g., the updated value of a previously disclosed equity interest).

(vii) Each Investigator who is participating in research under a subaward where the prime award originates from PHS must submit an updated disclosure of SFI (including reimbursed travel) within thirty (30) days of discovering or acquiring (e.g., through purchase, marriage, or inheritance) a new SFI.

3. Review by CSPI SF’s COIC/Designated Official

The COIC/designated official will conduct reviews of disclosures. The COIC/designated official will review any SFI that has been identified in a disclosure; these interests will be compared to each research subaward funded under a PHS prime award on which the Investigator is identified as responsible for the design, conduct, or reporting of the research to determine if the SFI is related to the award and, if so, whether the SFI creates a Financial Conflict of Interest (FCOI) related to that research subaward.

4. Guidelines for Determining “Relatedness” and Financial Conflict of Interest

The COIC/designated official will determine whether an Investigator’s SFI is related to the research under a subaward supported by a PHS prime award and, if so, whether the SFI is a financial conflict of interest. An Investigator’s SFI is related to the research under the subaward when the COIC/designated official reasonably determines that the SFI: could be affected by the research conducted under the subaward; or is in an entity whose financial interest could be affected by the research. The COIC/designated official may involve the Investigator in the determination of whether a SFI is related to the research supported by the subaward.

A financial conflict of interest exists when the COIC/designated official reasonably determines that the SFI could directly and significantly affect the design, conduct, or reporting of the PHS-funded research.

In determining if an Investigator’s SFI is related to the research under a subaward supported by a PHS prime award, and if so, whether the relationship creates a FCOI, the COIC/designated official considers the role of the Investigator and the opportunity (if any), to bias the results, the nature of the research being proposed, and the value of the SFI in relation to the size and value of the entity. In addition, the COIC/designated official may also consider the following factors:

1. Whether the research is of a basic or fundamental nature directed at understanding basic scientific processes; or
2. Whether the degree of replication and verification of research results is such that immediate commercialization or clinical application is not likely; or
3. Whether the goal of the research is to evaluate an invention linked to the SFI (such as where the SFI is a patent, or an interest in a company that has licensed the invention); or
4. Where the research involves human subjects, whether there are double blind conditions or the involvement of a data and safety monitoring board; or
5. Where the SFI is in a privately held company, whether the researcher’s SFI could result in the researcher having influence over company decisions, or whether the research could have a significant impact on the company’s business or financial outlook (excluding Phase I SBIRs and STTRs); or
6. The magnitude of the SFIs (e.g., the amount of consulting, or the percentage or value of equity); or
7. Where the SFI is in the sponsor of the research, and the sponsor is a licensee of the Discloser’s technology, the amount of commercialization payments received by the Investigator from that technology, both currently or in the future; or
8. The number and nature of relationships an Investigator has with an entity. Multiple entanglements can create a relationship with an outside entity that is stronger than the sum of the parts; or
9. Whether the goal of the research is to validate or invalidate a particular approach or methodology that could

affect the value of the SFI; or

10. Whether other scientific groups are independently pursuing similar questions; or

11. Whether sufficient external review of the research conducted and the reporting of research results exist to mitigate undue bias; or

12. Whether the goal of the project is a comparative evaluation of a technology in which an Investigator has a SFI; or

13. Whether the project involves a subaward to an entity in which the Investigator has a SFI.

Management of Significant Financial Interests that Pose Financial Conflict(s) of Interest

If a conflict of interest exists, the COIC/designated official will determine by what means— such as the individual’s recusal from decisions affecting the conflicting entity, abstention from the external activity, modification of the activity, and/or monitoring of the activity by a subcommittee – the conflict should be avoided or managed in order to mitigate undue bias. In making those determinations, the COIC/designated official will be guided by the principles discussed in this Policy the COIC/designated official will also take into consideration whether the Investigator’s ongoing role is necessary to continue advancing the research, based upon the factors such as the uniqueness of his or her expertise and qualifications.

