



OPERATIONAL POLICIES AND PROCEDURES

DEVELOPED BY: THE BOARD, COMMITTEES AND MANAGEMENT OF ROAACCU

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**ROAA CO-OPERATIVE CREDIT UNION LTD.
AGONA AHANTA
(ROAACCU)**

OPERATIONAL POLICIES AND PROCEDURES

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OPERATIONAL POLICIES

1.0. INTRODUCTION/PREAMBLE

These policies are designed to cover the entire operations of ROAA Co-operative Credit Union Limited (ROAACCU) to include Products (Shares, Savings, Member Current, and Loans) and Services (3rd Party Cheque Clearing, Mobile Money Transactions, Member Welfare, Ezwich, ATM and USSD) Governance, Investment, Finance and Accounting.

1.1. DEFINITION OF POLICY

A policy is a set of guidelines or a plan of action agreed or chosen by a person or an organisation to pursue, for the attainment of a desired purpose.

2.0. GENERAL PURPOSE AND OBJECTIVES

2.1. General Purpose

- a) The Purpose of this policy document is to adequately fulfil the industry requirements, to strengthen and improve on the operations of the society, to obtain maximum quality service delivery and total membership participation and benefits.
- b) The policy on products and services shall serve as a guide for the efficient mobilisation and management of deposits contributed by members to obtain maximum security and yield.
- c) The efficient implementation of these policies shall promote the manifestation of best practices in governance and operations according to industry standards.

2.2. Interpretation

1. Fulfilling Industry Requirements:

Industry

- a. *Financial Sector*
- b. *Microfinance Sectors Standards*
- c. *Co-operative Decree*
- d. *Co-operative Credit Unions Regulations (LI 2225)*
- e. *Bank of Ghana (BOG) Regulations*
- f. *Credit Unions Standards*



2. Institutional Operational Strengthening

- a. *Structures (Board, Committees and Staff)*
- b. *Policy Development and Use*
- c. *Observe Reporting Standards*

3. Promote Quality Service Delivery

- a. *Prompt Loan delivery service*
- b. *Efficient Savings Mobilisation*
- c. *Other services*

4. Use of Funds

Control of Funds (Maximum Security and High yield)

5. Abbreviations

- a. *AGM - Annual General Meeting*
- b. *BOG - Bank of Ghana*
- c. *BOD - Board of Directors*
- d. *CUA - Ghana Co-operative Credit Unions Association (CUA) Limited*
- e. *DOC - Department of Co-operatives*
- f. *HR - Human Resource*
- g. *CC - Credit Committee*
- h. *NLCD - National Liberation Council Decree*
- i. *ROAA - Rubber Outgrowers and Agents Association*
- j. *ROAACCU - ROAA Co-operative Credit Union Limited*
- k. *SC - Supervisory Committee*

2.3. General Objectives

- 1. To operate the Credit Union with policies developed in accordance with the industry standards.
- 2. To promote adequate membership understanding, compliance and performance of roles and responsibilities.
- 3. To ensure there is adequate provision for the security of funds of the society through prudent management and industry best practices.



2.4. Policy Administration, Implementation and Supervision

a) Administration

The Policies shall be administered by the Members of the credit union.

b) Implementation

The Policies of the Society shall be implemented by the Chief Executive Officer (CEO) in consultation with the Board of Directors.

c) Supervision

The Board of Directors (BOD) shall supervise the implementation of the Policies.



SHARES POLICY

Preamble:

This document, herein called "*The Shares Policy*" seeks to regulate the shareholding of members.

Article One (1) - Definition of Shares

A share is the amount of money raised from the members of the Credit Union as an indication of co-ownership.

Article Two (2) - Objectives

Objectives

- a. To obtain enough funds to attain the capital adequacy level of not less than 10% of the Society's Total Assets or such standard as prevailing, by the end of every financial year.
- b. To generate enough surplus to pay high yielding dividend on members' shares at the end of every financial year.
- c. To promote the attainment of the standard institutional capital of 20% of the Total Assets or such standards as prevailing per annum.
- d. To build a sound capital base for the credit union
- e. To serve as a risk capital; a member's liability is limited to the amount of shares s/he owns.

Article Three (3) - Eligibility/Qualification

3.1. Subscription

Subscription of shares in the Credit Union shall be opened to existing members and potential members who have paid their entrance fees in full, only and in accordance with the union's bye-laws.

3.2 Share Holding

- a. Every member of the Society shall be required to acquire the minimum share which shall be determined at the Annual General Meeting (AGM) or by the BOD of the Credit Union from time to time.



- b. The value of each share capital of the union shall be One Ghana Cedi (GH¢ 1.00) only.
- c. The minimum share shall be Five Hundred Ghana Cedis (GH¢ 500.00) by 31st December, 2025.
- d. Beginning January, 2026, Fifty Ghana cedis (GHS50.00) or as determined by the Board, shall be deducted every quarter from members' savings to their shares.
- e. 0.25% of all loans approved (except STL) shall be used to build the borrower's shares.
- f. The shareholding of every aspiring and BOD in the credit union shall be Five Thousand Ghana Cedis (GH¢ 5,000.00) minimum and Two Thousand Ghana Cedis (GH¢ 2,000.00) minimum for Committee Members. Management Staff shall be Two Thousand Ghana Cedis (GH¢ 2,000.00) minimum and Branch Managers / Agency Heads shall be One Thousand Ghana Cedis (GH¢ 1,000.00) minimum or as determined by the Board.
- g. Payment for the initial minimum share capital may be made by installments and spread over a maximum period of three (3) months.

3.3. Total Shareholding

The total shareholding of a member of the Credit Union at any particular moment shall not exceed 20% of the Total Assets of the society or such standard ceilings as prevailing in the industry.

Article Four (4) - Rights and Usage

4.1. Members who own at least the minimum share capital of the Society shall be entitled to:

- a. The right to vote.
- b. The right to be voted for to occupy a leadership position, refer to Article 3.2 (d)
- c. To enjoy dividends on shares.

4.2. Guarantee for Loans

- a. The shareholding of a member cannot be used as a guarantee for a member's loan.
- b. The shareholding of a member cannot be used as a



guarantee for another member's loan.

Article Five (5) - Liabilities

5.1. Dissolution of the Credit Union

- a. Upon the liquidation of the Credit Union, members' liability shall be limited to the amount of shares held.
- b. If the member's shareholding is less than the required minimum, then the member's account shall be debited to credit the share account with the difference needed to attain the minimum.

Article Six (6) - Share Register and Records

6.1. Share Register

A soft copy of the database of members and their shareholdings shall be kept at the Head Office of the Society to indicate the following information:

- a. Date of purchase of minimum shares
- b. Name and residential address of the member
- c. Number of shares bought
- d. Date of termination of membership/shareholding
- e. The sex, postal address, telephone number (s)

Article Seven (7) - Miscellaneous

7.1. Transfer of shares

The Credit Union shares are personal to the holder and not transferable whatsoever.

7.2. Withdrawal of shares

- a. A member's share capital in the Credit Union shall not be withdrawn, unless the holder ceases to be a member of the Credit Union either by death or resignation of membership.
- b. In either case, withdrawal shall be permitted after completing an account closure form or presenting a proof of death.
- c. The payment of shares being redeemed shall be made



after giving at least a 90-day notice or in lieu of the 90 days suffer 15% deduction from the share amount.

- d. The withdrawal of shares in any case shall be subjected to the clearance of all indebtedness to the Society by the member.
- e. In an event where a member is deceased, any balance remaining on the member's share account shall be paid to the beneficiary(ies).

Article Eight (8) - Dividend

8.1. Share Dividend

- a. Dividend shall only be declared from the net surplus, after the deduction of interests on member's savings and all other legitimate expenses.
- b. The rate of dividend shall be proposed by the CEO to the Board of Directors after a net surplus has been declared.
- c. Members may receive dividends on their shares at the end of the financial year, if so, decided by an Annual General Meeting in accordance with Article 43(c) of these bye-laws. However, where the minimum Capital Adequacy Ratio (CAR) of the industry has not been met by the Society, the dividend shall be capitalised.



SAVINGS POLICY

PREAMBLE: The policy on savings and its related operations shall be known as *"The Savings Policy"*.

Article One (1) - Definition

Savings is the act of keeping money safe for future use instead of spending or using it instantly.

Article Two (2) - Objectives

- a. To promote regular savings among members to increase deposits significantly.
- b. To ensure the availability of sufficient and effective provisions to safeguard against the loss of member's savings in the credit union.
- c. To manage members' savings to yield competitive returns in the form of sustainable high interest rates.
- d. To invest the mobilised savings prudently and profitably.

Article Three (3) - Eligibility

Savings with the credit union shall be limited to registered members of the Society.

Article Four (4) -Types of Savings

- a. The main types of savings are Member Savings (MS), Smart Savings (SS), Member Investment (MI), Prime Savings (PS), Member Current (MC), Mbofra Daakye (MD), and Youth Savings (YS).
- b. The BOD may pass a resolution to introduce any other type of savings deemed beneficial at any point in time.
- c. Separate records and policies shall be developed to guide the new savings products and services.
- d. The main type of savings mode is the monthly, weekly, daily cash or check-off savings / Source deduction.



Article Five (5) - Features of the Savings Products

5.1 Member Savings Account

- a. This savings account allows members to have a regular savings plan.
- b. Savings in this account shall attract interest payment on quarterly basis at a prevailing interest rate.
- c. Withdrawal can be made twice (2) in a month. Subsequent withdrawals will attract a fee of GH¢ 5.00 per transaction.
- d. Minimum savings balance shall be GH¢ 100.00.

5.2 Prime Savings/Fixed Deposit Account

- a. This is the type of savings where a member can place his/her funds for a specific period of time.
- b. Funds placed in this account shall attract an interest higher than all savings accounts.
- c. A member can terminate this contract and the interest shall be paid on prorata basis.

5.3 Mbofra Daakye/Child Savings Account

- a. Accounts can be opened for children below eighteen years (18) of age with authenticated documents such as Birth Certificate.
- b. The account shall be operated through the guidance of a Trustee on behalf of the child/ward.
- c. After the beneficiary attains age 18 years, the account shall be transferred to him/her subject to a letter from the Trustee.
- d. The minimum monthly deposit for the child savings account shall be determined by the BOD from time to time.
- e. The child savings account shall attract interest quarterly. The interest rate shall be at par with ROAACCU Prime Savings.
- f. Holding of a child savings account shall not qualify a member or account holder for a loan.
- g. Acquiring minimum shares with this account is not mandatory.
- h. No savings withdrawal in the first 12 calendar months.
- i. Partial withdrawal of 50% on each year's savings can be withdrawn in the following year on behalf of the child on



production of relevant supporting documents.

- j. The account can be used as a guarantee for a loan.
- k. The parent/guardian shall come along to involve the child in the operation of the account to develop his/her interest in savings when practicable.

5.4 Member Investment Account

- a. This is a voluntary savings by members to finance a project such as children's school fees, festivities and among others.
- b. A member who saves an amount of money for a period of 12 months can make a partial withdrawal after the 12 months once every six months.
- c. This account shall attract an interest higher than the Member Savings Account, but lower than the Prime Savings Account on a quarterly basis and the rate shall be determined by the BOD.

5.5 Smart Savings Account

- a. This savings account allows members to have a daily/regular savings plan.
- b. Savings in this account shall not attract interest.
- c. Withdrawal can be made once (1) in a month. Subsequent withdrawals within the month shall attract a fee of GHS3.00 per transaction.
- d. Daily minimum savings shall be GHS5.00
- e. No minimum savings is required.
- f. This attracts a one-time entrance fee payment as determined by the Board.

5.6 Member Current Account

Preamble: This policy is formulated to guide the Member Current (MC) product of the Society.

Article One (1) - Definition

Member Current (MC) is a product designed to meet the needs of salary workers and businesses. The product has the characteristics of a current account. Members will have limitless access to this account by the use of cheque, USSD code or walk-in services.

Article Two (2) - Characteristics

- i. Account shall be used for salaries or business purposes.



- ii. A minimum account balance lesser than the Member Savings (MS) shall be required.
- iii. Monthly charges shall apply.
- iv. Mandatory issuance of cheque book.
- v. Multiple withdrawals within a month are allowed.

5.7 Youth Savings Account

Preamble: This is a special savings vehicle to assist the students/youth to save for future use. The object of this product is to inculcate the habit of savings among students/youth, build financial security and give confidence to assist the student/youth to become responsible citizens in the future.

Article One (1) - Characteristics

1. Students in the first and second cycle institutions in ROAACCU operational areas are eligible.
2. A prescribed form shall be completed by the student/youth endorsed by an authorised staff of the institution.
3. An entrance fee approved by the BOD shall be paid by the student/youth.
4. The students/Youth shall be organised into clubs and assigned leadership roles.
5. Savings can be done through USSD, Mobile Money or an authorised ROAACCU staff.
6. Withdrawals shall be made by the student/youth by visiting any of the Branches or through an authorised staff of ROAACCU.

Article Two (2) - Benefits

1. Students/Youth shall learn leadership, accounting, and managerial skills.
2. Students/Youth shall gain financial literacy.
3. Students/Youth recognise the difference between a want and a need.
4. Students/Youth are embraced into the ROAACCU Happy Family.
5. Savings of the Students/Youth can be used to undertake personal developments.



Article Six (6) - Savings Provisions

- a. The BOD shall from time to time, determine the monthly minimum savings amount that will be paid by all members.
- b. The prevailing minimum savings amount per month per member at any particular moment shall be known to members through the best available means. ie; SMS Alert, Staff sensitisation.
- c. It is the responsibility of members to ensure that they present their pass books for entries of all transactions made.
- d. The total accumulated savings balance of a member shall not exceed twenty percent (20%) of the total savings of the Credit Union at any particular time.
- e. Savings shall be made on a regular basis.
- f. All transactions on savings of a member shall be recorded in the pass book or through the software.
- g. All ROAACCU staff shall be required to make monthly savings from their salaries into their MI account.
- h. All BOD and Committee members shall be required to make contributions from their sitting allowances into their MI account.

Article Seven (7) - Mode of Savings (Processes and Procedures)

Processes and Procedures

- a. The main means of savings shall be by cash, cheque, electronic or check-off system / Source Deduction.
- b. Cash savings shall be made by a member and received by an official of the Credit Union appointed to receive cash at the office or on the field within working hours.

Article Eight (8) - Interest on Savings

- a. Competitive rate of interest shall be pre-determined or reviewed by the BOD and paid on member's accumulated savings on an annual basis or such other suitable periods (quarterly).
- b. Savings balances below One Hundred Ghana Cedis (GH¢100) shall not attract interest.

Article Nine (9) - Savings as a Guarantee for Loans

- a. A member of the Credit Union may use all or part of his/her



savings to guarantee a loan for him/herself or for another member.

- b. The amount of savings used as guarantee shall not be available for withdrawal or for use for another guarantee until the loan is paid.
- c. The member's savings used to guarantee a loan shall be frozen and released in proportion to the progress of repayment of the loan or the full payment of the loan and interest by the member borrower.

Article Ten (10) - Withdrawable Savings / Fixed Deposit Withdrawal

- a. Savings withdrawal refers to the withdrawal of a portion of a member's savings at a particular time by the member.
- b. A member who wishes to withdraw part of his or her Members Savings shall complete a prescribed Savings Withdrawal Form.
- c. Members with loans outstanding can only withdraw the excess of their savings over their loan balances based on the type of loans they are servicing.
- d. The minimum savings balance in a member's account should not be less than GHS100.00.
- e. Withdrawal limits (frequency) on all savings accounts shall be set by the Board.
- f. Extra withdrawals beyond the frequency limit shall attract a fee determined by the Board.
- g. Single withdrawals above the highest limit set by the Board shall be communicated to the Branch Manager / Agency Head at least 24 hours by the member.

Article Eleven (11) - Miscellaneous

a. Transfer of Savings

Savings can be transferred to any other member upon completion of a funds transfer form by the member.

b. Membership Termination

- i. In the event of membership termination by consent withdrawal of membership, the accumulated savings shall be paid to the member after all due process had been undertaken within a period of not less than ninety



- (90) days.
- ii. In the event of membership termination by death, the accumulated savings shall be paid to the designated beneficiary(ies) of the member per the records of the Society or as may be permitted by the laws of the land within a period of not less than ninety (90) days after adequate notification.



LOANS POLICY

PREAMBLE:

This document, herein referred to as "*The Loans Policy*" is designed to ensure that loans granted meet the borrower's immediate needs and his ability and willingness to repay without incurring any risk to the Credit Union. It also ensures the return of the borrowed money while discouraging loan delinquencies.

Article One (1) - Definition of a Loan.

Money lent by the Credit Union to its members on requests.

Article Two (2) - Objectives

- a. To provide loan delivery services adequately to meet the needs of members in a timely, fair and efficient manner and in consideration of the seven (7) 'C's (Capacity to pay, Character of borrower, Collateral, Capital, Condition, Circumstance of the Society, Credit Worthiness and Cash flow)
- b. To provide an equitable access to loan acquisition by members based on reliable projections to meet liquidity requirements and appropriate reserve ratios of the society.
- c. To provide loans with competitive interest rates and compatible payment terms.

Article Three (3) - Eligibility / Qualification for Loan

- a. Loans shall be granted to only Members of the Society. A member should have participated in the membership entrance education, paid the entrance fee and had acquired at least the minimum share capital of the society.
- b. A member should have saved regularly with the Society for a period not less than one (1) month for Akatua Mponu Loan (AML). All other loans are three (3) months.
- c. Any loan request presented before this period shall be considered on merit and within the total savings of the applicant.
- d. A loan applicant should not pledge more than 50% of his/her savings as a guarantee for another Member's loan.



- e. A member may be considered for another loan if he/she has paid 50% of the running loan.
- f. Any contribution made purposely to secure a loan when the account had been dormant for three (3) months would be considered if such contributions remain in the Society for at least three (3) months.
- g. Any contribution made purposely to secure a loan when the account is active but a weak savings pattern would be considered if such contributions remain in the Society for at least one (1) month.
- h. Minors (savers less than 18 years of age) shall not qualify for a loan in the Credit Union.
- i. Loan disbursed to a member shall not be more than 10% of the Society's Total Assets.

Article Four (4) -Types of Loans

A. Long-Term Loans (LTL):

Long-Term Loans shall be provided within the limits of the total savings of the member at the time of applying for the loan.

- i. The loan interest rate shall be on the flat rate model and shall be determined by the Board.
- ii. The loan amount shall be a maximum of two (2) times of the member's savings.
- iii. The loan shall be secured with other Member's savings as guarantee or collateral.
- iv. It is also designed for first-time borrowers of the Society.

B. Long-Term Loans Special (LTL 1):

Long Term Loans Special shall be provided within the limits of the total savings of the member at the time of applying for the loan.

- i. The loan interest rate shall be on the flat rate model and shall be determined by the Board.
- ii. The maximum loan shall not be more than three (3) times of the member's savings.
- iii. The loan shall be secured with other Member's savings as guarantee or collateral.



- iv. The member must have accessed the LTL at least once.

C. Rubber Power Loan (RPL):

- a. This type of loan shall be granted to members who are rubber farmers and have finished servicing their project loans.
- b. The member must have accessed LTL or LTL 1 (at least twice) with ROAACCU and fully paid all within the stipulated loan duration.
- c. Applicants shall provide guarantors who are also members of ROAACCU.
- d. The maximum loan shall be four (4) times of the member's savings balance.
- e. The loan interest rate shall be on the flat rate model and shall be determined by the Board

D. Short-Term Loans (STL) - The Short-Term Loans shall be provided within the limits of the savings of the applicant at the time of applying for the loan.

- i. The loan interest rate shall be on a flat rate model and shall be determined by the Board.
- ii. The loan amount shall not be more than 95% of the total savings balance.

E. AKATUA MPONTU LOAN (AML)

The above loan product is an employee loan scheme meant for salary workers to meet personal and family needs.

Target members for this loan shall be:

- i. Government / Public Servants paid through CAGD.
- ii. Private Company Employees
- iii. Government Security Services

Eligibility Criteria for Government / Public Servants paid through CAGD

- a. Applicant must be between the ages of 18-54 years
- b. Members must provide a current month's pay-slip, mandate form and affordability statement.



Eligibility Criteria for Private Company Employees

- a. Applicant must be between the ages of 18-54 years
- b. He/she must be a confirmed staff from a reputable organisation
- c. Member must provide 3 consecutive months' payslips and Bank statement
- d. Applicant must provide guarantor(s) who are members of ROAACCU or letter of undertaking endorsed by his/her employer or representative
- e. Member's monthly salary must be routed through ROAACCU where applicable.

Eligibility Criteria for Government Security Services

- a. Applicant must be between the ages of 18-54 years
- b. Members must provide recent 3 consecutive months' payslips and Bank statements.
- c. Members must submit a Letter of Undertaking designed by ROAACCU and endorsed by Commander.
- d. Members must submit a Standing Order from his/her bankers or post-dated cheques where applicable.
- e. Members must provide a colleague staff as a guarantor who will issue post-dated cheques.

Terms of the loan shall be:

- a. Member's Debt Service Ratio (affordability) shall not exceed 40% of net salary
- b. The loan interest rate shall be on the flat rate model and shall be determined by the Board.
- c. Compulsory savings of 25% of borrower's monthly installment.
- d. Repayment of the loan shall not exceed 60 months for members below 51 years and 12 months for those at 54 years.
- e. Refer to (a) and (d) for the minimum and maximum loan amount that can be accessed.
- f. Members shall provide guarantor(s), who must be member(s) of the Society.



EXCEPTION

The only exception where an AML request shall be approved is when a pensioner who retired voluntarily or at the retirement age of 60 years as enshrined in the Ghana Pensions Act 2008 (ACT 766) and that:

1. The Member receives his or her pension payment through ROAACCU
2. The Maximum amount shall be GHS 5,000.00 and subject to the affordability of the Member's monthly pension payment (40% of the monthly pension payment).

F. FARMERS' QUICK LOAN (FQL)

- a. This type of loan shall be granted only to members who are rubber outgrowers and agents, and does not depend on the member's savings balance.
- b. Applicants shall provide guarantor(s) who are also members of ROAACCU or submit vouchers stamped from GREL or Narubiz Ltd and verified by the Branch Manager / Agency Head.
- c. The maximum loan shall be GH¢ 20,000.00 taking into consideration the production pattern of the member or agent.
- d. The loan repayment shall not exceed 3 calendar months.
- e. The loan interest rate shall be on the flat rate model and shall be determined by the Board.

G. FAST TRACK LOAN (FTL)

- a. This type of loan shall be granted only to institutional members whose employee salaries are routed through ROAACCU and does not depend on the member's savings balance.
- b. Applicant shall provide guarantor(s) or letter of undertaking.
- c. The maximum loan shall be GH¢ 25,000.00.
- d. The loan repayment shall not exceed 3 calendar months.



- e. The loan interest rate shall be on a flat rate model and shall be determined by the Board.

H. SHORT-SEASON FARMERS' LOAN (SFL)

- a. This type of loan shall be granted only to members who are into short-season farming.
- b. The member must have one-third of the loan amount requested.
- c. Applicants shall provide guarantor(s) who are also members of ROAACCU.
- d. The maximum loan shall be GH¢ 10,000.00 taking into consideration the capacity to pay.
- e. The loan principal and the interest shall be paid in full on the 6th month.
- f. The loan interest rate shall be determined by the Board.

I. DIRECT SALES LOAN (DSL)

- a. This type of loan shall be granted only to members who are into Micro businesses.
- b. The member shall be eligible for this loan after saving with the Society for not less than three (3) months.
- c. The member must have one-third ($\frac{1}{3}$) of the loan amount requested.
- d. Applicants shall provide guarantor(s) who are also members of ROAACCU.
- e. The maximum loan shall be GH¢ 6,000.00 taking into consideration the capacity to pay.
- f. Repayment shall not exceed eight (8) months and the mode of repayment shall be daily savings.
- g. The loan interest rate shall be on the flat rate model and shall be determined by the Board.

J. MEDAAKYE GROUP LOAN (MGL)

- a. This type of loan shall be granted only to members who are in groups.



- b. The group shall have a minimum of five (5) and a maximum member of nine (9).
- c. The group shall have an account with ROAACCU and details of group members attached.
- d. The group shall appoint its Chairperson, Secretary and Treasurer as Executives.
- e. The group account shall be operated for a minimum of one (1) month.
- f. Members of the group shall serve as guarantors for their loan.
- g. Each member of the group shall have at least one-third ($\frac{1}{3}$) of his/her loan request as savings.
- h. The maximum loan shall be GH¢50,000.00 taking into consideration the capacity of the group's contribution.
- i. No individual member of the group can access more than 30% of the disbursed amount.
- j. The loan repayment is on a weekly basis and shall not exceed 6 months.
- k. The loan interest rate shall be on the flat rate model and shall be determined by the Board.

Article Five (5) MSME Cash Flow Loan (MCL)

MSME Cash Flow Loan (MCL) is a Micro, Small & Medium Scale Loan facility granted to members.

This loan is advanced to MSMEs members of ROAACCU such as:

Commerce, Manufacturing and Industrial, Trade, Food Processing, Agribusiness, Building and Construction.

Private School Operations, Artisans, Churches, Importers/Exporters, Transport/Haulage/Logistics, Caterers and food operators, Hoteliers and hospitality related businesses, Pharmacies, Chemical Shops and Herbal Shops and Funeral Homes Business

Non-Eligible Businesses

1. Any form of Mining or Illegal Mining (Galamsey) Business
2. Government contract financing projects
3. Direct Upstream Oil Business



All Illegal Businesses

The MSME must be registered and operated the account for 3 months.

Submit a business plan with financials (cash flow) and any other relevant documents.

Purposes

1. Working capital support
2. Seasonal demands
3. New business development
4. Contract financing
5. Asset acquisition.

Conditions for the Loan

1. The business shall be a duly registered business with a valid Registration Certificate after accessing two MCLs.
2. The business shall not be a startup business.
3. The member shall have the required minimum shares.

Article Six (6) Vehicle Financing

Vehicle financing is a policy designed to complement any ROAACCU loan contracted for the purpose of acquiring motor vehicles for private or commercial use.

1. Vehicle shall be comprehensively insured (100%) on approved limit which will be financed by the member and embossed with a ROAACCU sticker for commercial vehicles only.
2. In the event of an accident, preliminary expenses (towing, medical bills, inspection/examination fees etc) will be pre-financed by ROAACCU and later deducted from the insurance claim.
3. Vehicle will be jointly registered.
4. ROAACCU will only finance unregistered 'home used' or brand-new vehicles which are in good condition as certified by a recognised mechanic.



5. Members shall make the vehicle available at ROAACCU premises quarterly for inspection/examination.
6. Copy of driving license shall have to be made available as and when there is a change of driver.
7. Original vehicle documents shall be kept in ROAACCU's custody.
8. Members shall produce a pro-forma invoice and the payment shall be made directly to the vendor.
9. ROAACCU shall impound the vehicle in the event of loan repayment default for two (2) consecutive months.
10. ROAACCU has the right to dispose of the vehicle if the two months' instalments missed by the member are not fully paid by the end of the third month.

Article Seven (7) Collateral:

Collateral shall apply to Long-Term Loans (LTL), Long-Term Loans Special (LTL-1) and Rubber Power loans (RPL). This shall also apply in some cases to Akatua Mponu Loans (AML). The following can be used as collateral:

- i. Building (on production of valuation certificate)
- ii. Registered Land Indentures (Deed)
- iii. Comprehensively insured Car Documents
- iv. T-bills Certificate with a letter of consent from the Bank
- v. Shares / Bond Certificates
- vi. Non-perishable Stocks

Article Eight (8) Loan Processing and Procedures

Loan Application

- a. The member shall obtain a prescribed loan application form at the office of the Credit Union during business hours or on ROAACCU's website.
- b. The application form must be adequately completed and submitted to the office of the Society.
- c. The application form submitted shall be processed by the Loans Officer under the supervision of the Branch Manager or the Agency Head or the officer acting in that capacity for



submission to the Head Office.

- d. All successful loan applications shall be sent to the Credit Committee for final approval.
- e. All loan applications shall be considered on merit with a strict enforcement of the 7Cs.
- f. Loans shall be processed and appraised in the order in which they are received at the office of the Society.

8.2 Loan Appraisal

- a. All loan applications shall be appraised by the Loans Officer.
- b. The Credit Committee shall meet at most twice every week virtually to review and approve members' loan requests and once every month to ratify the approved loan requests.
- c. Loans within the mandate of Management shall be processed as the need arises.
- d. Loan applicants may be contacted by the Credit Committee for an oral vetting at the Committee's meeting.
- e. The Credit Committee may in the course of their work do any of the following:
 - i. Approval of the full or reduced amount requested.
 - ii. Reject completely an application.
 - iii. Demand documentary or appropriate evidence (including site visits) in support of loan applications from GH¢ 20,000.00.
 - iv. Reschedule the consideration of an application to a later date.
 - v. Refer loan applications from GH¢ 300,000.00 to the BOD for further considerations or review.
- f. In all instances, the Credit Committee shall state the reason(s) for the decision taken.

8.3 Loan Approval Limit

- a.

Category	Approval Limit
Branch / Agency	Up to GH¢ 10,000.00



Management	GH¢ 10,001.00 to GH¢ 50,000.00
Credit Committee	GH¢ 50,001.00 to GH¢ 300,000.00
Board of Directors	Above GH¢ 300,000.00

- b. All loans shall be approved by a majority decision of members of the Credit Committee present at the meeting.
- c. Approval made by the Credit Committee may be subjected to further review by the Board of Directors in consultation with the Chairman of the Credit Committee where necessary.
- d. An Offer Letter shall be signed by the applicant before the amount shall be paid.

8.4 Loan Payment

- a. All approved loans shall be forwarded to the Accounts Officer, who in consultation with the Branch Manager / Agency Head shall make disbursement to the members' account.
- b. All loans shall be paid by cash or cheque at the Office during business hours.
- c. All loans within the approval limits of the Branch Manager / Agency Head and Management shall be paid and later ratified by the Credit Committee.
- d. All Loans Within Savings (STL) where members have fulfilled all obligations under Article 4 (D), shall be paid by the Branch Manager / Agency Head.

8.5 Loan Repayment

- a. A loan repayment schedule which indicates the principal amount, total interest, expected monthly principal and interest payments, each of the transactions, and member's endorsement shall be prepared for all loans.
- b. The BOD shall resort to measures to retrieve all loans



in arrears through direct cash or cheque payment by members or any other means possible including legal action.

- c. A member shall suffer a 2% setoff fee in an event where his/her savings are used to set off the loan after continuous default/delinquency.

Article Nine (9) - Terms and Conditions for Loans

- a. The maximum period for loan repayment shall not be more than forty-eight (48) calendar months except Akatua Mpontu Loan (AML) which shall be Sixty (60) calendar months.
- b. The total loan portfolio of the Credit Union at any point in time shall not exceed sixty-nine percent (69%) of Total Assets.
- c. The total loan granted to an applicant shall not exceed ten percent (10%) of the total assets of the society.

Article Ten (10) - Charges

- a. The interest on all loans shall be determined by the BOD from time to time.
- b. The determination of interest on loan shall take into consideration the sources of funds, type of loan and the prevailing market forces.
- c. Interest rates for all types of loans shall be disseminated to members through any available appropriate means.
- d. All fees related to the loan which includes the cost of loan forms, loan protection, and loan processing shall be paid by the applicant or deducted from the disbursed amount on collection of the loan.
- e. 0.25% of all approved loans to be disbursed, shall be deducted and credited to the share accounts of all members.
- f. Loan processing fees shall be determined by the BOD.



Article Eleven (11) - Loan Security / Collateral

- a.
- b. The CUA Loan Protection Plan (LPP) and Loan Protection Fund (LPF - managed by ROAACCU) shall be employed to protect all loans (STL exempted) within the limits of the facility in the event of incapacitation or death of the borrower.

Article Twelve (12) - Delinquent Loans:

- a. The Loans & Recovery Officer shall call or text the borrower to remind him/her of his/her daily, weekly, or monthly repayment commitment three (3) days before the due date.
- b. The Branch Manager / Agency Heads shall notify in any appropriate means to reach the borrower and his/her guarantor(s) whose loan repayment falls in arrears within fourteen (14) days.
- c. If no payment is forthcoming from the borrower, within thirty (30) days, the BOD shall consider offsetting the arrears with the borrower's savings.
- d. The first demand notice shall be issued from the Branch / Agency Office within fourteen (14) days.
- e. If no reply to the first demand notice is received within one (1) month of the due date for the loan, a personal visit shall be made by the Loans & Recovery Department or Credit Committee or a representative who shall request payment and explanation of the reason for delinquency.
- f. The BOD may take legal action against defaulters where necessary.
- g. A schedule of delinquent loans, according to the aging report shall be maintained and submitted to the Board at each sitting by the Chief Executive Officer.
- h. All costs incurred on recalcitrant borrowers during recovery exercises shall be borne by the borrowers.



Article Thirteen (13) -Miscellaneous

1. Membership withdrawal

- a. No borrower shall be permitted to withdraw his/her membership unless all indebtedness to the Society has been paid in full.
- b. A borrower who wishes to withdraw membership shall be permitted to offset a loan balance with his/her deposits, shares or deposits pledged or committed by the guarantor(s) of the loan.
- c. A guarantor who wishes to withdraw membership shall be permitted to redeem all liabilities with his/her savings or shares.

2. Loan Documentation

- a. Transactions on loans shall be recorded appropriately in the passbook of the applicant and the computerised system of ROAACCU.
- b. All processed loan applications shall be kept at the Loans & Recovery office or as may be determined from time-to-time.

3. Other Miscellaneous

- a. All loan applications shall be considered STRICTLY confidential.
- b. No approved loan shall be used for any purpose other than that for which the loan was procured.
- c. The BOD or Credit Committee reserves the right to inspect all projects being undertaken by members for which the Credit Union funds have been invested.



GOVERNANCE POLICY

ARTICLE ONE (1) INTRODUCTION

- 1.1 The parties responsible for the governance of the society shall be the elected and appointed leadership (Board of Directors, Supervisory and Credit Committees), Management (Chief Executive Officer, Risk & Compliance Manager, Finance/ Administrative Manager), and Members (Shareholders).
- 1.2 The governance policy concerns the management of relationships among these parties in the performance of their roles and responsibilities.
- 1.3 **Objectives**
The objective of this policy is to promote the rights and equitable treatment of shareholders through increased transparency, accountability, and decision-making.

Article Two (2) - Membership

- a. Admission to membership into the Society shall be limited to the common bond of the society.
- b. Potential members shall obtain prescribed registration forms for completion and submission at the designated office or from the designated representative of the Credit Union during business hours and from the website of the Credit Union.
- c. Registered members shall be required to save regularly.
- d. New members shall be required to undergo new entrant orientation and education, pay the prevailing entrance fee, and obtain at least the prevailing minimum share capital.

Article three (3) - Roles and Responsibilities

3.1 Members

- a. Members of the Credit Union shall be responsible for the nomination and election of responsible leaders from among membership at the AGM.



- b. Members of the Credit Union shall obtain the required minimum share capital, make regular savings, take good loans, repay loans according to schedule and participate in meetings of the Society.