Examples of conditions that might be imposed to manage a financial conflict of interest include, but are not limited to:

- a) Public disclosure of financial conflicts of interest (e.g., when presenting or publishing the research);
- b) For research projects involving human subjects research, disclosure of financial conflicts of interest directly to human participants;
- c) Appointment of an independent monitor capable of taking measures to protect the design, conduct, and reporting of the research against bias resulting from the financial conflict of interest;
- d) Modification of the research plan;
- e) Change of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the research;
- f) Reduction or elimination of the financial interest (e.g., sale of an equity interest);
- g) Severance of relationships that create financial conflicts;
- h) For research projects involving human subjects research, use of a data and safety monitoring board;
- i) Double-blind conditions;
- j) Provisions to conduct the work simultaneously at multiple sites;
- k) Written disclosure of the conflict to all individuals working on the research project;
- l) Annual reports on the research progress to the COIC/designated official.

If the COIC/designated official determines that a conflict exists, it will communicate its determination and the means it has identified for eliminating or managing the conflict, in writing, to the individual, to the relevant Principal Investigator/Project Director, and the appropriate direct supervisor. The COIC/designated official will keep a record of the disclosure and other relevant information for at least three years. If the COIC/designated official prescribes monitoring of the activity, it will describe what monitoring shall be performed and what records are to be kept.

No expenditures on a subaward supported by a PHS prime award will be permitted until the Investigator has complied with the Disclosure requirements of this Policy and has agreed, in writing, to comply with any plans determined by the COIC/designated official necessary to manage the Conflict of Interest. The COIC/designated official will communicate, in writing, with the PHS Grantee to notify it of the existence and the nature of a Financial Conflict of Interest and whether the conflict has been managed, reduced, or eliminated. No expenditures can be incurred until the PHS Grantee has reported the FCOI to PHS. The PHS Grantee will notify CSPI SF when it may incur expenditures.

The COIC/designated official will keep a record of Investigator disclosures of financial interests and the COIC/designated official’s review of, and response to, such disclosure and all actions under this policy. Such records will be maintained and kept for at least three years from the date the final expenditures report is submitted and in accordance with the terms and conditions of the subaward and relevant PHS Regulations.

5. Public Accessibility to Information Related to Financial Conflicts of Interest

Prior to the expenditure of any funds under a subaward funded by a PHS prime award, Social Fund “Center for scientific-practical initiatives” will ensure public accessibility, via a publicly accessible Web site or by written

response to any requestor within five business days of a request, of information concerning any SFI disclosed that meets the following three criteria:

- (i) The Significant Financial Interest was disclosed and is still held by the senior/key personnel. Senior/key personnel are the PD/PI and any other person identified as senior key personnel by Social Fund “Center for scientific-practical initiatives” in the subaward application to the PHS Grantee, progress report or any other report submitted to the PHS Grantee;
- (ii) Social Fund “Center for scientific-practical initiatives” has determined that the Significant Financial Interest is related to the research funded through a subaward; and
- (iii) Social Fund “Center for scientific-practical initiatives” has determined that the Significant Financial Interest is a financial conflict of interest.

The information that Social Fund “Center for scientific-practical initiatives” will make available via a publicly accessible Web site or in a written response to any requestor within five days of request will include, at a minimum, the following:

- (i) The Investigator’s name;
- (ii) The Investigator’s title and role with respect to the research project;
- (iii) The name of the entity in which the Significant Financial Interest is held;
- (iv) The nature of the Significant Financial Interest; and
- (v) The approximate dollar value of the Significant Financial Interest in the following ranges: \$0-\$4,999; \$5,000-9,999; \$10,000 - \$19,999; amounts between \$20,000-\$100,000 by increments of \$20,000; amounts above \$100,000 by increments of \$50,000), or a statement that the interest is one whose value cannot be readily determined through reference to public prices or other reasonable measures of fair market value.

If Social Fund “Center for scientific-practical initiatives” uses a publicly accessible Web site to comply with the public disclosure requirements of the PHS regulations, the information posted will be updated at least annually, and within sixty days of receipt or identification of information concerning any additional Significant Financial Interest of the senior/key personnel for the PHS-funded research project that had not been previously disclosed, or upon the disclosure of a Significant Financial Interest of senior/key personnel new to the PHS-funded research project, if it is determined by the COIC/designated official that the Significant Financial Interest is related to the research and is a financial conflict of interest.

If Social Fund “Center for scientific-practical initiatives” responds to written requests for the purposes of public accessibility, it will ascertain from the Investigator that the information provided is current as of the date of the correspondence, and will note in its written response that the information is subject to updates, on at least an annual basis and within 60 days of the CSPI SF’s identification of a new financial conflict of interest, which should be requested subsequently by the requestor.