3.2 Board of Directors

- a. The Board of Directors shall be responsible for the drafting of bye-laws, formulation of policies and the supervision of policy implementation.
- b. Members of the BOD shall be held jointly and severally liable for all actions and inactions of the BOD in the performance of their duties.

3.3 Supervisory Committee

- a. The Supervisory Committee shall act as internal auditors to monitor the operations of the Credit Union to ensure compliance to all approved operational policies, processes and procedures.
- b. The Supervisory Committee shall in conjunction with the BOD ensure that annual auditing of the Financial Statements of the Society is adequately performed.

3.4 Credit Committee

The Credit Committee is responsible for the appraisal, approval and timely repayment of loans.

3.5 Reports

The BOD and all Committees shall present a quarterly report during Joint Committee meetings.

Article Four (4) - Supreme Authority of the Credit Union

The supreme authority of the Credit Union shall be vested in the members who exercise their powers through voting at the Annual General Meeting and Special General Meetings of members/shareholders.



4.1 Annual General Meeting (AGM)

- a. The AGM shall be held after the close of every financial year.
- b. Members shall be adequately informed of the AGM and the availability of the annual reports/audited accounts at the office for collection at least fourteen (14) calendar days before AGM.
- c. Business at the AGM shall include:
 - i. Confirmation of the minutes of previous meeting
 - ii. Reports by the BOD and the Supervisory Committee
 - iii. Presentation of accounts
 - iv. Decide on the manner of disposal of net surplus
 - v. Elect leaders (Where required and all due processes undertaken)
 - vi. Amend the bye-laws (Where required and all due processes undertaken)
 - vii. Conduct any other business

4.2 Special General Meetings

- a. A Special General Meeting shall be held when requested by a 2/3 majority vote of the Board of Directors, a unanimous vote by the Supervisory Committee or a written request from at least two Hundred (200) or one - fourth of the members whichever is the lesser.
- b. A Special meeting shall be announced to members at least fourteen calendar days (14) in advance, indicating the specific business which shall be the only subject for discussion.
- c. The BOD shall organise general or specific membership meetings for purposes of education and deliberation on urgent issues concerning members and development of the Credit Union.
- d. Participation in such meetings shall be used as an indicator of the activeness of members among others.



Article Five (5) - Relationship, Information Handling and Communication

- a. The BOD shall adopt and implement proactive communication systems to promote adequate stakeholder interactions and sharing of information regarding the direction, operations and management of the Credit Union.
- b. Reports and information shall be expressed in understandable language and based on the principles of fairness, equity, promptness, confidentiality, relevance and openness with substance taking precedence over form.
- c. Leadership and shareholders shall have access to statistical, administrative and accounting information from management on requests or at a required forum.

Article Six (6) - Auditing

- a. The BOD in consultation with the Supervisory Committee shall engage the services of CUA / DOC Auditors to provide an objective, independent and effective opinion on financial statements of the Credit Union.
- b. The Auditors shall present their report to the members at the AGM after undergoing preparatory processes successfully.

Article Seven (7) - Disclosures and Transparency

- a. The BOD shall make disclosures at appropriate forums to include:
 - i. Statement(s) of Responsibility of reports
 - ii. Adequacy of Internal Controls
 - iii. Degree of Compliance with applicable law
 - iv. Compliance with Corporate Governance Practices and Enterprise being a going concern, as well as those mandated by any relevant law or regulation in Ghana.
- b. The BOD, Management and Shareholders shall be held liable for any disclosures on deals with negative impact that is made against them in the performance of duties or transactions with or on behalf of the Credit Union.



7.2 Code of Ethics

- a. The BOD shall be responsible for the formulation and adherence to code of ethics and statements of business practices of the Credit Union.
- b. The leadership, management and shareholders shall uphold ethical practices to promote honesty, sincerity, trust, openness, responsibility, accountability, integrity, mutual respect and all acceptable norms and values with the highest level of commitment to the Credit Union.

Article Eight (8) - Financial Reporting

- a. Management shall present financial statements regularly to the BOD, the Regional Office of CUA and BOG as may be required, according to approved formats and procedures and in compliance with statutory and ethical obligations.
- b. Information and participation records of the entire leadership and membership shall be presented to Auditors for inspection and scrutiny at audit sessions to include individual ledgers, pass books and pages of electronic records of information.

Article Nine (9) - Critical Issues of Corporate Governance

9.1 Capacity Building

The BOD, Committee members and Management shall undergo relevant training to equip them with the needed abilities to perform their roles and duties efficiently.

9.2 Selection of Leaders and Management

- a. The BOD and the Supervisory Committee shall be elected from among the membership at an AGM of the Credit Union.
- b. The tenure of office of every leader shall be a maximum of four (4) years for one term.
- c. Leaders of a particular tenure, who may be eligible for further service, shall seek re-election by undergoing the entire process of selection of leadership according to the bye-laws of the Credit Union.
- d. The maximum number of terms for consecutive service in leadership position in the Credit Union shall be two (2) terms.



- e. Replacement of leadership before the end of their tenure, if necessary, shall be made according to the tenets of the bye- laws of the Credit Union.
- f. Selection of leadership at the AGM shall be made according to the Cooperative Principles of Democratic Member Control.
- g. The BOD shall recruit the Chief Executive Officer of the Credit Union through a very transparent and fair process, determine his/her conditions of service and provide adequate resources for the performance of his/her duties.
- h. The Chief Executive Officer shall in consultation with the BOD, recruit, determine the salaries and supervise all other personnel required by the Credit Union and shall recommend to the BOD for the termination of appointment if so, required according to the bye-laws of the Credit Union.
- i. The BOD shall determine the remuneration, supervise the work of the Chief Executive Officer and shall have the mandate to terminate the CEO's appointment in accordance with the bye-laws of the Credit Union.
- j. All personnel of the Credit Union shall be given a letter of appointment, a written job description and a copy of the employee terms and conditions of service (HR Policies).



PERSONNEL POLICY

ARTICLE ONE (1) - INTRODUCTION

The personnel policy is designed to serve as a guide for the recruitment and sustenance of adequate staff, in required numbers, for desired positions and at the right time.

1.1 Purpose and Objective

- a. To establish a system of recruitment and supervision of the workforce of the Credit Union.
- b. To promote good relationships between the employer and employee to facilitate a harmonious and peaceful co-existence.
- c. To ensure maximum protection, motivation and provision of adequate resources for high level performance of staff.

Article Two (2) - Employment Processes

- a. The Management shall in consultation with BOD determine employment vacancies in the Credit Union.
- b. The BOD shall employ the services of a competent CEO.
- c. The CEO in consultation with the BOD shall fill all the other positions determined.
- d. The CEO shall cause an advertisement of all vacant positions on the notice board of the Credit Union as well as through any other convenient medium.
- e. For all vacancies, the BOD shall consider internal replacements first where possible.
- f. All applications shall be considered on merit for possible shortlisting

Article Three (3) -Engagement Procedures

- a. The BOD shall ensure that adequate financial and material provisions are made available for any new recruitment.
- b. Applicants short-listed for the job shall be invited for interview.
- c. The interview panel shall be constituted by Management in consultation with the BOD.
- d. The most suitable candidate shall be selected and notified by Management accordingly.



Article Four (4) - Engagement Regulations

- a. All new employees of the Credit Union shall undergo an orientation programme.
- b. All new employees of the Credit Union shall undergo a maximum probation service of six (6) months.
- c. The BOD in consultation with Management shall develop and operate detailed Human Resource Policy and staff Conditions of Service.
- d. All employees of the Credit union shall keep copies of the Conditions of Service.
- e. The BOD reserves the right to continue or terminate the engagement of an employee after the probation period based on its assessment criteria.
- f. All employees of the Credit Union shall undergo an annual performance appraisal.
- g. All employees shall be given clearly written job descriptions.
- h. The appointment of new employees of the Credit Union shall be confirmed or otherwise in writing after the probation period.
- i. In the case of no written communication after one (1) month of the probation period, the employment shall be considered confirmed.
- j. All new employees shall undergo a medical fitness test on assumption of duty and exit medical fitness test only when the employee is dismissed or the appointment terminated.

Article Five (5) - Grievance and Dispute

All grievances by employees shall be resolved according to the tenets of the staff conditions of service.

Article Six (6) -Remuneration

- a. The BOD shall determine the salary and allowances of the CEO.
- b. The CEO shall determine the salary and allowances of all other staff in consultation with the BOD.



INVESTMENT POLICY

1. PREAMBLE

The Board of Directors of ROAA Co-operative Credit Union Limited, recognising that it is solely responsible for supervision of the Credit Union's investment accounts, adopts this policy for governing investment activities.

2. PURPOSE

- a. The purpose of this policy is to provide operating guidance for the administration of the Credit Union's investment portfolio in order to maintain a high-quality, low-risk portfolio and comply with the intent of applicable Credit Union regulations.
- b. The Board establishes the following policy to increase the earnings potential on liquid (cash) assets of the Credit Union.
 - i. This cash is in the form of currency held on Credit Union premises or available funds on deposit in the Credit Union's correspondent commercial banks' Current Account.
 - ii. The Credit Union must retain enough cash to fund actual and anticipated savings withdrawals and loans.
 - iii. From time to time, the Credit Union will have cash in excess of those needs. Excess funds will be invested according to this policy.

3. INVESTMENT OBJECTIVE

- a. The following include the objectives of the policy:
 - i. The primary objective of the investment policy is to provide liquidity and facilitate the cash management processes.
 - ii. The policy is also to minimise risks from interest rate changes or other factors, to optimise the yield on surplus funds, and to ensure that the types and maturity mix of investments purchased and held are sufficiently diversified to provide adequate liquidity to meet future needs.
- b. The portfolio will convert excess cash resulting from slack loan



demand and/or deposit inflows into earning assets; alternatively, the portion will be drawn down when necessary to accommodate loan requirements, deposit withdrawals, or other contingencies.

4. PORTFOLIO COMPOSITION

The portfolio will comprise securities with the following characteristics:

- a. A low degree of default risk;
- b. A low degree of price risk resulting from changes in the level of interest rates; and,
- c. A high degree of liquidity.

5. RESPONSIBILITY

- a. The BOD is responsible for the formulation and implementation of investment policies.
- b. The BOD delegates decision-making authority with respect to specific investments to the CEO for implementing investment policies and for executing day-to-day investment decisions.
- c. The BOD authorises the Treasurer to monitor management activities to ensure policy compliance.
- d. The CEO, or in the CEO's absence, the Finance & Administrative Manager, is responsible for maintaining the necessary cash position to meet operating demands on a daily basis.
- e. Excess funds in the Bank Current / Savings Account are to be invested for a short period of time in order to maximise earnings while at the same time maintain a liquid position to meet daily cash requirements.
- f. The CEO is also responsible for investing excess funds (within the limits of this policy) for periods of 30 days or more.
- g. All Investments must be approved by the BOD.
- h. All investment decisions shall be consistent with this policy.
- i. The Treasurer/CEO will submit to the BOD at each scheduled meeting a report listing new investment decisions and the market value of any securities.
- j. Management will provide to the BOD at each scheduled Board meeting, a written report that lists the total investment portfolio.



- k. The CEO shall keep and operate an investment register with detailed information on all investments.

6. INVESTMENT AUTHORITY

- a. The BOD authorises the Management staff to initiate investments on behalf of the Credit Union.
- b. The BOD authorises the CEO or any authorised person to purchase insured certificates of deposit.
- c. The Management Staff shall have responsibility for initiating investment transactions with brokers/dealers.
- d. Responsibility for investment activity may not be delegated to a correspondent, brokerage house, or any rating or advisory service.
- e. The Credit Union will retain discretionary control over the purchase and sale of investments.

7. INVESTMENT ACTIVITY

- a. The Credit Union may make any investment permitted under the Cooperative Societies LI 2225, and as specified in the Investment Guidelines issued by the Ghana Co-operative Credit Unions Association 2009.
- b. All investments will be in Ghana Cedis or any other currency approved by the Bank of Ghana.
- c. All portfolio purchases will be within portfolio limitations at the time of purchase.
- d. Investments in financial institutions are subject to the limitations defined in this policy.

8. AUTHORISED INVESTMENTS

- A. The Credit Union will invest only in securities that are specifically authorised in this policy:
 - i. Ghana Treasury Securities
 - ii. Ghana Government Agency and Agency Guaranteed Securities which may include;
 - a. Ghana Co-op Credit Unions Association (CUA) Limited



- b. Bank of Ghana licenced Commercial Banks
- c. Security and Exchange Commission (SEC) licenced Investment Banks
- d. Security and Exchange Commission licenced Assets Management Companies and,
- e. Bank of Ghana licenced Microfinance Institutions
- iii. Certificates of Deposit in Commercial Banks, Investment Banks and Assets Management Companies (Brokers) with capital-to-asset ratios of 10% or better insured.
- iv. Share certificates of deposit in CUA
- v. Government of Ghana Bonds

B. The following brokers are approved by the Board:

- i. Dalex Finance Company Limited
- ii. CUA- Central Finance Facility
- iii. IGS Financial Services
- iv. Prestige Capital Ltd.
- v. Investa Capital Ltd.
- vi. Bayport Savings & Loans Limited
- vii. Any other as may be determined by the BOD

9. MATURITY OF INVESTMENTS

- a. To control the risk of loss resulting from increases in the level of interest rates and the forced sale of securities, the maturity distribution of the investment portfolio must be controlled.
- b. Investments are restricted to a maximum term of 1 year.
- c. When the needs of the Credit Union are such that sufficient investments are held to cover short-term needs, investments with a maturity of up to 1 year may be made.
- d. Investments in securities with maturities are authorised by the BOD.

10. DIVERSIFICATION REQUIREMENTS

To avoid an unwarranted concentration of funds in a single entity that is subject to default risk, diversification requirements are imposed as follows:

- a. Ghana Government Treasury and Agency Securities: These may be held in unlimited amounts because they are risk free, or in



the case of agency securities, virtually risk free.

- b. Ghana Co-operative Credit Unions Association (CUA) Ltd.: The total amount of funds invested in and on deposits with this institution will be unlimited, because they are risk free.

11. PAYMENT / DELIVERY AND SAFEKEEPING

With respect to payment, delivery, and the safekeeping of securities, the following policies shall be followed:

- a. When a security is purchased, evidence of the wire transfer of the funds shall be retained until the instrument matures and the funds are realised.
- b. All securities held in a safekeeping account will be evidenced by a safekeeping receipt from the safekeeping institution.
- c. The Treasurer/CEO must obtain an individual confirmation statement for each investment purchased or sold.
- d. The Treasurer/CEO must obtain and reconcile quarterly a statement of purchased investments held in safekeeping.
- e. An investment register must be kept in the Society's office
- f. An external Auditor, as part of its audit, confirms all securities held in safekeeping.
- g. Certificates of Deposits must be held in the name of the Credit Union.

12. EXCEPTIONS AND REVIEW

- a. The BOD recognises that questions may arise and minor policy exceptions may be necessary from time to time.
- b. Should such an instance occur, Management and/or the Treasurer will report any exceptions to the BOD at its next regular meeting.
- c. Investment decisions will adhere to the guidelines set forth in this policy.



FINANCE AND ACCOUNTING POLICY

ARTICLE ONE (1) - INTRODUCTION

- a. The main objective of the Finance and Accounting Policy is to formally set out in a written document, the accounting system and financial or internal control procedures already followed by ROAACCU.
 - i. To ensure proper monitoring of bookkeeping and a systematic recording of all financial transactions and maintenance of relevant books of accounts and documentations at all times.
 - ii. To produce reports and statements that will effectively inform Management and Board of the Credit Union's financial position and dealings.
- b. The Policy sets out standard and specific criteria under which the Credit Union financial information will be prepared and reported.
- c. The Policy establishes the operating accounts procedures, with respect to the preparation of income statement, balance sheet and cash management.

1.2 Basis of Measurement

The financial statements will be prepared under the historical cost convention.

1.3 Statement of Compliance

The financial statements of the credit union shall be prepared in accordance with International Financial Reporting Standards and additional information required under the Co-operative Decree 1968 NLCD 252) and LI 2225.

1.4 Purpose and Objectives

- a. To obtain adequate acquisition from the right sources at the right time and in the right quantities.



- b. To promote the efficient protection and use of funds for higher yields and membership benefits.
- c. To establish standardised guidelines for the equitable distribution of profits to members and efficient appropriation of surpluses.

2.0 Article Two (2) - Financing

2.1 Funds of the Society

- a. The funds of the Society shall be derived from entrance fees, share capital, savings and repayment of loans to the Society, interest on loans, investments income, donations and miscellaneous income.
- b. The Society shall maintain such other funds from its net surplus (reserves) as it may deem necessary.

2.2 Issue of Bonds (Internal Borrowing)

- a. The Board of Directors can issue bonds to members to raise enough funds for the Society and shall give bond certificates.
- b. The Society shall create a bond redemption reserve fund to cater for both the interest and principal amount of the bonds at maturity.

2.3 Investments

- a. The Credit Union shall commit funds into appropriate long term and short-term investments after duly considering both qualitative and quantitative factors.
- b. Decisions to acquire fixed assets shall undergo due diligence and quotations included in the annual budget with the sources of funding clearly identified and made available.
- c. Disposal of fixed assets shall undergo due diligence to ensure transparency, obtain the highest bidding and ensure payments are received from successful bidders before ownership is transferred.
- d. For the acquisition of shares and bonds, the Board shall take into consideration high yield, safety and the liquidity of such opportunities.



- e. The Credit Union shall take up only liquid investments opportunities.
- f. The Credit Union shall keep and operate an investment register with detailed information on all investments.
- g. The Credit Union shall keep Assets register which shall contain all detailed information of all assets of the Society.

2.4 Power to Borrow / Lend

- a. The Credit Union shall have the power to borrow up to 40% of its Total Assets not already pledged outside the Society.
- b. The Society can borrow from either external or internal sources.
- c. Loans to the Society shall be regarded as part of the Society's debt finance.
- d. The Credit Union shall have the power to extend liquidity support to other Credit Unions in distress with approval from the BOD.

2.5 Loans to Members

- a. The Credit Union shall maintain loans to members at a maximum of sixty-nine percent (69%) of total assets at all times.
- b. All members' loans are non-derivative assets with fixed or determinable payments

2.6 Member Savings

- a. The Credit Union shall maintain member's savings at a maximum of seventy-five percent (75%) of the total assets at all times.
- b. These balances should include all current accounts, savings accounts, and fixed deposits. They shall be stated at the principal amount deposited plus interest credited to the account.
- c. Interest accrued but not yet credited to the accounts shall be included in sundry creditors and accruals.
- d. The balances shall be disclosed in the following categories.



2.7 Type of deposits:

- a. Member Savings
- b. Smart Savings
- c. Prime Savings
- d. Mbofra Daakye
- e. Youth Savings
- f. Member Current
- g. Member Investment

Number of accounts for each category shall also be disclosed in monthly reports to the Board.

Article three (3) - Cash on hand and bank current accounts

- a. The Credit Union shall maintain a maximum of three percent (3%) of its total assets as cash on hand and bank current account balance at all times.

Article Four (4) - Dividend or profit allocation

- a. The net surplus of the Credit Union shall be allocated over statutory reserve, operating reserve and education reserve according to industry standard proportions.
- b. The BOD shall propose a dividend to shareholders according to the shares policies.
- c. The approved dividend by the AGM shall be paid from the Operating Reserves.
- d. Where the minimum Capital Adequacy Ratio (CAR) of the industry has not been met by the Society, the dividend shall be capitalised.

Article Five (5) - Business Planning and Budgeting

The BOD shall develop and operate with a Strategic or Business Plan, Marketing Plan, Operational Plan, and Budget covering a minimum of one year.

Article Six (6) - Miscellaneous



6.1 Foreign Currency Transactions

- a. The Society shall not deal in foreign currency; that is to receive or pay out money in foreign currency.
- b. All monies received in foreign currency shall be converted into Ghana Cedis at the highest possible exchange rate at the time.

Article Seven (7) - Revenue Recognition

7.1 Interest on Loans

Interests on members' loans are recognised as income when payment is received (on a cash basis). The BOD shall determine the methodology.

7.2 Investment Income

Investment Income is recognised in the Income Statement on accrual basis or when investments are rolled over instead of receiving it as cash.

7.3 Non-Financial Income

Revenue from the provision of services to members is recognised when earned, especially when amounts are fixed or can be determined and the ability to collect is reasonably assured.

Article Eight (8) - Expenditure

Expenses are recognised when incurred, without regard to receipt or payment of cash.

8.1 Interest on Members' Savings

- a. Interest on Members' Savings shall be paid on a minimum balance quarterly.
- b. Savings balance below a minimum balance will not qualify for interest.
- c. The BOD shall set the minimum balance at the beginning of every financial year.

8.2 Provision for Loan Losses



- a. The Society recognises the likely impairment loss on loans granted to its members who may not repay their loans in accordance with the loan contract.
- b. An estimate of the collective provision will be based on the age of the loans.
- c. Annual adjustments shall be made in the Provision for Loan Losses and recognised in the Income and Expenditure Accounts.

Ageing Analysis	Provision (Rate %)
Current	1
1 - 3 months	10
4 - 6 months	30
7 - 9 months	60
10 - 12 months	100
Above 12 months	100

8.3 Bad Debt Written Off

- a. Where Management and BOD reasonably expect that the recoveries of some recalcitrant borrowers are unlikely, it may write-off the debts annually (End of Financial Year).
- b. Bad debts are written off against the accumulated provisions for loan losses if a provision for loan loss had been previously recognised
- c. If no provision has been recognised, the write-offs are recognised as expense in the Income and Expenditure Account.

Article Nine (9) - Format of Financial Statements



- a. The financial statements of the Society shall comprise the following:
 - i. Income Statement
 - ii. Statement of Financial Position
 - iii. Statement of changes in Equity
 - iv. Cash Flow Statement and
 - v. Notes to the above.
- b. The Financial Statements shall show corresponding figures for the preceding period and explanation of the variance (increasing or decreasing trend) and any other period as may be determined by the BOD from time to time.
- c. The Revenues and Costs are accounted for as they are earned or incurred (i.e. as and when money is received or paid) and recorded in the financial statements for the month of transaction.

Article Ten (10) - Financial Year

The financial year of the ROAA Co-operative Credit Union Limited shall commence on 1st January and end on 31st December each year.

Article Eleven (11) - Fixed Assets

- a. Assets which have a continuous use to the business shall be capitalised and depreciated over the period of their useful lives.
- b. The amounts capitalised under the various classifications of assets shall relate to the cost of the asset.
- c. The cost of a Fixed Asset item shall comprise its purchase price, including import duties and non-refundable purchase taxes, and the directly attributable cost of bringing the asset to working condition for its intended use.
- d. Any expenditure that increases the future benefits from the existing asset beyond its previous assessed standard of performance shall be capitalised.
- e. All fixed assets initially recognised at cost shall be subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.
- f. A Capital Expenditure Budget including annual projections on works on the Union's building (if any) shall be approved by the Board.



- g. Any fixed asset fully depreciated but in use should not have zero (0) value but some reasonable amount as its cost.

Article Twelve (12) - Depreciation

1. Definition: Depreciation is allocation of the depreciable amount of an asset over its estimated useful life.
- a. Depreciable assets are assets which: -
 - i. Are expected to be used during more than one accounting period, and
 - ii. Have a limited useful life.
- b. The depreciable amount of an asset is its cost less the estimated residual value.
- c. Depreciation shall be calculated on a straight-line basis as appropriate.
- d. Land shall not be depreciated.
- e. Gains or losses on disposal of property, plant and equipment shall be recognised in the Income and Expenditure Account.
- f. Disposal of Fixed Assets shall undergo due diligence to ensure transparency, obtain the highest bidding and ensure payments are received from successful bidders before ownership is transferred.
- g. The Board shall authorise all matters relating to disposal of assets.

ROAACCU's Applicable Depreciation Rates: -

Land	- 0.0% p.a
Building	- 2.0 % p.a.
Furniture, Fixture & Fittings	- 10.0 % p.a.
Office Equipment	- 25.0 % p.a.
Computer Hardware and Accessories, Software	- 33.33 % p.a.
Motor Vehicles	- 20.0 % p.a.



Article Thirteen (13) - Surplus/Reserves

The Board shall:

- a. by statutory requirement, pay 25% of annual surplus to CUA as an investment.
- b. propose a percentage of the annual surplus as dividend for the Shareholders' approval at AGM.
- c. direct how the rest of the annual surplus should be appropriated into reserves.
- d. authorise all payments that shall be treated through the reserves.
- e. ensure that payment from any reserve will be for the purpose for which the reserve was created.



CASH HANDLING POLICY

ARTICLE ONE (1) - CASH HANDLING

Tellers and Direct Sales Agents are the only staff members mandated to receive cash on behalf of ROAACCU.

Monies in excess of the approved vault limit should be banked.

Article Two (2) - Payment Authorisation Levels

1. The CEO shall determine the upward adjustments of the levels of cash payments by Tellers and request for approval from the BOD from time to time.
2. Teller's maximum authorised payment level presently is Ten Thousand Ghana Cedis (GH¢ 10,000.00).
3. Payments of amounts above Ten Thousand Ghana Cedis (GH¢ 10,000.00) shall be authorised by the Branch Manager / Agency Head.
4. The Branch Manager / Agency Head shall delegate responsibility to the Accounts Officer or any responsible officer in his absence from the office (excluding leave).
5. A review of all payments shall be carried out by the Branch Manager / Agency Head upon his return to office and shall initial all payment instruments above Ten Thousand Ghana Cedis (GH¢ 10,000.00).

Article Three (3) - Reserve Cash

1. All reserve cash shall be kept in the safe or vault under dual custody at all times.
2. Whenever the cash reserve exceeds the maximum amount level, a transfer to the bank shall be made of the excess.
3. Cash in Safe Insurance and Cash in Transit Insurance Policies shall be made to cover the risk of cash custody.

Article Four (4) - Cashiers' Start-up Duties

1. Collect till personally from the vault or safe.
2. Check the lock if it has been tampered with.
3. Open and check the arrangement and content of cash in till.
4. Count cash to agree with till records to confirm cash is intact.



5. Request for cash from vault within limits authorised by completing the Treasury Out records.
6. Count cash provided at the vault in the full view of the Official(s).
7. Ensure the cash supplied agrees with the records in the Treasury Out documents by denominations.
8. Initial (Confirm) cash collected in the Treasury note book or the Treasury Out slip.
9. Ensure that officials have also initialled the cash supplied.

Article Five (5) - Cashiers/Teller Cash Transactions

1. Cash transactions in ROAACCU, be it Members transactions or internal payments or cash receipts shall be done through the Cashiers and at no time shall Members of staff who are not Cashiers transact or handle cash on behalf of the Credit Union.
2. Notes issued to the public should always be in clean and serviceable condition.
3. Cashiers must always witness the counting of their cash to the vault. Thereafter they shall confirm that they have witnessed the counting of their cash by countersigning on the cash label and on any cash movement form.
4. Cashiers must NOT mix their personal cash with the Union's cash.
5. The Cashiers must not bring any personal cash, mobile phone, or bag into their workstations.
6. Cashiers wishing to deposit/withdraw cash from their savings accounts will be paid by other Cashiers (i.e. the Cashier must not pay their own vouchers) except approved by the Branch Manager / Agency Head.
7. Cashiers leaving their counters will ensure that all cash and cheques and other valuables are locked in a lockable box.
8. Whenever a cashier leaves the cashier's cubicle, they must inform and receive approval from the Accounts Officer, Branch Manager / Agency Head before leaving the teller counter.
9. Use of mobile phones is prohibited in the cashier's cubicle during working hours.



Article Six (6) - Internal Cash Movement

1. The doors of all enclosures must remain locked whenever cash is being handled at the vault or safe.
2. A record book shall be maintained in the vault for recording details on the movement of cash and will be initialled by the strong room custodians.
3. Each Cashier shall have a lockable box for locking cash and valuables in their cubicles.
4. Each Cashier shall be provided with a mobile till for transporting cash between the counter and the vault. The till shall have two keys to the locks. One key shall be held by the Cashier / Teller and the other held at the Vault.
5. When transporting cash, the tills must be locked and must remain locked while in the Union's vault.
6. All Cashiers must accompany their mobile tills during transportation at all times.

Article Seven (7) - Cashier / Teller Training

1. A new Cashier / Teller will be attached to an experienced Teller for training for a minimum of one (1) month.
2. In the second month, the Teller shall be given his/her own till and allowed to receive and pay cash.
3. The Accounts Officer, Branch Manager / Agency Head shall constantly monitor the Teller's progress.

Article Eight (8) - Surprise Cash Checks

1. The Branch Manager / Agency Head will arrange for surprise cash checks without the knowledge of the staff concerned.
2. Surprise checks shall be conducted at least once every month by the Branch Manager / Agency Head.
3. Cash counts shall include detailed counts of notes and coins of all denominations.
4. Checking officials shall sign individual "teller record forms" after checking Cashiers' cash.
5. These checks shall be conducted in detail on all instruments including cash with cashiers, their tills, and cash in the vault.



6. The physical cash must agree with the corresponding account balances in the cash records of the Credit Union.
7. Records of cash surprise checks shall be recorded in the Cash Surprise Checks Register and stored in the vault.
8. Any discrepancies shall be investigated and rectified within 24 hours.
9. A report shall be made to the Supervisory Committee (SC) thereafter.
10. The SC Chairperson shall inform the Chairman of the BOD if this is not rectified after 24 hours of his/her examination.
11. The SC shall regularly check and initial the surprise checks register.

Article Eight (8) - Cash Withdrawals

Tellers are required to note the following:

1. The amount in figures must agree with the amount in words on the withdrawal instrument.
2. The date of the payment is properly written.
3. Analysis of denominations used in the payment carefully written at the back of the payment instrument and again checked to agree with the amount of payment indicated on the payment instrument.
4. A notice requiring all members to count cash received from the cashier before leaving the office should be displayed on the cubicle.

Article Nine (9) - Teller Differences

1. Where a Teller has had five (5) previous shortages above Ten Ghana Cedis (GH¢100.00) within six months, a Disciplinary Committee shall be set up and action taken depending on the Committee's recommendations.
2. Details of all shortages/overages irrespective of amounts are to be kept on the register and the individual's personal file in the Finance & Administrative Manager's office and taken into account when assessing annual performance reviews.
3. The Branch Manager / Agency Head shall be responsible for all



cash imbalances that are not reported within 24 hours.

Article Ten (10) - Office Imprest

The Credit Union shall keep office imprest which shall be handled by the Agency Head or Accounts Officer for each branch. The Head Office imprest on the other hand shall be handled by the Operations Officer.

Expense Payment

All expenses within the approved limits shall be made from the imprest.

All expenses above the approved limits shall be referred to Management for approval.

All expenses submitted for approval must have supporting documents attached to them.

All expenses shall be properly authorised before payment is made.

B. Reporting / Reimbursement

The Accounts Officer, Agency Head or Operations Officer shall present to Management an Imprest Expenditure Report which will clearly show the type, description and amount of the expense(s) on a weekly basis.

The imprest account will only be reimbursed by Management after receipt and approval of the full Expenditure Report for the period.

The reimbursement level for imprest handlers shall not be below GH¢ 2,000.00



MEMBERSHIP POLICY

1.0 PREAMBLE

This policy has been developed and approved by the BOD from the powers conferred by the bye-laws.

2.0 QUALIFICATION FOR MEMBERSHIP

Membership is opened to people within the following common bond:

- a. All Rubber Outgrowers and Agents as well as their employees and relations operating in the Western, Central, Eastern, Ashanti and any rubber growing regions in Ghana.
- b. Clubs and Organisations, Institutions, Societies and Associations.
- c. Joint membership (eg. Couple or Partners).
- d. Any person who earns income of any sort is eligible to become a member.
- e. Membership is limited to persons of good character as professed by the one who introduces him/her.
- f. Juvenile / Youth Savings shall be encouraged for children under 18 years.

3.0 APPLICATION FOR MEMBERSHIP

- a) Application for membership shall be in writing on the prescribed form.
- b) The application shall state the name(s) of the person(s) to whom the shares/savings of the member shall be paid to in the event of the member's death.

4.0 ADMISSION TO MEMBERSHIP

- a) Membership shall only be effective when:



- I. The membership application form has been approved by the Branch Manager / Agency Head.
 - II. The entrance fee has been paid.
 - III. The minimum member shares have been paid.
 - IV. Two passport size photographs of the applicant are provided.
 - V. A valid ID Card or a Passport is provided.
- b) For re-admission, applicants must pay double of the entrance fee and outright payment of the minimum shares in addition to the membership application form.

5.0 PAYMENT OF ENTRANCE FEE AND SHARES

Payment of the entrance fee and shares shall be made within six months of approval of the membership application.

6.0 WITHDRAWAL FROM MEMBERSHIP

- a. A member may withdraw from the Credit Union or Society only by giving at least 3 months' notice in writing on a prescribed form.
- b. In lieu of this notice, a member loses 15% of his/her total savings and shares.
- c. Such withdrawal cannot become effective until all debts of the member have been settled and he/she has ceased to be a guarantor for any loan.

7.0 EXPULSION FROM MEMBERSHIP

- a. A member may be expelled from the Society by 2/3 majority vote of the General meeting.
- b. Reasons for expulsion shall be:
 - I. No savings record of a member for a continuous period of twelve (12) months.
 - II. Behaviour detrimental to the interest of the Society.

8.0 DEATH OF A MEMBER



- a) Upon the death of a member his/her savings/shares shall be paid/transferred to person(s) whom he/she has nominated on his/her application form.
- b) Such nominees shall submit an identification card as a proof.
- c) A proof of the death (Cause of Death Certificate, Poster, Mortuary Receipt, Official letter from family or religious Head and/or Letters of Administration) of the member shall be required.

9.0 PAYMENT AFTER TERMINATION OF MEMBERSHIP

If a person has ceased to be a member because of death, withdrawal or expulsion, his/her savings/shares shall be paid/transferred to his/her nominee(s) or heir(s) only after all his/her debts have been deducted and all his/her guarantees for loan have ceased.

10.0 REGISTER OF MEMBERS

A soft copy of the register shall be maintained at the registered office of the Society which shall contain:

- a) The name, telephone number and residential address (GPS address) of each member.
- b) The date on which each member was admitted into the Society.
- c) The date on which a person ceased to be a member.
- d) Age and gender of the member.
- e) Occupation of the member.
- f) Name(s) and contacts of each member's beneficiaries.

11.0 RIGHTS OF A MEMBER

A member has the following rights on admission into membership:

- a. The right to attend Annual General Meetings and any Special meetings called.
- b. The right to vote at meetings.
- c. The right to speak at meetings.



MEMBER WELFARE POLICY

- d. The right to copies of Bye-laws and Operational Policies.
- e. The right to be voted to any office (Executive Position) of the Society.
- f. The right to dividend when surplus is declared.

Preamble: The policy on welfare and its related operations shall be known as “Member Welfare Policy”.

Article One (1) - Definition

Welfare is a statutory procedure or social effort designed to promote the basic physical and material well-being of people in need. However, ROAACCU will limit this policy to deaths and bereavement.