Information concerning the Significant Financial Interests of an individual, as limited by this Policy, will remain available, for responses to written requests or for posting via CSPI SF’s publicly accessible Web site for at least three years from the date that the information was most recently updated.

6. Reporting of Financial Conflicts of Interest

Prior to the expenditure of any funds under a subaward funded by a PHS prime award, Social Fund “Center for scientific-practical initiatives” will provide to the PHS Grantee a FCOI report compliant with PHS regulations regarding any Investigator’s Significant Financial Interest found to be conflicting and will ensure that the Investigator has agreed to and implemented the corresponding management plan. Social Fund “Center for scientific-practical initiatives” cannot incur expenditures until it has received notification to do so from the PHS Grantee.

While the subaward is ongoing (including any extensions with or without funds), Social Fund “Center for scientific-practical initiatives” will provide to the PHS Grantee an annual FCOI report that addresses the status of the FCOI and any changes in the management plan.

For any Significant Financial Interest that is identified as conflicting subsequent to an initial FCOI report during an

ongoing PHS-funded research project (e.g., upon the participation of an Investigator who is new to the research project), Social Fund “Center for scientific-practical initiatives” will provide to the PHS Grantee, within forty five days, an FCOI report regarding the financial conflict of interest and ensure that Social Fund “Center for scientific-practical initiatives” has implemented a management plan and the Investigator has agreed to the relevant management plan.

7. Training Requirements

Each Investigator must complete training on CSPI SF’s Conflict of Interest Policy Applicable to A Subaward Issued Under A Public Health Services Prime Award prior to engaging in research related to any PHS-funded subaward and at least every four years, and immediately (as defined below) when any of the following circumstances apply:

- 1) CSPI SF revises this Policy, or procedures related to this Policy, in any manner that affects the requirements of Investigators (training is to be completed within the timeframe specified in communications announcing such changes);
- 2) An Investigator is new to CSPI SF research under a subaward issued under a PHS prime award (training is to be completed prior to his/her participation in the research); or
- 3) CSPI SF finds that an Investigator is not in compliance with this Policy or a management plan issued under this Policy (training is to be completed within 30 days in the manner specified by the COIC/designated official).

In fulfillment of the training requirement, Social Fund “Center for scientific-practical initiatives” requires its investigators to complete the National Institutes of Health’s Financial Conflict of Interest tutorial located at: <http://grants.nih.gov/grants/policy/coi/tutorial2011/fcoi.htm> in accordance with the requirements and expectations of this Policy. All investigators must print a certification of completion at the end of training and retain it for audit purposes. Note: Your Organization can develop and/or consider other compliant training opportunities.

Failure to Comply with CSPI SF’s Conflict of Interest Policy Applicable to Public Health Service Funded Subaward

When a FCOI is not identified or managed in a timely manner, including, for example, because the underlying Significant Financial Interest is not disclosed timely by an Investigator or, because a FCOI was not timely reviewed or reported by a second tier subrecipient or by CSPI SF; or because an investigator failed to comply with a management plan; then CSPI SF will within 90 days:

- a) Complete a retrospective review of the Investigator’s activities and the research project to determine any bias in the design, conduct or reporting of research;
- b) Document the retrospective review consistent with the regulation;
- c) Document CSPI SF’s determination as to whether any research, or portion thereof, conducted during the period of time of the Investigator’s non-compliance with this Policy or a Financial Conflict of Interest management plan, was biased in the design, conduct, or reporting of such research; and
- d) Notify the PHS Grantee in writing.

If bias is found, Social Fund “Center for scientific-practical initiatives” shall notify the PHS Grantee promptly and submit a mitigation report to the PHS Grantee that shall address the following:

- Impact of the bias on the research project and
- CSPI SF’s plan of action or actions taken to eliminate or mitigate the effect of the bias.

Thereafter, Social Fund “Center for scientific-practical initiatives” shall submit FCOI reports annually to the PHS Grantee, in accordance with the regulation and terms and conditions of the subaward agreement. Depending on the nature of the Financial Conflict of Interest, CSPI SF may determine that additional interim measures are necessary with regard to the Investigator’s participation in the research project between the date that the Financial Conflict of Interest is identified and the completion of CSPI SF’s independent retrospective review.