Article Two (2) - Objectives

- i. To maintain and increase membership.
- ii. To promote unity among members.
- iii. To strengthen the social bond among members.
- iv. To support qualified members financially in times of need e.g. Bereavement.

Article Three (3) - Eligibility

- i. All existing shareholders, excluding minors and groups, with the minimum shareholding.
- ii. Completion of Member Welfare (MW) form.
- iii. All registered members shall serve a Six (6) month waiting period. During this waiting period, such members shall not qualify for any benefit.
- iv. Membership is renewed on 1st January every year. However, the deadline for renewal is 31st January. Any member who renews after the deadline will wait for three (3) months from the date of renewal before any benefit.
- v. Pay a one-time registration fee of Twenty Ghana cedis (GHS 20.00).



Article Four (4) - Beneficiaries

- i. The qualified member.
- ii. The spouse of the qualified member.
- iii. A nominee of the qualified member, where the qualified member has no spouse.

Article Five (5) - Benefits

- i. Where the deceased is a qualified member, GHS3,000.00 shall be paid to support the funeral.
- ii. Where the deceased is the registered spouse or a nominee of the qualified member, GHS3,000.00 shall be paid to the qualified member.
- iii. Where the deceased and the spouse or nominee are both qualified members, GHS 6,000.00 shall be paid to the survivor.
- iv. In any of the cases above, an additional donation of GHS200.00 and a bottle of Schnapp (where applicable) shall go to the extended family.
- v. A delegation shall be appointed to represent the Society at the funeral (where applicable).
- vi. The Claimants shall have a minimum savings balance of GHS500.00 at the time of processing the claim. Claimants with less than the minimum balance shall top it up with part of their claims.
- vii. Any delinquent loan amount shall be deducted from the Claimant's benefit.

Article Six (6) - Sources of Funding

- i. Member's savings at source.
- ii. Donations.
- iii. Interest from savings and / or investments of the welfare fund.
- iv. Any other.



Article Seven (7) - Funds Management

- i. The Welfare shall have an account with ROAACCU.
- ii. Idle funds of the Welfare shall be placed in an investment account with ROAACCU or any reliable and low-risk investment vehicle.
- iii. Delegates' expenses shall be borne by the Welfare.
- iv. Allowances that are approved by the CEO shall be paid to the delegated Staff and Committee Members through the Welfare account.

Article Eight (8) - Member Welfare Committee

- i. The Board shall constitute a 3-member committee (Chairman, Financial Secretary and a Member). The Chairman shall be the principal signatory to the account and co-signed by any of the Committee members.
- ii. The Welfare Committee shall have a 3-year mandate subject to renewal by the Board.
- iii. The Committee shall be required to meet every six months to prepare and present their report including accounts to the Board through the CEO. The annual report shall be presented to the welfare members after the AGM on the same day.
- iv. The Committee shall be administratively assisted by a designated staff at the Head Office.

Article Nine (9) - Claims Payment

- i. Evidence of death e.g. death certificate, burial certificate, cause of death certificate, affidavit (sworn to by spouse/nominee/next of kin), funeral poster or invitation card or official letter from family or religious Head.
- ii. Completion and signing of "Notice of Death and Claims" form.
- iii. Acknowledgement of receipt of claim.
- iv. Mode of donation will be at the discretion of the Claimant.



Article Ten (10) - Miscellaneous

- i. Only one spouse shall be registered at a time.
- ii. Deceased spouse can be replaced as long as the member remains qualified.
- iii. Deceased Nominee cannot be replaced.
- iv. Welfare dues shall be GHS100.00 per year, payable at source from qualified Members' savings on or before 31st January of each year.
- v. Members can nominate a maximum of 2 people but shall pay an amount of GHS200.00
- vi. The age limit of nominees shall be limited to 70 years.
- vii. Two Welfare Members shall not be allowed to nominate the same beneficiary.
- viii. Figures submitted are subject to annual review at AGM by the Welfare Members.



AGENCY / BRANCH OPERATIONS POLICY

2.0 AGENCY/BRANCH OPERATIONS POLICY STATEMENT

To fulfil its objective of maximising returns on members shares and prudently managing the savings of members at reasonable cost, the Management and Board of the Credit Union have embarked on membership expansion through branching.

As a result, four Agencies/Branches have already been opened at Agona Ahanta, Assin Foso, Manso Amenfi and Wassa Simpa. The Agency/Branch operations policy is therefore to serve as a standard document which will guide the Credit Union to operate these Agencies/Branches and also provide guidelines for new Agencies/Branches to be opened in the future.

As a matter of policy, any new Agency/Branch to be opened, has to fit in the general operations as a Strategic Business Unit (SBU). This means the Agency/Branch will have to eventually pay for itself and give reasonable returns on members' investments.

3.0 OVERVIEW

Credit Unions have now become one of the formal financial sectors in the nation's economy. It promotes commerce, industry and the socio-economic development of a modern Ghana. It is instrumental to trade especially the small and medium enterprises, enhancing economic development in Ghana.

In the last 30 years, the Credit Union Movement has recorded significant changes in Ghana. The level of member sophistication has increased; armchair Credit Union has disappeared, while the quest to provide efficient services leveraging on information technology as a strategic tool has taken a more prominent role. Competition has increased and liberalisation of the common bond has made it possible for credit unions to open Agencies/Branches even outside their traditional common bond areas.



With the speed inherent in modern credit unions, it has become far easier to commit errors and frauds than in the days of manual processes. It is even easier to overlook mistakes as transactions are executed speedily due to the sophistication of existing information technology. It is therefore imperative that the procedures involved in the Credit Union processes be reviewed frequently to align our processes with the current business realities.

This Agency/Branch Operations Policy captures all basic processing procedures for all Agencies/Branches and also guides the Credit Union to open new Agencies/Branches.

This Policy may not be used in isolation; it will have to be used in conjunction with standard operations procedures, the credit policies and procedures and any other policies issued to date by the Board with the aim of minimising processing errors, ensuring full compliance with regulatory provisions, offering impeccable and high-quality service while protecting the member, the Credit Union and the employee from frauds and errors.

4.0 PURPOSE

The Credit Union is established with an overarching objective of providing total financial service to its members. This key objective translates into delivering financial solutions to members within reasonable geographical reach. The increasing mobility of people and the need to access financial service at locations other than the Head Office thus compels ROAACCU to duplicate its principal place of business by establishing Agencies/Branches.

The need for Agency/Branch network, however, does not eliminate the temptation of battling with consistency in all facets of operations at a given Agency/Branch. And this can impact on service delivery as well as regulatory demands. Hence, the immediate need for consistency-led binding documents for adoption for the purposes of Agency/Branch operations.

This policy document sets the rules, framework and standards for the operation of Agencies/Branches by ROAACCU. It aims at achieving the following;

To provide the framework for actions that will help staff get on with



the job they need to do

To ensure that people in the organisation do not keep reinventing the wheel by applying different subjective decisions to similar recurrent cases or transactions and

To ensure that ROAACCU policies and other regulatory requirements are met.

5.0 SCOPE

The policy applies and will be implemented by all Agencies/Branches, both existing and new. Its content shall be restricted to decentralise operational functions.

POLICIES

6.0 AGENCY/BRANCH STRUCTURE

The Credit Union shall operate Agencies/Branches in accordance with the Co-operative Act (NLCD 252, 1968), LI 2225, CUA regulations and shall be subjected to any other authority that regulates Credit Unions in Ghana in the future.

- For the purposes of ensuring proper accountability and performance analysis of business units, each Agency/Branch shall be recognised as a Strategic Business Unit (SBU) of the Credit Union and treated as such at all times.
- There shall be formal reporting lines at the Agency/Branch as will ordinarily be the case at Head Office. Each Unit shall have a head that will be responsible for that line function.
- Each Agency/Branch shall maintain a lateral structure with the Manager as the head. All other units and functions shall report directly to the Agency/Branch Manager who shall in-turn report to the Head Office.



- The Agency/Branch Manager shall in consultation with Management, appoint a staff who shall act in his/her absence.
- All Unit Heads shall report directly to the Agency/Branch Manager (or the Staff acting in his/her absence) who is ultimately responsible for the Agency/Branch's operations and performance.
- Any new Strategic Business Unit established shall meet CUA's Branching Policy criteria.

7.0 THE INTERNAL ORGANISATION

(i) DECENTRALISED INTERNAL FUNCTIONS

1. Each Agency/Branch office shall be set up in line with the internal functions of the organisation at the Head Office. Each Agency/Branch shall have separate desks set up to manage the different functions of the Credit Union. Notwithstanding, to ensure a flat structure at the Agency/Branch level, some functions and strategic units shall be grouped with others under a single consolidated name. The desks to be set up shall include but not limited to;

- Marketing and Member Care
- Loans and Recovery
- Accounts
- Tellers

2. These desks shall perform functions in accordance with



the Credit Union's policies. No desk shall be established with functions completely different from that ordinarily found at Head Office and which is not in alignment with the Credit Union's core operations unless prior approval is secured from the Board. This shall however be preceded with Management recommendation.

3. The Management Team of the Agency/Branch shall comprise;

A. Agency

1. Agency Head
2. Loans & Recovery Officer / Teller
3. Member Care Officer

B. Branch

1. Branch Manager
2. Accounts Officer
3. Loans & Recovery Officer
4. Marketing Officer

8.0 CENTRALISED INTERNAL FUNCTIONS

A. The following internal functions shall be centralised. These units shall operate from the Head Office but with some tasks required to be initiated at the Agency/Branch level by specific desks or individual staff in need of the service:

- Human Resource
- Finance and General Administration
- Technology & Media
- Risk & Compliance



(i) Human Resource Department

The Human Resource Department shall be centralised at the Head Office and responsible for the following;

- Recruitment and selection
 - Employee training (internal and external)
 - Champion employee welfare
- A. Agencies/Branches shall not run this function independently. Any human resource need that arises at the Agency/Branch shall be forwarded to the Head of the unit at the Head Office through the Agency/Branch Manager.
- B. The Agency/Branch Manager shall, as a matter of contact and reference only, become the Human Resource Department's representative at the Agency/Branch. He/she shall not take or execute any human resource decision at the Agency/Branch independently without necessary prior approval and concurrence of the Unit Head at the Head Office. As a representative officer of the Human Resource Department at the Agency/Branch level, the Agency/Branch Manager shall assess human capital needs of the Agency/Branch and make appropriate recommendations to the Head of the unit at the Head Office.

(ii) Finance and General Administration

- A. The Accounting and Finance function shall be centralised and housed at Head Office. The unit shall be responsible for preparing the Management Account of each Agency/Branch



periodically.

- B. Each Agency/Branch shall account for its own income and expenditure as and when it is earned or incurred respectively. This shall be fed daily into the software where the Unit at Head Office can access for periodic accounts preparation and consolidation.
- C. At the Agency/Branch level, the Accounts Officer shall be responsible for entering all local expenses into the software after the Agency/Branch Manager's approval.
- D. The Accounting and Finance Unit shall also perform the treasury functions i.e. invest and disinvest surplus funds of the various Agencies/Branches based on the investment policy of the Credit Union.
- E. The General Administration Department shall be centralised and located at the Head Office. It shall be responsible for the following:
 - In charge of executing purchase order of fixed assets for Head Office and all Agencies/Branches
 - Furnish new Agency/Branch offices to fit business operations
 - Make travel and lodging arrangements for officers on business assignment and travel.
- F. Agencies/Branches shall forward requests based on any of the above needs to the Administration department in the Head Office for execution. The requests shall be forwarded



with necessary approval memo, the basis upon which the unit shall act.

- G. Where the unit finds it convenient and cost effective to execute any of the above requests locally at the originating Agency/Branch, Administration shall, through the Agency/Branch Manager, nominate and liaise with an officer at the Agency/Branch for that purpose.

(iii) Technology & Media

- A. The Technology & Media department shall be responsible for all IT-based system and social media publicity related issues. The unit shall be stationed and run from the Head Office.
- B. All Agencies/Branches shall have access to remote IT support from the Head Office.
- C. The unit shall ensure it procures the necessary IT infrastructure and that the Credit Union's staff attains the necessary skills to ensure a strong IT support base.
- D. No Agency/Branch shall maintain a Technology desk, dependent or independent on the Credit Union's centralised IT & Media department at the Head Office. Where that becomes the case as a matter of necessity or convenience, the Board's approval must be secured after Management recommendation.

(iv) Risk & Compliance

- A. The Head Office shall carry out monthly or periodic working



- visits to the Agencies/Branches to review their work (cash count, PVs, loans disbursed, assets verification, etc).
- B. The visiting officer from the Head Office may identify flaws and risky activities at the Agency/Branch and provide in-house training/solutions to correct them.
 - C. The visiting officer shall ensure that Agency/Branch operations are in line with the Credit Union's policies.

9.0 AGENCY/BRANCH DEPOSIT ACCOUNTING

(i) DEPOSIT MOBILISATION

- a. Each Agency/Branch of the Credit Union shall account for its deposit mobilised daily and over a period.
- b. Agency/Branch's deposit shall be all deposits made by members who own accounts with the particular Agency/Branch of the Credit Union where the deposit is made.
- c. Agency/Branch's deposit shall also include all deposits made at other Agencies/Branches or Head Office of the Credit Union by the Agency/Branch's members.
- d. Deposits made at a given Agency/Branch by members of other Agencies/Branches of the Credit Union shall not be treated as part of the originating Agency/Branch's deposit. Such deposits are treated as belonging to the mother Agency/Branch of the members who made the deposit.
- e. Only deposits made by members of a given Agency/Branch shall be captured on the Agency/Branch's balance sheet at



any point in time.

(ii) INTER-AGENCY/BRANCH BORROWING

- a. Agency/Branch can borrow from another Agency/Branch in the form of liquidity support at no fee.
- b. The Head Office shall facilitate the process of borrowing and ensure repayment.
- c. The Head Office shall consider the state of the Agency/Branch's liquid investment position.
- d. The Agency/Branch in need of the support shall apply through the Finance /Administrative Manager.
- e. The application shall state the amount and the repayment date.

10.0 AGENCY/BRANCH WITHDRAWAL

- a. Each Agency/Branch of the Credit Union shall account for its own cash/cheque withdrawals daily and over a period.
- b. Agency/Branch withdrawals shall be all withdrawals made by members who own an account with the particular Agency/Branch of the Credit Union where the withdrawal is made.

11.0 AGENCY/BRANCH INCOME

(i) AGENCY/BRANCH INCOME RECOGNITION

- a. Each Agency/Branch shall recognise income as only revenue-related fee and commission transactions executed on



behalf of members of the Agency/Branch at which the transaction was processed.

- b. Where a transaction is being executed on behalf of a non-member of the Credit Union, then the Agency/Branch processing the transaction shall recognise the ensuing fee and commission (if any) as that earned by it.
- c. Where an Agency/Branch executes a transaction on behalf of a member of another Agency/Branch of the Credit Union, the ensuing fee and commission (if any) shall be recognised as that earned by the mother Agency/Branch of the member and not necessarily the processing Agency/Branch.

12.0 AGENCY/BRANCH EXPENDITURE

(i) AGENCY/BRANCH EXPENDITURE RECOGNITION

Agency/Branch expenditure is any expense incurred at the Agency/Branch or the Head Office on behalf of the Agency/Branch which is about its business operation. The Agency/Branch shall recognise two principal expenditures:

1. Incurred at the Agency/Branch

All expenses incurred at the Agency/Branch as a result of business operation shall be recognised by the Agency/Branch and charged against profit and loss. This shall include all administrative expenses. Expenses up to GHS1,000.00 shall be approved by the Agency Heads whereas up to GHS2,000.00 shall be approved by the Branch Manager.

2. Incurred at Head Office



All expenses incurred at Head Office on behalf of the Agency/Branch shall be recognised by the Agency/Branch and charged against profit and loss. Expenses up to GHS 5,000.00 shall be approved by Management.

Below is a table that depicts how expenditure shall be allocated:

Description	Percentage Allocated to Head Office
Cost of Funds	0%
Provision for Loan Loss	0%
Personnel Cost (Head Office staff only)	100%
Occupancy Cost	30%
Organisational Cost	70%
Security Cost (All branches)	100%
Administrative Cost	13%

13.0 REVENUE SHARING

Revenue Sharing is used to apportion the revenue generated by the Agency/Branch on their liquid investments. However, all non-financial income generated by the Agency/Branch goes to the Head Office. Below is the table for Revenue Sharing;



Description	Percentage Allocated to Head Office
Interest on Loans	0%
Interest on Financial Investment	20%
Interest on other Financial Investment	100%
Non Financial Income	100%

14.0 VAULT MANAGEMENT

Each Agency/Branch shall ensure an efficient vault management system.

- a. Each Agency/Branch of the Credit Union shall be responsible for the management of cash-in-vault at the Agency/Branch level.
- b. This shall be no different from mode of vault management at any other Agency/Branch of the Credit Union or at the Head Office.
- c. Each Agency/Branch shall keep a limited amount of cash-in-vault at close of any business day.
- d. The amount of cash to be kept in the vault at close of each business day shall be as per the policy (e.g. Management, insurance, etc) and as directed by the Head Office.
- e. Any cash in excess of what the Agency/Branch is mandated to keep in vault at close of any business day shall be repatriated to the bank of dealing.



- f. Where for any special reason, such repatriation is deemed impossible or otherwise, the Agency/Branch in question shall seek written approval from Management at the Head Office to exceed the vault limit for the day.
- g. This formal approval shall be well documented and filed for future reference.

15.0 BANKING

- a. Each Agency/Branch of the Credit Union shall open bank accounts for operational purposes.
- b. Each Agency/Branch shall be required to open necessary operational accounts with the Credit Union's main bankers.
- c. The name of an Agency/Branch shall be the distinguishing feature of each Agency/Branch's bank account name.
- d. Where the Credit Union's main bankers do not have an Agency/Branch network at a given Agency/Branch's location, Management in consultation with the Board shall decide on an alternate bank to transact the Agency/Branch's business with.
- e. At all times, the Credit Union's bankers shall be a traditional Commercial Bank of repute and can boast of strong financials year-on-year.
- f. Periodically each Agency/Branch, and for that matter the Credit Union, shall review the industry standing and financial muscle of their banks of dealing.



- g. The outcome of the review shall form the basis for the Agency/Branch's decision to continue or discontinue business dealings with the bank upon thorough deliberation with Management and the Board.
- h. Where there is a decision to discontinue dealings with a given bank, the Credit Union's external auditors shall be duly informed.

16.0 Agency/Branch Reporting

Each Agency/Branch shall send regular monthly reports to the Risk & Compliance Manager at the Head office. The report shall include but not limited to the following:

- Agency/Branch Performance Income and expenses
- Deposit and withdrawal patterns Budget /Target variance report Loans
- Delinquency Membership
- New Accounts in all products

16.1 Agency/Branch reporting details

The monthly report must be classified into Administration, Human resource, IT and research, and Credit. Each of the report must be itemised as follows:

16.1.1 Administration



Membership Analysis Items in stock

General report, Security Requisitions/supplies, Transport Challenges

Recommendations/solutions to Challenges

Main activities to be undertaken / targets / achievements for the following month

16.1.2 Human Resource

Monthly staff movements - engagements, leave of absence, resignations, terminations, etc.

Staff training/ workshops, Staff welfare

General report Challenges

Recommendations/solutions to challenges

Main Human Resource activities to be undertaken/target/ achievements for the following month.

16.1.3 IT and Research

Competitor Analysis

Software Challenges

Recommendations/Solutions to Challenges

Main IT and Research activities to be undertaken/ target/ achievements for the following month

16.1.4 Loans and Recovery Reporting

Disbursement analysis (loan products, Agency/Branch performance, loan amounts, sectoral distribution)

Loan repayments

Portfolio quality (arrears, Portfolio at Risk (PAR),

Recovery rate, past due analysis, etc)

Non-personal loans

Credit Risk Fund (Loan Protection Fund) General

Report on loans



17.0 Weekly Performance Review

Cash Holding

Weekly Loan Disbursement

Inter-Agency/Branch Settlement Account Cheques for clearing

Serviceable or unserviceable asset

You may use Chart, Tables and Graphs to make reading and analysis easy.

18.0 PROCEDURES FOR CUSTODY OF AGENCY/BRANCH KEYS

OBJECTIVES

1. Guide responsible officers on the applicable procedures for custody of Agency/Branch keys and its spares.
2. Ensure uniformity in the handling and monitoring of the Agency/Branch's keys and its spares
3. Ensure the safety and hitch-free retrieval of the Agency/Branch's spare keys and/or number combinations.
4. Ensure dual control of the Agency/Branch's vault

18.1 AGENCY/BRANCH KEYS

Agency/Branch keys consist of the following:

- A. Main door keys
- B. Vault keys
- C. Other keys



18.2 MAIN DOOR KEYS

The main door consists of the front door and the back door. The back door should always be locked as it poses a security risk, and they should be in the custody of the Agency/Branch Manager or in his absence, the Accounts Officer or authorised staff. After close of work the keys should be sent to the nearby Police Station for safe keeping.

The front door usually has a glass door and a metal grill and keys to these doors should be in the custody of the Agency/Branch Manager or in his/her absence the Accounts Officer or authorised staff during working hours. Arrangement should be made to lodge the keys at a specified place by Management after close of work.

At least, the Security guards including the Agency/Branch Manager, the Accounts Officer or the authorised staff should be introduced to the place where the key is lodged to enable them lodge and pick the front/back door keys from the place.

A copy of the letter to the place for the arrangement and the introduction of staff should be forwarded to the Head Office.

18.3 MAIN DOOR SPARE KEYS

1. Each Agency/Branch of ROAACCU located shall submit the main door spare keys to the Head Office for safekeeping and that of the Head Office will also be lodged at the strong room of Agona Branch.
2. Where a key is missing and reported, the lock must be changed immediately.
3. A register shall be maintained at the Agency/Branch to capture the receipt and release of the main door spare keys.



The register shall be designed as follows:

DEPOSIT

Date	Agency/Branch Name	No. of Keys Deposited & Particulars	Signature of Depositing Agency/Branch Official	Signature of Agency/Branch Manager

RETRIEVING



Date	Retrieving Agency/Branch Name	Signature Of Retrieving Agency/Branch Official	Signature Of Agency/Branch Operations Official	Reason For Retrieval

18.4 VAULT KEYS

Vault opening must always be under the dual control of the Agency/Branch Manager and the Teller.

In the event the vault key is missing, the Officer responsible should make a written official complaint supported by a Police extract to Management. This shall be investigated and reported to the Board for the retrieval of the spare keys.

18.5 RETRIEVAL OF SPARE KEYS

1. Agency/Branch request for retrieval of the vault spare key shall be duly made in writing to the Head Office. This letter must be signed by the Accounts Officer and the Agency/Branch Manager and the CEO copied.
2. On the release of the vault spare key, the Accounts Officer shall complete the vault spare key register in the presence of the Agency/Branch Manager who will also sign. The same procedure shall also apply to the



return of the key.

3. An Acknowledgement copy of the letter and all other related correspondence shall be filed appropriately.

22.0 HANDLING OF SPARE KEYS

1. Spare keys should be numbered and tagged
2. The numbered spare keys should be recorded in a register
3. The spare keys should be kept in the vault (thus, it should be under dual control)

BUSINESS EXPENSE POLICY

The Expenditure Policy outlines policies and guidelines for ROAACCU's expenses, including travel related expenses. It is stated in general terms and shall not be intended to cover every possible situation. It is the responsibility of the Management to document, communicate, and enforce this policy.

This policy applies to all employees and any others seeking reimbursement for approved expenses. To ensure compliance, departments are responsible for informing all employees about this policy.

COMPLIANCE AND CONTROLS

1. That expenses must be *incurred expressly for ROAACCU business*.
2. That expenses must be *properly accounted for to ROAACCU within 24 working hours after the official assignment*.
3. That **disallowed expenses** incurred must be repaid within 24 working hours after the official assignment.



Reimbursable expenses must conform to ROAACCU policy.

FINANCE TRANSACTION APPROVALS

Management shall ensure spending adheres to all applicable policies and spending limits. This applies to all expenses incurred for ROAACCU business.

At times, because of unusual situations or special circumstances, it will be necessary to allow policy exceptions. When an exception is necessary it shall be approved by the CEO through FAM

Expense reports shall be submitted weekly to Management through the FAM

SUPPORTING DOCUMENTATION

Supporting documentation shall provide evidence of origination from the vendor that contains purchasing details including date, description or itemisation of expenses, price and proof of payment.

Supporting documentation is always encouraged regardless of the amount. The use of estimated amounts is not allowed.

BUSINESS EXPENSES

In general, goods and services should be purchased/ordered or procured using ROAACCU's procurement policy. Payments for services with personal funds are strongly discouraged.

Expenditures that are not otherwise covered in this policy may be considered a reimbursable expense provided that a valid business purpose exists for the expenditure.



EXPENDITURE LIMITS

All expenses shall be within the Branch/Agency limits set out by the Board. The limits shall conform to those set out in the Operational Policy.

All expenses above Five Hundred Ghana Cedis (GHS500) shall require receipts in support of the expenditure. However, expenses below Five Hundred Ghana Cedis (GHS500) shall require an “Honour Certificate” in support of the expenditure where receipts are not available.

TRANSPORT POLICY

1.0 INTRODUCTION

Transport is generally used in ROAACCU in the following areas:

- Field services
- Transportation of staff and guests
- Monitoring and Supervision
- Special organisational programmes
- General Administrative assignments

Transport vehicles used in ROAACCU include general purpose vehicles (Pick-up), saloon cars, and motorbikes.

This policy is to provide clear transport operational guidelines to ensure that transport is used most efficiently and effectively to enhance the smooth application and management of transport services towards the achievement of the goals and objectives of ROAACCU.



1.1 Aim

The ultimate aim of this policy is to put in place an improved transport management system for ROAACCU's service delivery, which meets the objectives and challenges of the Credit Union.

1.2 Goal

To ensure a sound and sustainable transport management system as a support service to ROAACCU's service delivery.

1.3 Objectives

The main objectives of this policy are to:

- i. Provide a framework for transport operations at ROAACCU
- ii. Guide and serve as a reference document on efficient transport management.
- iii. Help rationalise the allocation, use and management of transport resources.

2.0 HUMAN RESOURCE

2.1 Transport Management

- ROAACCU shall have a Transport unit comprising the Transport Officer and Drivers/Riders.
- The Transport unit shall report to Management through the Finance and Administrative Manager.
- The branch and agency vehicles/motorbikes shall be entrusted to the Heads of these units for day-to-day operations, management and administration, but their maintenance shall be overseen by the Transport Officer.

2.2 Recruitment and Selection of Drivers/Riders



- a. Vacancies shall be advertised first within ROAACCU and then externally if necessary.
- b. Eligible applicants must have a minimum of 2 passes at SSSCE/WASSCE or its equivalent.
- c. Applicants shall be between 20 and 38 years of age.
- d. Must have at least 5 years driving experience and with a licence not below category “C”.
- e. Must have 2 years riding experience and with licence category A.
- f. Track record, experience and 2 referees of applicants shall be required.
- g. Interviews shall be conducted for short-listed applicants.
- h. Applicants shall undergo proficiency test in driving.
- i. Certificate of Medical fitness shall be required.

2.3 Orientation

Transport personnel shall be properly oriented with regards to:

- Relevant policies of ROAACCU
- Work ethics
- Job descriptions
- Dress code
- Discipline
- Conditions of service
- Transport Management System

2.4 Training

- i. Drivers/Riders shall undergo regular in-service training on human relations, defensive driving, Vehicle maintenance, first aid, firefighting techniques and in any other relevant subject.
- ii. Training shall be organised for transport management personnel in line with ROAACCU’s human resource policy.
- iii. Regular training shall also be organised for Drivers/Riders and other officers on transport issues.



- iv. Officers allocated duty post vehicles shall undergo periodic (yearly) orientation (in- service training) on basic vehicle management.

2.5 Motivation and Discipline

- i. Transport staff, who perform exceptionally well shall be recognised and rewarded appropriately annually.
- ii. Transport staff shall be provided with the appropriate uniforms and/or protective clothes/logistics annually.
- iii. Any staff who misconducts him/her self shall be sanctioned according to the laid down rules immediately after completion of investigation.
- iv. All rewards and sanctions shall be communicated.

2.6 Officers Driving

Persons driving other than official drivers must:

- i. have the minimum licence required for the type of vehicle intended for use.
- ii. seek authorisation from the CEO or Finance and Administrative Manager.
- iii. lodge photocopies of driving licence with the Transport Officer.
- iv. complete the vehicle's log book.

3.0 OPERATIONAL MANAGEMENT

3.1 Vehicle Allocation and Distribution

Vehicles will be allocated based on the following:

- I. Duty post
- II. Branches and Agencies
- III. General pool at Head Office



3.2 Vehicle Pool

There shall be a centralised pool of vehicles at the Head Office of ROAACCU made up of all mix.

- The vehicles shall be accessible to all departments.
- Vehicles can be reallocated to other activities and programmes.

3.3 Allocation and Use of Motorcycles

Officers shall undergo DVLA Motorcycle Rider Training and must pass the Rider Competence Test before being allowed to ride a motorcycle.

- i. Motorcycles shall be allocated to official riders. However, other trained riders may have access to the motorcycle for official duties.
- ii. Motorcycles shall as much as possible be used for field work.

3.4 Duty Post

- Duty post vehicle shall be allocated to the CEO.
- ROAACCU shall fuel and maintain all duty post vehicles except when being used for private endeavors.
- Officers who use official vehicles shall not be paid car maintenance allowance for their private cars.

3.5 Fuel Allocation

- All vehicles of ROAACCU shall be allocated fuel periodically through Fuel Advantage Cards or other systems approved by ROAACCU Management.



3.6 Identification of Vehicles

- i. Posting of Professional Association logos, political and other crests other than that recommended by ROAACCU is prohibited.

3.7 Vehicle Use and Control

3.7.1 Vehicle planning

- i. Departments shall submit monthly travel plans to the transport management unit ahead of time.
- ii. Officers traveling, shall submit completed Travel Authority Form at least 3 working days before the journey except emergencies.
- iii. The most suitable vehicle available to meet the requirements of a trip shall be allocated accordingly.

3.7.2 Official Use of Personal Vehicles

- i. Officers who use their personal vehicles for approved official duties due to non-availability of official vehicles shall be reimbursed according to rates approved by the Board.
- ii. An endorsed “vehicle unavailability form” by the Transport Officer shall be required for reimbursement.

3.7.3 Extraordinary Use of Operational Vehicle

Extraordinary use of operational vehicles for social activities/functions such as funerals, marriage ceremonies etc shall be authorised and duly recorded in the logbook based on the availability of vehicles.

3.8 Transport of Staff

Vehicles shall not be used to transport staff to and from work. In exceptional cases such as long working hours, the CEO shall authorise such usage.



3.9 Communications

The use of modern communication systems such as e-mails, telephones, etc shall be encouraged to minimise vehicle use.

3.10 Public Transport

- Public transport shall be used where it provides an economic and practicable alternative, especially in long distance travel. ROAACCU shall reimburse the cost.
- 50% of the total transport cost as an inconvenience allowance shall be paid for the use of public transport for official duties (except routine operations such as Field Mobilisation and Marketing Activities).

3.11 Vehicle Usage Violations

The Transport unit of ROAACCU shall manage and regulate the use of vehicles.

- i. When any misuse of a vehicle is discovered, the Transport unit shall conduct the relevant investigations and notify Management accordingly.
- ii. Recovery of the cost of misuse shall not be considered to be a disciplinary action.
- iii. The Transport Officer and Finance & Administrative Manager may recommend disciplinary action(s) to Management.

4.0 FLEET MANAGEMENT

4.1 Vehicle Acquisition

4.1.1 Procurement

Procurement of vehicles shall be in accordance with the relevant sections of the Asset Policy of ROAACCU and the following:

- Vehicles shall meet the approved technical specifications.
- Previous experience with respect to vehicle operational performance should be considered.
- Purpose for which vehicle is required.
- Capacity to manage the vehicle.



- Strong dealership presence to provide;
 - After-sales service support.
 - Stock of genuine spare parts for at least 3 years.
 - Qualified technical staff of the dealership.
- Motorcycles shall be procured and delivered in knockdown form as much as practicable. All motorcycles shall be supplied with two (2) crash helmets and shall be provided with in-built security locks.

4.2 Vehicle Replacement

- a) Four Wheel Drive Vehicles / Pickup trucks may be replaced after 5 years or 250,000km whichever comes earlier.
- b) Motorcycles may be replaced after 3 years or earlier when the cost of maintenance becomes excessive.

4.3 Vehicle Make, Type, and Model

Vehicle make, type and model to be acquired shall be appropriate for the intended use.

4.4 Insurance

- All vehicles shall be comprehensively insured.
- ROAACCU will cater for all financial encumbrances and legal issues in relation to accidents and other transport related issues.

4.5 Roadworthiness

All ROAACCU vehicles including motorcycles shall be examined annually for valid Roadworthy Certificates.

4.6 Vehicle Maintenance

- i. ROAACCU shall have an operational maintenance plan that is based on distance covered or period of use or whichever comes first.
- ii. A maintenance request form shall be completed by the Transport Officer before any maintenance is carried out.



- iii. All vehicles shall be maintained regularly in accordance with the manufacturer's recommendation and /or ROAACCU's maintenance plan.
- iv. Maintenance works not approved shall not be paid for or reimbursed.

4.7 Disposal of Vehicle and Obsolete Parts

The disposal of vehicles and motorcycles' obsolete parts shall be in line with the relevant articles of ROAACCU's Asset Policy.

4.8 Management of Transport Budget

The budget for transport operations shall be centrally managed by the Transport Officer of ROAACCU.

5.0 MANAGEMENT INFORMATION SYSTEMS

5.1 Dashboard indicators

- Vehicles shall have odometers and other dashboard indicators functioning at all times.

5.2 Transport Performance Monitoring

The following basic transport performance indicators shall be used for reporting by the Transport Officer monthly:

- Kilometres travelled
- Fuel utilisation
- Maintenance cost per kilometre
- Vehicle availability
- Performance
- General state of vehicles
- Accident rate
- Updated inventory

5.3 Transport Records

- i. The Transport Officer shall keep relevant transport records and shall submit a quarterly transport report to the CEO through the Finance & Administrative Manager.



- ii. Comprehensive vehicle maintenance records shall be kept by the Transport Officer and used in assessing vehicle performance. They shall also be used to determine the yearly maintenance budget.
- iii. The Transport Officer shall keep photocopies of driving licences of all ROAACCU drivers/riders and officers driving.

6.0 HEALTH AND SAFETY

6.1 Safety Equipment

Vehicles shall be equipped with the following required safety equipment;

- Seat belts
- First aid box
- Fire extinguisher
- Warning triangles
- Helmets (motorcycle)
- Life and reflective jackets (motorcycle)

6.2 Use of Safety Equipment

- Drivers and passengers in ROAACCU vehicles shall wear seat belts at all times in line with the Road Traffic Regulations.
- Motor riders (including pillions) shall wear crash helmets.

6.3 Driving under the influence of an intoxicant

It is prohibited to drive under the influence of an intoxicant such as alcohol, narcotics, medicine that causes drowsiness.

6.4 Driving at night

Driving during a long journey between the hours of 7pm and 5am is prohibited except in emergencies with authorisation.