8. Clinical Research

If the PHS Grantee determines that one of its funded clinical research projects whose purpose is to evaluate the safety or effectiveness of a drug, medical device or treatment has been designed, conducted or reported by an Investigator

with a Financial Conflict of Interest that was not managed or reported by Social Fund “Center for scientific-practical initiatives”, shall require the Investigator involved to disclose the Financial Conflict of Interest in each public presentation of the results of the research and to request an addendum to previously published presentations.

Failure to Comply with This Policy

No expenditures of funds on a subaward supported by a PHS prime award will be permitted unless the Investigator has complied with the Disclosure requirements of this Policy and has agreed, in writing, to comply with any COIC/designated official-approved FCOI management plan.

Any failure by an individual to adhere to this Policy may be cause for disciplinary action, including, in severe cases, termination, and termination of the subaward by the PHS Grantee.

Disclaimer: Each subrecipient is legally required to independently assess the adequacy of its COI policy for purposes of compliance with legal requirements, including compliance with the PHS financial conflict of interest regulations, and with other federal, state, local and institutional requirements. This model policy is provided as a tool to assist in drafting the subrecipient’s own policy. No representation is made that this model policy complies with any organization’s particular legal requirements. Prior to finalizing or implementing this Policy, consult with appropriate legal counsel to determine its legal sufficiency.

VII. Property management and inventory

1. Politics

The policy of the CSPI SF regarding the management of property and inventory is as follows:

- Ensure that standard, complete and accurate records are maintained within the project area of all furniture and equipment purchased for use within the project;
- Establish annual physical inspection, verification and inventory reporting systems at each site;
- Ensure that the project field office meets all asset management and reporting requirements as recommended by the donor.

2. Property Management Responsibilities

- The property is kept in a secure location accessible only to project staff, consultants and partners, as appropriate;
- Portable property is documented with the release of the property from the finance department when it is borrowed by the employee, and the corresponding mark in the system when it is returned;
- Employees are responsible for informing the finance department if they are occupying or moving project property, or if they notice that property is damaged or is frequently out of service.

3. Inventory Responsibility

- Maintain a complete inventory of all property (non-refillable and non-expendable) purchased with project funds or transferred from other locations or projects to the field office;
- Update inventory records each time new property is acquired or old property is moved from one location to another.
- Check field office inventory at least once a year by physical inspection;
- Maintain a complete inventory of all property (expendable and non-expendable) acquired with project funds or transferred from other locations or projects;
- All tangible assets are recognized as property, plant and equipment and depreciated accordingly in the financial statements;
- Keep copies of office inventories and inventory change reports on file;
- Provide the donor with an annual inventory of all non-expendable property for the project at all locations;
- Review property management and inventory practices to ensure procedures are followed.

VIII. Calculation of the weighted average exchange rate

Calculating the Weighted Average Exchange Rate (WAFX) is an essential process for achieving GAAP compliance. The WAFX rate is calculated monthly by payers in foreign currency. The WAFX rate is used to convert costs incurred in foreign currencies into US dollars and is recorded on the financial statement each month. Proper calculation of the

WAFX rate results in accurate billing costs, budget comparisons, efficient project planning, and successful project delivery.

The main theory that applies when using this average exchange rate is to use a rate that brings you to the actual value at the end of the month. It is necessary to calculate the average exchange rate in order to avoid any losses or gains from the exchange rate.

Any position for which you use the actual exchange rate must be subtracted from the net change before calculating the average exchange rate. Any receivables that you have used on an actual basis should not be included in the opening or closing balance for receivables averaging. This also applies to currency exchanges and transfers between your sites (the actual rate on the days you make the transfer or exchange will be used). Any amount included in the net change must use the average rate you calculated to get the actual value at the end of the month.

IX. Human Resources Management (HRM)

CSPI SF is committed to effective personnel management, emphasizing the principles of diligence, fairness and open communication. Two key points in HRM are highlighted by our team: HRM is *people management* , and HRM is a *strategic approach* used to motivate a team and its members to achieve a common goal. A separate personnel manual for the CSPI SF is available and provided to all its employees. The Foundation is fully committed to the principles of equal employment opportunities at all levels without discrimination based on race, color, religion, sex, sexual orientation, nationality, citizenship, age, political opinion or personal relationship.

The HR management in this section and in the Employee Handbook is intended for citizens of Kazakhstan. Foreigners do not work in the OF CSPI. Although teachers and students from partner organizations come to Kazakhstan to work on projects, they stay in the country for a short time.

A. Procedures for hiring and firing employees

These procedures are regulated by the CSPI SF Guidelines for the recruitment of local employees.

B . Involvement of third-party services and consultants

CSPI SF uses third-party services and consultants to assist in the implementation of project activities. External services and consultants are managed only in accordance with the policies and procedures set out in this document and are not subject to the Human Resources Management Manual of the CSPI SF.

i . External Services Agreement

CSPI SF uses Contracts/Agreements on external services to attract short-term temporary services, less than half-time, and as needed for the project and its operations, and in accordance with the approved budget. The following is a list of the types of services that are typically provided under an external services contract/agreement:

- Driver services ;
- cleaning services ;
- Security Service ;
- Interpreter services ;
- Repair Services ;
- Transcription services ;
- Other technical and consulting services.

In accordance with the CSPI SF Recruitment Guidelines and the laws of the Republic of Kazakhstan, third party service providers are not eligible to receive employee benefits described in the CSPI SF Recruitment Guidelines. If third party service providers are registered as individual entrepreneurs, they are solely responsible for paying taxes on payments received from CSPI SF. If the outsourced service provider is not a sole trader, the CSPI SF will act as a withholding agent, withhold from the provider's income and pay all applicable taxes and other mandatory payments.

C. Personal files of an employee and an external consultant

i . Employee's personal file

Personal files of employees will be formed in alphabetical order by the names of employees and kept by the HR manager in the office in Almaty. Each employee file will include a completed employee card, updated curriculum vitae, job description, diplomas, signed employment contract, annual performance appraisal forms, job change orders, copy of ID/passport, employee consent to the collection and processing of his/her personal data, and also any other documents required by national/local law. The Human Resources Manager will maintain a separate file for employees' sick days and vacations and supervise their work by the President and Vice President . Employee files should be kept in a lockable file cabinet or in a safe.

ii . Consultant's personal file

Personal files of external consultants will be formed in alphabetical order by name of the Consultant and maintained by the Human Resources Manager. Each file will include a copy of ID/passport, certificate of sole proprietorship (if any), license/permit (if any), signed contract with the consultant, consent of the consultant to collect and process his/her personal data in accordance with the agreement with the consultant , including consent to the transfer of such data outside of Kazakhstan, as well as any other documents required by national/local laws. The HR manager will keep a copy of each consultant contract in a lockable file cabinet or in a safe.

The financial and administrative files of the CSPI SF will be maintained using a PC in the office in Almaty. According to Kazakh law, financial statements and supporting documents must be kept for three years from the date of liquidation of the organization. Therefore, the financial documents must be kept at the country transaction office during the entire period of validity of the CSPI SF. Upon completion of projects, financial documents will be registered in accordance with the CSPI SF Deal Closing Procedures Manual.

The necessary financial and administrative files are kept in the secure offices of the CSPI SF and the process is detailed in this Guide. The development, maintenance and regular review of financial and administrative files is one of the main aspects of ensuring financial control and compliance with operational procedures. In the Almaty office, these files should be maintained by the office manager/HR manager where appropriate. All personal files should be created as soon as possible and maintained as accurately as possible. In all cases, standard forms, templates and checklists of the CSPI SF should be used, unless otherwise approved by the President.

D. Administrative Procedures - Employees

i . Benefit Tracking

All Social holidays, sick leave and work leave (HSV) are tracked in accordance with the CSPI SF procedures set out in the Recruitment Manual. HSVs are tracked by the HR manager of the CSPI SF. All other vacations are regulated, monitored and paid in accordance with the rules and regulations of the laws of the Republic of Kazakhstan. Tracking an employee's HSV must be done using a time sheet.

ii . Changing an employee's status

Any change in the status of an employee must be formalized by an official order. Such changes may include contract extensions, promotions, changes in job descriptions, duties or status, salary changes, contract termination and/or extensions. Such an order must be issued by the President of the CSPI SF in accordance with the recommendations given in the appendices (*Annex 23: Order on changing the status of an employee*) and kept in the personal file of such an employee.