6.5 Unauthorised passengers and Overloading

- i. Unauthorised passengers and goods shall not be carried on any official vehicle.



- ii. No passenger shall be allowed in the bucket of a pick-up
- iii. Drivers shall ensure that vehicles are not overloaded.

Persons in charge of vehicles in all the above cases shall be sanctioned.

6.6 Use of Mobile Phones

The use of mobile phones while driving is prohibited.

6.7 Overnight Parking

All official vehicles shall be parked at the following designated places

- ROAACCU premises.
- Nearest Police Station.
- Residence of the officer vehicle is assigned to.

Officers and drivers shall be held responsible for any loss or damage as a result of non- compliance of the above.

6.8 Over-speeding and careless driving

- All drivers shall strictly observe speed limits and other road traffic regulations.
- The maximum speed shall be in accordance with established legislation in the Ghana Highway Code.
- Drivers shall be responsible for fines/penalties resulting from over-speeding and careless driving.

6.9 Accident Management

6.9.1 Accident reporting

- The standard ROAACCU Accident Report Form shall be used to record any accident or incident on the vehicle.
- All accidents and related injuries and / or damages shall be reported to the Police and Transport Officer immediately by the driver.



6.9.2 Investigation Committee

- An internal committee shall be set up to investigate and report on the cause of every accident within 30 days.
- Appropriate action shall be taken and recorded.

6.9.3 Accident Prevention Programme

- ROAACCU shall participate in accident prevention programmes by the Road Safety Commission, Driver and Vehicle Licensing Authority (DVLA) and any other Road Safety related agency.
- ROAACCU shall organise accident drills for drivers periodically.

7.0 INSTITUTIONAL ARRANGEMENTS

7.1 ROAACCU Management

ROAACCU Management shall be responsible for the;

- Implementation, monitoring and review of this policy.
- Procurement, allocation, and disposal of transport resources.

7.2 The Transport Officer shall ensure:

- Judicious use of allocated vehicles.
- Timely submission of monthly travelling plans to the Transport Officer.
- Transport operations are budgeted for appropriately.
- Submission of monthly performance report on drivers.
- The safety and well-being of all allocated vehicles.
- That transport issues form an agenda item at Management meetings.
- The smooth implementation of this policy.
- That disciplinary action is taken in consultation with Management.
- That drivers are appraised half yearly.



- Drivers/Riders renew their licences on expiration at the cost of ROAACCU.
- Develop vehicle replacement plan
- Keep inventory of transport resources
- Organise in- service training for drivers, riders and other vehicle users
- Supervise and monitor driver performance
- Carry out any other duty that may be assigned by Management.
- All vehicles/motorcycles carry up to date insurance cover and road worthiness.
- All official vehicles/motorcycles shall have a logbook and must be properly filled at all times.

7.3 The driver/rider shall:

- Drive assigned ROAACCU vehicles safely and respect other road users.
- Constantly carry out daily checks on their assigned vehicle.

PROCUREMENT POLICY

Introduction

1.1 Purpose

This Procurement Policy (the “Policy”) sets out principles governing how the Society procures goods and services and establishes the principles for decision-making for Procurement. The Policy provides an overarching framework to ensure that Procurement by the Society achieves value for money, is aligned with public procurement principles and supports the Society’s strategy.



By laying out clear principles, the Policy ensures the integrity of procurement processes, and fosters transparency and accountability. The framework also supports implementation of the Society's Strategy, including market shaping approaches to drive equitable access to quality assured products and services, improved sustainability and procurement, responsiveness to emerging programmatic needs.

The Board is responsible for establishing the operational framework for the rules, procedures, and other guidance needed to implement this Policy.

1.2 SCOPE AND APPLICATION

Covered Activities. The Policy applies to all the Society's procurement processes and activities, which include those associated with the procurement of fixed assets.

Covered Individuals. The Policy covers any of the following individuals when they are directly or indirectly involved in the Covered Activities, collectively referred to as "Covered Individuals":

- (i) **Governance Level.** The Society's governance officials such as Management, members of the Board and members of any committee constituted by the Board.
- (ii) **The Branch / Agency Office.** All Branch Managers, Agency Heads, employees, consultants and interns employed directly or indirectly by ROAACCU.

The Covered Individuals must adhere to this Policy and any other applicable ROAACCU policies, operational rules or procedures, or codes of conduct, as amended from time to time.



• Definitions

Capitalised terms used in this Policy have the meaning given to them below unless the context requires otherwise.

Bidder: means an entity that submits an offer (bid, quotation, or proposal) in response to a Solicitation. Generally, the term Bidder is used to refer to the entity responding to a Solicitation.

Covered Individuals: means the persons defined in Section 1.2.

Procurement Authority: means a person who has been delegated signatory authority for procurement contracts. Only Procurement Authorities may enter into a procurement contract on behalf of ROAACCU.

Procurement: means all processes and activities related to planning and development of a procurement strategy, definition of the requirements, sourcing, Solicitation, management of offers, evaluation, review and award, contract finalisation and issuance, and contract administration and management.

Prohibited Practices: means all forms of fraud, corruption and other proscribed practices as described in details in ROAACCU's HR Policy

Solicitation: means the generic term for a request to potential Suppliers to submit an offer (bid, quotation or proposal).

Supplier: means an external entity, which could include organisations, individual contractors, or service providers, supplying goods, services, or support to ROAACCU. Suppliers are usually subjected to a contractual agreement which outlines deliverables, quality standards, pricing, and terms of service.

2. Procurement Principles

The Society recognises the importance of adhering to a consistent



set of principles that govern procurement processes and activities that serve to uphold, inter alia, the integrity, transparency, efficiency, and effectiveness of the procurement process. The principles ensure the delivery of quality goods and services, drive equitable access, maximise value for money, and promote sustainable partnerships.

The Society's Procurement of Goods and Services shall adhere to the procurement principles set out in this section.

1. Value for Money

Procurement by the Society shall achieve value for money. To obtain value for money, Covered Individuals must consider, among other factors, the optimum combination of the total cost of ownership of a purchase (i.e., acquisition and delivery costs, maintenance and running costs, and disposal costs) or delivery of a service, and that it is fit for purpose (i.e., quality and ability to meet the Society's requirements).

2. Effective Competition

Procurement by the Society shall generally be based on effective competition. Quotations shall be solicited from potential suppliers dependent on the value of the asset and with approval from Management / the Board where applicable. In the event of the procurement of a specialised asset or service, Management with approval from the Board shall procure such asset or service from the specialised supplier.

3. Client centricity

Procurement by the Society shall be client-centric. This means focusing on the needs and requirements of the Branch, Agency, or department requesting the goods or services.



4. Sustainable Procurement

Procurement by the Society shall promote sustainability. Sustainable Procurement seeks to minimise the environmental impact of the supply chain, support fair and humane working conditions, and contribute to the long-term well-being of communities and the support of economic development.

5. Best interest of the SOCIETY

Procurement by the Society shall support the best interest of the Society. This means carrying out Procurement in a manner that best enables the Society to pursue its mission and deliver its strategic objectives, as well as protecting the Society's assets and providing for effective stewardship of the Society's resources.

3. Procurement Ethics

3.1 Covered Individuals

The Society has zero tolerance for all forms of fraud and corruption. The Covered Individuals involved in Procurement shall:

- comply with the standards of conduct of the applicable Codes of Conduct as specified in the established Human Resources policies and procedures;
- preserve their independence from any source external to the Society and their impartiality in discharging their functions;
- maintain confidentiality of information;
- avoid actual, potential, or perceived conflicts between their personal interests and those of the Society; and disclose any actual, potential, or perceived conflicts of interest.
- comply with the requirements on giving and accepting



gifts, entertainment and hospitality as set out in the Human Resources policies and procedures.

Any acts or omissions by a Covered Individual that are a violation of this Policy or other applicable policy or operational rules or procedures shall be dealt with under the established Ethics and Human Resources policies, as applicable. Covered Individuals may be held personally liable for non-compliance with applicable policies or operational rules or procedures.

3.2 Bidders and Suppliers

Suppliers to the Society shall provide written contractual undertakings that they shall comply with standards such as on human rights, labor, and the environment.

Should a Bidder or Supplier engage in a Prohibited Practice as defined in the Society's Policies and Procedures (i.e., corruption, fraud, coercion, collusion or any other unethical practice), the Bidder or Supplier shall be disqualified from the bidding process and/or blacklisted from doing business with the Society.

4. Procurement Authority

The CEO holds ultimate accountability for the prudent stewardship of the Society's funds within the parameters of this Policy. This accountability encompasses aligning procurement processes and activities with the strategic goals of the Society and its procurement principles, and fostering transparency and accountability throughout the procurement process.

The CEO is responsible for managing the day-to-day operations of the Society and is delegated the authority to manage all matters related to Procurement, in accordance with the principles



established in this Policy.

5. Procurement Oversight and Control

All procurement contracts are subject to a mandatory review process prior to award to ensure compliance with applicable policies and operational framework as established by the Board. The operational guidance, as established by the Board, shall describe the appropriate individual or body to undertake this review, which, for instance, may be the CEO or an independent review committee depending and based on established thresholds and parameters.

Only the Board Chairman and the CEO shall be a signatory to a procurement contract on behalf of the Society. The Board Chairman and the CEO shall ensure that:

- (i) the Procurement complies with applicable policies and operational rules and procedures;
- (ii) goods and services procured are necessary for the achievement of the Society's objectives;
- (iii) sufficient funds are available for the commitment.

6. Policy Oversight

The Board oversees the implementation of this Policy. The CEO has the authority to establish the necessary controls and monitoring system for Procurement, which is risk-based and commensurate with the value of each applicable Procurement.



INFORMATION TECHNOLOGY (IT) POLICY

INTRODUCTION

ROAACCU's Information Security Management System (ISMS) has been developed based on the leading industry standard for information security management and Cyber Security - ISO/IEC 27001 and ISO/IEC 27032.



The ISMS policies and procedures will govern the development, implementation and continual improvement of the ISMS.

ROAACCU's Executive Management commitment to the ISMS will be demonstrated by taking responsibility for the ISMS and allocating appropriate resources to ensure adequate maintenance of information security at ROAACCU.

The objectives of ROAACCU's ISMS are as follows:

- a. To gain the trust of ROAACCU's members, partners, and other relevant stakeholders
- b. To add value to the organization and demonstrate that ROAACCU is committed to creating and sustaining a culture of security awareness that ensures the protection of its members and stakeholders information assets
- c. To ensure continuity of business in adverse or disruptive situations
- d. To ensure that the confidentiality, integrity, and availability of all information assets of ROAACCU are not compromised
- e. To ensure that all information assets of ROAACCU continue to operate securely and follow the ISO/IEC 27001 and ISO/IEC 27032 security requirements
- f. To ensure that information is secure from unauthorized access



- g. To ensure that ROAACCU complies with all the applicable legal and regulatory requirements. (For example, the Bank of Ghana Cyber and Information Security Directive for Financial Institutions, Data Protection Act, 2012, etc.)

Scope

The scope of this policy encompasses all assets of ROAACCU information/information assets, employees, contractors and third-party personnel.

This policy is applicable to the following:

- a. All information including but not limited to member information, ROAACCU employees and related information generated, processed and stored by the various entities to perform their activities and deliver their services.
- b. All information assets that process the aforementioned information at the Credit Union. Information assets may include, but are not limited to; hardware assets, software assets, services assets, people assets and paper assets.
- c. All employees, contractors and third-party personnel of ROAACCU accessing the Credit Union's information processing facilities. ROAACCU's information processing facilities include, but not limited to; Data Centres, offices, work areas, secure areas, Critical Infrastructure Rooms (CIR) and telecommunications facilities.



ORGANIZATION OF INFORMATION SECURITY

Management direction for information security

Commitment to satisfying applicable requirements

Commitment to information security extends to senior levels of ROAACCU and will be demonstrated through this Information Security Policy and the provision of appropriate resources to establish and develop the ISMS.

Management of ROAACCU shall be committed to satisfying all applicable legal, regulatory and contractual information security requirements and those stated under this policy.

Commitment to continual improvement

ROAACCU's policy with regard to Continual Improvement of the ISMS is to:

- Continually improve the effectiveness of the ISMS across all areas within the scope
- Enhance current processes to bring them into line with good practice as defined within ISO/IEC 27001
- Achieve ISO 27001 certification and maintain it on an on-going basis
- Increase the level of proactivity (and the business perception of proactivity) with regard to the on-going management of information security
- Achieve an enhanced understanding of, and relationship with, the business units to which the ISMS applies



- Review relevant metrics on an annual basis to assess whether it is appropriate to change them, based on collected historical data and feedback from relevant sources
- Obtain ideas for improvement via regular review meetings with stakeholders
- Review ideas for continual improvement at regular management meetings in order to prioritize them and assess timescales and benefits

Information Security in Project Management

- a. All projects undertaken within ROAACCU that consume information and IT assets or involve areas of information risk, must address privacy, information risk and security concerns and should include an Information Security risk and Data Privacy Impact assessment at an early stage of the project to identify necessary controls.

MOBILE DEVICE POLICY

- a. Only approved mobile devices may be used to access ROAACCU Information and IT Assets.
- b. All mobile devices must, at a minimum, be password protected in accordance with the Password Security Policy Manual.



- c.** The devices must remain current with anti-malware definitions, must be kept current with the operating system and third-party software security patches, and must run a personal firewall.
- d.** When connecting to ROAACCU networks from remote locations, only do so through the ROAACCU approved Virtual Private Network (VPN).
- e.** All ROAACCU data stored on these devices must be encrypted using ROAACCU approved encryption standard.
- f.** Third party personnel shall not connect their computing devices to the ROAACCU's network unless the device and configuration requirements of ROAACCU are met and approved by the IT and Media Department.

TELEWORKING

- a.** Users must only use ROAACCU configured computers to access or connect to the ROAACCU network. Home PCs, personal laptops or other non-ROAACCU computers are prohibited. Only users that have a justifiable business case for remote access will be authorized for access by the information owner.
- b.** Security of all laptop computers must include:
 - i.** Encryption of storage media (when possible)



- ii.** Log-on passwords.
- iii.** Protection of data being transmitted to/from the mobile device e.g. Virtual Private Network (VPN), Secure Socket Layer (SSL) or Pretty Good Privacy (PGP)

HUMAN RESOURCE SECURITY

Information security responsibilities shall be addressed prior to employment in adequate job descriptions and in terms and conditions of employment. All candidates for employment, contractors and third-party personnel shall be adequately screened, especially for jobs defined as sensitive. Employees, contractors and third-party users of information processing facilities shall sign an agreement on their information security roles and responsibilities.

Information Security Awareness, Education and Training

- a.** All employees, relevant contractors and third-party personnel shall receive information security training.
- b.** All employees, relevant contractors and third-party personnel shall undergo an annual information security refresher training and an acknowledgement of the completion of same shall be maintained.

ASSET MANAGEMENT

Acceptable Use of Assets



- a.** All employees, contractors and third-party personnel shall be responsible for handling the information or information assets per the classification of the asset.
- b.** All employees, contractors and third-party personnel shall be responsible for safeguarding the Credit Union's sensitive information from disclosure to unauthorized parties.

ACCESS CONTROL

Access to information/information assets, information processing facilities, systems, applications equipment and network devices shall be restricted per the valid business requirements, user's job responsibility and information security requirements. Formal procedures shall be in place to control the allocation of access rights. Except for the publicly held information/publicly available information assets, access to all other information/information assets, systems, applications, equipment and network devices shall be granted based on a Need-to-Know and Need-to-Have basis and after the requisite approval is obtained.

Access to Networks and Network Services

- a.** End users (including but not limited to employees, contractors and third-party personnel of the Credit Union's information systems, applications, equipment and network devices) shall not



deliberately conceal or misrepresent their network identity through use of anonymous proxy or by other means.

- b. The Credit Union's networks shall be segregated from the networks owned by other organizations and public networks.

Management of Passwords of Users

- a. All information/information assets, information systems, applications, equipment and network devices shall be configured with parameters for password management, as specified in the Password Management Standards.

Use of Passwords

- b. Passwords shall never be shared or revealed to anyone other than the authorized user
- c. Users shall not store fixed passwords in any computer files, such as logon scripts or computer programs, unless the passwords have been encrypted with authorized encryption software.
- d. Passwords shall not be written down however, critical system passwords that need to be written down should be subject to a transformation process that conceals them, or they are physically secured, such as placed in a locked file cabinet.



- e.** Users shall keep their User IDs and corresponding passwords confidential and refrain from sharing them with others.
- f.** All passwords must meet complexity requirements set forth by the password guidelines.

PHYSICAL AND ENVIRONMENTAL SECURITY

Information assets shall be physically protected from unauthorized access, misuse, damage and theft. All of the Credit Union's information processing facilities shall be adequately protected from physical and environmental threats.

CONTROLS AGAINST MALWARE

- a.** Detection, prevention and recovery controls shall be implemented in all information systems, applications, equipment, network devices and mobile devices to protect against malicious code.
- b.** All devices must remain current with anti-malware definitions
- c.** All files received from any source shall be scanned for viruses before execution or usage



- d.** Backup storage media should be scanned for viruses before any files are restored to the production system/environment.

INFORMATION BACKUP

- a.** Information backup and restoration procedures shall be established and implemented to ensure the availability of business information.
- b.** Backup media shall be encrypted, depending on the classification of the data stored on it.

Confidentiality or Non-disclosure Agreements

- a.** All users, including but not limited to ROAACCU employees, contractors and third-party personnel shall sign confidentiality or non-disclosure agreements. HR function shall be responsible for ensuring that all users sign confidentiality agreements.
- b.** Without specific written exceptions, all programs and documentation generated by, or provided by any employee for



the benefit of ROAACCU, are the Credit Union's property and all the employees providing such programs or documentation shall sign a standard Non-Disclosure Agreement (NDA) or a confidentiality clause authorized by the Credit Union's Risk and Compliance Department.