VII . Travel policy

A. Travel Policy and Procedures

The purpose of this section is to establish consistent, practical and transparent travel practices throughout the region and describe the responsibilities of seconded and responsible financial and administrative staff of the CSPI SF, who provide logistical support for approved business trips within the organization's projects. Approved business trips for an organization's project must be coordinated through the President or Vice President (or delegated to the Project Director). The traveler will work with the office manager to arrange travel and with the RO to arrange travel expenses.

1. Travel

This travel expense policy is in place for all staff traveling on CSPI SF projects. See the table in *Annex 24* below for *daily rates of CSPI SF* (other cities may be added as needed within the projects). This information is contained in the Tax Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget". In accordance with the legislation of Kazakhstan, travel expenses are paid in two parts: 1) accommodation (based on the actual cost of living, but not exceeding the established ratio of the minimum calculation index - MCI) and 2) meals and contingencies (M&IE) (based on the MCI). According to Kazakhstani legislation, the MCI is periodically reviewed by the Government, taking into account the level of inflation, and published in the media. Advances are permitted under the travel advance procedure described in this section. Travel advances must be paid in tenge. If the trip will take place within one country, then the advance payment for the trip must be provided in tenge. If the trip will be carried out outside the country of departure, the reimbursement of expenses for the period of the trip must be paid in tenge, according to the official exchange rate of the National Bank of the Republic of Kazakhstan on the date of purchase.

2. Accommodation

Accommodation expenses are reimbursed based on actual costs and not travel expenses. Accommodation for travelers can be paid directly to the hotel. Hotel receipts for accommodation are required without exception, and the maximum daily rate for a hotel stay is the equivalent of US\$200. If the hotel receipt is lost, no refund will be given. If accommodation is provided at a non-profit hotel or residential location, such as through a private acquaintance, no refund will be given.

3. Use of personal transport for business purposes

CSPI SF does not encourage the use of personal vehicles for work purposes. Most transportation within Almaty or another city in Kazakhstan is provided by a taxi service, but car rental and other transportation to other regions and cities is limited; there were cases when an employee of the CSPI SF used his car for a trip. For this activity, there is a system of reimbursement according to the actual fuel consumption and reimbursement of travel expenses in connection with the work/reimbursement per kilometer. The car owner submits the Table of car use and mileage calculation (*Annex 26*). The President must pre-approve the use of a personal vehicle and the amount of compensation.

4. Application for a trip

The Office Manager provides the following logistics for out-of-country business travelers: a) purchase of air/rail tickets through a reliable travel agent on a competitive basis; b) scheduling the driver's movement if ground transport is needed (for example, travel from Almaty to city X); c) arranging transportation by driver to/from airports; d) verification of valid visas and, if necessary, issuance of a visa; e) coordination with representatives in the country of destination of the itinerary of the seconded on local transport and accommodation; f) other logistical arrangements, and g) coordinating the action to secure a return ticket when a one-way ticket is used.

5. Air travel

1. Flight tickets should usually be purchased from a local travel agency. CSPI SF will buy most of the air tickets through one travel agency. The travel agent must be selected by requesting quotes and service descriptions from several agents. The main criteria for choosing a travel agency are: reliability demonstrated by direct experience or feedback from corporate clients, a wide range of services and the number of airlines served, the availability of flexible payment schemes, including a project account with a weekly or monthly account, or debit and credit card payment, and competitiveness on frequently used routes. When the office purchases a plane/train ticket, all passengers are personally responsible for returning the passenger coupon/boarding pass from their ticket to the finance department after the end of the trip. If the ticket was lost, a memo should be attached to the travel expense report form explaining what happened and why the ticket was lost. The office manager must make photocopies of all air tickets (as well as bus or train tickets) before they are given to the traveler. These copies must be attached to the transaction documentation form for the payment of ticket costs. If a traveler loses a passenger ticket coupon, it is necessary to inform the office manager as soon as possible. In this case, the traveler is required to obtain a copy of the boarding pass from the airline/train station for reporting purposes. The FM must sign the lost ticket memo and attach it to the transaction documentation form.

XI . Legal Issues

A. Legal Counsel Definition

1. Choice of legal adviser

Registering an office, hiring local staff, obtaining a work permit for foreigners, checking office lease and some other activities of the CSPI SF need a qualified local legal adviser. The selected legal adviser must be respected, familiar with the registration of NGOs and preferably work in the same city or locality as the main office of the CSPI SF.

2. Fee for Local Legal Counsel

The legal adviser should be advised to file all legal invoices with the CSPI SF office and expect payment from the CSPI SF within two to four weeks.

B. Litigation and requests from the government of the Republic of Kazakhstan

Upon becoming aware of a lawsuit, threatened litigation, formal request or investigation, or circumstances that could lead to litigation, investigation, or legal action against a local operating facility of the CISR SF, the President/Vice President should immediately contact legal counsel.

C. State and tax registration

Taxes are paid monthly no later than the 25th day of the next month, in accordance with the laws of the Republic of Kazakhstan.

D. Premises for rent

All lease agreements for CSPI SF must stipulate the cost of the lease, the term of the lease, as well as the rights and obligations of each party. The rental price should reflect the local market rate when comparing the size, location and condition of the premises that the CSPI SF would like to rent.

Since the CSPI SF is funded by time-limited grants and contracts, it is preferable that the lease of the office be for a period of one year with the possibility of renewal. In some cases, the lease may be extended for more than one year. Where possible, the lease agreement should include the landlord's responsibility for maintenance and repairs. In addition, the lease must include a termination clause allowing early termination of the lease, if necessary, without undue penalties. FM must agree on all these conditions.

In areas where electricity is unreliable (most CSPI SF field offices), CSPI SF staff should negotiate for the installation of a back-up generator in the office or home.

If a major overhaul is required and the landlord is unwilling to fully finance it, the CSPI SF must take a number of precautions:

- Evaluate the cost-effectiveness of the renovation and confirm that the local authorities have authorized the use of the premises as an office;
- Agree on how much will be covered by the CSPI SF, and specify in the lease the details of the repair and cost arrangements;
- Ensure compliance with donor government regulations regarding the use of reconstruction and construction funds, which include the requirement to obtain prior approval from the funding agency.

To make a lease, follow these steps:

- Legal Counsel reviews the lease to ensure that the terms are reasonable and in accordance with local laws and regulations;
- Legal Counsel's comments on the lease must be in writing;
- All lease agreements must be reviewed and signed by the President of the CSPI SF.
- After approval by all parties of the wording of the lease agreement receives the signature of the landlord on two originals of the lease agreement.
- CSPI SF sends one fully signed copy of the lease agreement to the landlord and retains one original copy of the agreement;

E. Memorandum of Understanding and other formal agreements

The purpose of the CSPI SF is to assist in national development activities in the field of Social health, especially in terms of care and treatment of HIV and AIDS .

It may be appropriate for the CSPI SF to enter into a Memorandum of Understanding (M oU) with the government of Kazakhstan. The MoU details the purpose, scope and form of assistance, as well as the rights and obligations of the CSPI SF and the government. The CSPI SF will seek to ensure that the MoU provides for the exemption from all taxes on purchased goods and services, as well as on foreign employees employed by the CSPI SF. **The Host Government Memorandum of Understanding Model Guide** provides sample language and an overview of the possible benefits and rights that a government can transfer through this tool. *Annex 28: Model Guide for Concluding an MOU with the Host Government*).

In general, the steps for issuing an MOU should be as follows:

1. The President of the CSPI SF or other designee will amend the attached sample MoU with the participation of the partner and legal adviser, as necessary, to reflect local needs and requirements.
2. The President or designee discusses the MoU with appropriate government representatives, including local tax authorities, if appropriate.
3. The President or designee then sends the revised MoU to government representatives.
4. After agreement by all parties, the CSPI SF signs 2 original versions of the final MOU and submits it to the government representative(s) for signature.
5. The CSPI SF sends one original MOU to the government representative and keeps one original.
4. All MoUs written in Russian, Kazakh and English must state that the English version shall prevail in cases of language discrepancies between the Russian/Kazakh and English versions.

H. Other legal issues

Any other aspects of a legal nature related to the activities and research of the CSPI SF must comply with local laws and the provisions of other official agreements.

If questions arise as to whether the signed document is a legal agreement, the CSPI SF may consult with a legal advisor.