- C.** Whenever communication/interaction with third parties necessitates the controlled release of the Credit Union's sensitive information; a standard Non-Disclosure Agreement (NDA) or a confidentiality clause authorized by the Credit Union's Risk and Compliance department shall be signed with the third party prior to the release of the information. Third parties shall comply with the Third-Party Information Security Policy.



COMPLIANCE POLICY

PREAMBLE

Financial institutions (FI) have certain compliance processes in place in accordance with industry standards. These processes and the organisational structures, through which FI operate, have been primarily shaped by industry and Bank of Ghana (BoG) guidelines to FIs. In a number of FIs, compliance function is yet to be fully cognisant of the “compliance risk” and the reputational risk arising out of compliance failures causing huge economic costs. Consequently, there is a critical need for the management of that risk as one of the key facets of integrated risk management or enterprise-wide risk management framework.

Compliance function of a FI is one of the key elements in the institution’s corporate governance structure. The compliance function in FIs has to be adequately enabled and made sufficiently independent. The Basel Committee on Banking Supervision (BCBS) document (April 2005) essentially articulates this perception. This policy seeks to introduce certain principles, standards and procedures relating to compliance function consistent with the BCBS document and keeping in view the operating environment of ROAACCU. This policy also intends to articulate that the compliance function is an integral part of governance along with the internal control and risk management processes. For the compliance function to be effective, it must be supported by a healthy compliance culture within the Society.

In this policy, a set of minimum guidelines have been laid down. Considering our scale of operations, risk profiles and organisational structures, ROAACCU is going to implement its compliance functions (by the Risk and Compliance Department) and set priorities for the management of the compliance risks in ROAACCU.



Compliance and Compliance function in ROAACCU

1. Introduction:

The Compliance Function in ROAACCU has to ensure strict observance of all statutory provisions contained in various legislations such as Co-operative Credit Union Regulation 2015 (LI 2225), Banking and Financial Laws of Ghana (2006-2008) etc. as well as to ensure observance of other regulatory guidelines issued from time to time; standards and codes prescribed by industry regulators and also ROAACCU's internal policies and practices code.

Compliance laws, rules and standards generally cover matters such as observing proper standards of market conduct, managing conflicts of interest, treating members fairly, and ensuring the suitability of member advice.

They typically include specific areas such as the prevention of money laundering and terrorist financing, and shall extend to tax laws that are relevant to the structuring of ROAACCU's products or Member Care advice.

Compliance laws, rules and standards have various sources, including primary legislation, rules and standards issued by legislators and supervisors, market conventions, codes of practice promoted by industry associations, and internal codes of conduct applicable to the staff members of ROAACCU.

For the reasons mentioned above, these are likely to go beyond what is legally binding and embrace broader standards of integrity and ethical conduct.

It shall be the responsibility of ROAACCU's Risk and Compliance Manager to assist in managing effectively the compliance risks faced by the Union.

Definition of Compliance Function

ROAACCU's compliance function can be defined as follows: "An independent function that identifies, assesses, advises on, monitors and reports on the bank's compliance risk, that is, the risk of legal or regulatory sanctions, financial loss, or loss to reputation a bank may suffer as a result of its failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice (together



2. Scope of the Policy:

This policy shall apply to all offices, departments and employees of ROAACCU.

3. Compliance Risk and significance of Compliance Function:

From the definition above, the compliance area is critically important in identifying, evaluating, and addressing legal and reputational risks. Given the significance of these risks, a strong enterprise-wide compliance programme is a necessity.

An Enterprise-wide compliance programme shall help ROAACCU to look at and across business lines and activities of the Union as a whole and to consider how activities in one area of the Union may affect the legal and reputational risks of other business lines and the entire enterprise.

An enterprise-wide compliance programme shall help Management and the Board in understanding where the legal and reputational risks in the Union are concentrated, provides comparisons of the level and changing nature of risks, and identifies those control processes that most need enhancement. The compliance function shall therefore ensure that controls and procedures capture the appropriate information to allow management and the Board to better perform their risk management functions on an enterprise-wide basis.

4. Responsibility of the Board and Management

Compliance starts at the top. It will be most effective in a corporate culture that emphasises standards of honesty and integrity and one in which the Board of Directors and Management lead by example.

4.1. Responsibility of the Board of Directors

4.1.1. Establishing the compliance policy

The Board shall be responsible for establishing a written compliance policy that shall contain the basic principles to be followed by the Management and Staff, and shall explain the main processes by which compliance risk will be identified and managed through all levels of the Society.



4.1.2. Supervision of Compliance Function

The Board through the Supervisory Committee shall be responsible for ensuring that an appropriate compliance policy is in place in the Society to manage compliance risk and also overseeing its implementation. It shall ensure that compliance issues are resolved effectively and expeditiously by Management with the assistance of the Risk and Compliance Department.

4.1.3. Review of Compliance Function

The Board shall review compliance function on a quarterly basis. A detailed annual review shall also be placed before the Board through the Supervisory Committee. Compliance failure may be reviewed by the Board and appropriate remedial measures taken.

4.1.4. No Conflict of Interest and Independence of Compliance Functions

In order to ensure that there is no potential for any conflict of interest and that the activities of the compliance function are subject to independent review, the compliance function of ROAACCU shall necessarily be kept separate.

4.2. Responsibility of Management

4.2.1. Management shall be responsible for the implementation of the compliance policy as established by the Board.

4.2.2. Management shall ensure that appropriate remedial or disciplinary action is taken if breaches are identified.

4.2.3. Risk and Compliance Manager shall, with the assistance of the Management:

- a) at least once in a year, identify and assess the main compliance risk which the Union is facing and to formulate the plans to manage them.
- b) Submit to the Board quarterly and annual reviews as prescribed.

4.1.2 above, in such a manner as to assist the Board to make an informed judgment on whether the Union is managing its compliance risk effectively; and



- c) Report promptly to the Board of Directors or the SC on any material compliance failure (e.g. failure that may attract a significant risk of legal or regulatory sanctions, material financial loss, or loss to reputation).

5. The Compliance Policy:

There shall be a Compliance Policy Document outlining the compliance philosophy of the Society, role and set up of the Compliance Department, composition of its staff and their specific responsibilities.

Broadly, the policy shall provide for the following aspects:

- i. Setting up of a Compliance Department at the Head Office with a Manager heading it, with adequate support staff and its role and responsibilities specified (if required).
- ii. Compliance structure in controlling offices and branches specifying the role and responsibility of each functionary in the compliance units.
- iii. Measures to ensure independence of the compliance function
- iv. Focus of the compliance function on regulatory compliance, statutory compliance, compliance with fair practice codes and other codes prescribed / suggested by self-regulatory organisations, government policies, Society's internal policies and prevention of money laundering and funding of illegal activities.
- v. Monitoring of and monitoring mechanism for the compliance testing procedure.
- vi. Reporting requirements including reporting of monitoring results, compliance risk assessment, change in the compliance risk profile etc. by compliance function to Management, the Supervisory Committee and the Board of Directors.
- vii. Right of the compliance function to have access to information necessary to carry out its responsibilities and for pointing out / looking into possible breaches of compliance policy.
- viii. Relationship between Compliance Staff and Heads of other functional departments.
- ix. Mechanism for dissemination of information on regulatory prescriptions and guidelines among operational staff and periodic updates of operational manuals to incorporate changes in



regulatory and legal etc., prescriptions.

x. Approval process for all new processes and products by the Compliance Department prior to their introduction.

xi. Right of the compliance function to freely disclose its findings and views to Management, Supervisory Committee or the Board.

5.1. The Compliance Structure:

Considering the complexity of the business, a Compliance Department is established at the Head Office who shall report to the CEO.

Every Departmental Head at Head Office shall be responsible for the compliance function of their respective department/office.

Similarly, every Branch/Agency Head shall be responsible for compliance at Agency or Branch level and shall report to the RCM who shall be responsible for compliance function. Accordingly, each Office, Agency, Branch or Departmental Head shall report to the RCM on issues related to regulatory or statutory compliance.

5.2. Staffing of Compliance Department

5.2.1. The RCM shall have the overall responsibility for coordinating the identification and management of the Union's compliance risk and supervising the activities of other compliance function staff. Appropriate succession planning shall be in place to ensure that the compliance function does not remain idle for a long period.

5.2.2. Apart from the basic qualifications, the Risk and Compliance staff shall have fair knowledge of the laws, accounting principles and information technology and also adequate practical experience in various business lines to enable them to carry out their duties effectively. In order to keep the compliance staff up-to-date with developments in the areas of financial laws, rules and standards, regular and systematic education and training in new products and services introduced in the financial industry as well as in the areas of corporate governance, risk management, supervisory practices etc. may be considered.

5.2.3. Staffing of RCD shall be accorded adequate priority in order to ensure that the department discharges its functions without human resource constraints.



Function of Compliance Department

a) The staff in the RCD at the Head Office as also “Compliance Officers” at controlling Offices, Agencies, Branches and Departments shall primarily focus on compliance functions on regulatory compliance, statutory compliance, compliance with fair practice codes and other codes prescribed or suggested by self-regulatory organisations, government policies, the Society’s internal policies and prevention of money laundering and funding of illegal activities. However, being a “small-sized” Union with limited branch network, the compliance staff may be assigned some other duties while ensuring that there is no conflict of interest.

b) The RCD at the Head Office shall play the central role in the area of identifying the level of compliance risk in each business line, products and processes and issue instructions to operational functionaries or formulate proposals for mitigation of such risk. It shall periodically circulate the instances of compliance failures among staff along with preventive instructions.

c) Compliance function shall vet the guidelines / circulars issued, for compliance with regulatory guidelines, before they are disseminated amongst the operational units. The compliance function shall incorporate a robust mechanism to:

- i. Ensure that regulatory guidelines / instructions are promptly issued / disseminated within the Union.
- ii. monitor compliance with the regulatory guidelines/ instructions

d) The Compliance function shall on a proactive basis identify, document, assess the compliance risks associated with ROAACCU’s business activities, products and services. The compliance risks in all new products and processes shall be thoroughly analysed and appropriate risk mitigants by way of necessary checks and balances shall be put in place. The Risk & Compliance Manager shall be a member of the ‘new product’ committee(s) to ensure that the new products or processes have clearance from all perspectives including compliance. All new products shall be subjected to intensive monitoring for the first six (6) months of introduction to ensure that the indicative parameters of compliance risk are adequately



monitored.

e) The compliance function shall advise and assist Management on compliance laws, rules and standards, including keeping them informed on developments by establishing written guidance to staff on the appropriate implementation of compliance laws, rules and standards through policies and procedures and other documents such as compliance manuals, internal codes of conduct and practice guidelines.

f) The Compliance Department shall serve as a reference point for the Society's staff from operational departments for seeking clarifications/ interpretations of various regulatory and statutory guidelines.

g) The compliance function shall monitor and test compliance by performing sufficient and representative compliance testing and the results of such compliance testing shall be reported to Management. It shall also consider ways to measure compliance risk (e.g. by using performance indicators) and use such measurements to enhance compliance risk assessment.

h) Dissemination of Information

The RCD shall download the regulatory /statutory notifications/ circulars/ guidelines applicable to the Union from the websites of the following institutions/ organisations on daily basis and disseminate to the concerned department for implementation:

1. Department of Co-operatives (DOC)
2. Ghana Co-operative Credit Unions Association (CUA)
3. Bank of Ghana (BoG)
4. Government of Ghana (GoG)
5. Ministry of Finance,
6. Securities & Exchange Commission
7. Ghana Bankers' Association

(*Above list is indicative and not exhaustive and the RC Department shall use other sources to disseminate the information as per various regulatory as well as other requirements.)

The concerned Department(s) shall ensure implementation of guidelines disseminated by the RCD and submit the status of



implementation of guidelines to RCD in below format within 15 days of receipt of the said guidelines:

Reference & Subject	Brief of the Guideline	Steps taken/ to be taken by the Department to ensure implementation with tentative timelines

The Compliance Department shall submit the list of important guidelines along with actions taken or to be taken by the Society to ensure implementation with tentative timelines for perusal of the Board half yearly.

- i) The RCD shall also attend to the compliance of directives from other regulators. (In those cases where the activities of the Society are not limited to the Credit Union's industry.)

5.3. Reporting Structure:

Each Department in the Head Office, Agencies and branches shall have distinct compliance functions and the functions shall be undertaken by a specifically identified / designated employee as prescribed in above point No.5.1 who will report to the Risk & Compliance Manager.

The Risk & Compliance Manager shall directly report to the CEO. The Risk & Compliance Manager shall be free to report to Management on any irregularities without fear of favour from Management or other staff members. The Board of Directors shall through the Supervisory Committee direct the RCM on issues as they deem fit.



5.4.Coordination with the Compliance Function

Coordination among all departments is required to enable the RCM to perform the assigned responsibilities effectively. The RCD shall interact with the Credit Union Departments (Finance & Accounts Department, Personnel Department, Audit & Inspection Department etc). to take stock of the latest developments.

5.5.Access to information

RCM shall have access to all information they require and have the right to conduct investigation(s) and report the findings to the CEO.

Compliance staff shall be empowered to conduct compliance reviews/investigations, whenever required. The authority to use external experts for the purpose of investigation, if required, will be left to the discretion of Management.

Inspection/audit findings shall serve as a feedback mechanism for the Compliance Department for assessing the areas of compliance breaches/failures.

A check-list on the compliance aspect shall be made part of the inspection report.

6. The Compliance Programme:

6.1. The responsibilities of the compliance function shall be carried out under a compliance programme that sets out its planned activities.

The compliance programme shall be risk-based and subject to oversight by the RCM to ensure appropriate coverage across branches/agencies and co-ordination among risk management functions.

6.2.Risk Based Supervision:

6.2.1. The RCM shall ensure total compliance with all specified guidelines enlisted in the said template. It shall be ensured that regulatory guidelines forming part of such a template shall be updated on an annual basis.

6.2.2. The compliance function shall have specific statutory responsibilities (e.g. fulfilling the role of anti-money laundering



officer). ROAACCU will carry out an annual compliance risk assessment in order to identify and assess major compliance risks faced by the Society and prepare a plan to manage the risks. The Annual review will broadly cover the following aspects.

- ❖ Compliance failures, if any, during the preceding year and consequential losses and regulatory action as also steps taken to avoid recurrence of the same.
- ❖ List of all major regulatory guidelines issued during the preceding year and steps taken by the Society to ensure compliance.
- ❖ Independence of compliance function
- ❖ Scope of compliance procedures and processes,
- ❖ System of internal control to minimise compliance risk.
- ❖ Compliance with fair practices codes and adherence to standards set by regulatory bodies and accounting standards.
- ❖ Progress in rectification of significant deficiencies pointed out in the statutory audit and CUA Supervision inspection reports and position of implementation of recommendations made therein.
- ❖ Strategy for the next year including restructuring of the compliance department, if necessary, posting/transfer/training of staff.

6.3. Compliance with Monitorable Action Plan (MAP)/Risk Mitigation Plan (RMP):

The Compliance Department of the Union shall specifically devise a time-bound strategy to ensure that compliance on all specified points is achieved within the time frame. The Society shall ensure creating an adept compliance scenario, where all MAP/RMP points are complied with, well before the commencement of the subsequent supervisory cycle and/or within the periods prescribed for fulfilling the requirements of MAP/RMP. Penal provisions may be invoked for unsatisfactory compliance with MAP/RMP.

7. Compliance testing:



The Compliance Department shall evaluate the compliance risk in each business line at half-yearly intervals for the half-yearly and put up the results to the CEO.

Promoting a compliance culture

The code of conduct for employees will envisage working towards earning the trust of the society by dealing with Members in a fair manner and conducting business operations consistent with rules and regulations. A weight shall be given to record of compliance during performance appraisal of staff at various levels.

Staff accountability shall be examined for all compliance failures. It is important that the need to comply with instructions meticulously is re-emphasised among all the staff in the Union through continuous and mandatory training to all staff on compliance aspects, appropriate disciplinary measures through staff accountability framework or policies for non-compliance etc. Compliance shall not be seen as an activity of the compliance department alone but as a culture that shall pervade across the Union



MEETING POLICIES REVIEW

1 Introduction

The document is an introduction to meeting procedures which aims to create a guide that covers the essentials to convene formal meetings of ROAACCU and is prepared by taking into account ROAACCU Policies and Bye-Laws.

It pertains to the general requirements that shall be fulfilled in conducting all formal meetings of ROAACCU including the Management Meetings.

Article One (1) Definition

A meeting is an assembly of ROAACCU staff for a formal discussion which shall be held either in-person or virtual as determined by Management. These meetings shall be either general meetings or management meetings.

Article Two (2) Types of Meeting

1. Status Update Meetings (SUM)

These meetings shall be held weekly or fortnightly to report on the progress of the Branch/Agency and Head Office and shall be held at a date and a time approved.

2. Periodic Meetings (PM)

These meetings shall be held monthly to review the Branch/Agency and Head Office activities. These meetings shall be supported by minutes of the meetings.

3. Emergency Meetings (EM)

These meetings shall be held as and when the need arises at all organisational levels of ROAACCU. These meetings may be



supported by minutes of the meeting.

4. Staff Training Meetings (STM)

These meetings shall be held by staff either weekly, monthly or annually with the objective of developing the staff.

5. Social Engagement Meetings (SEM)

These meetings shall include but not limited to staff Devotions, Excursions, End of Year Get Together with the sole aim of enhancing the social development of staff.

Article Three (3) Meeting Procedures

All meetings shall be chaired by the administrative head at that level or a representative.

Where minutes are to be recorded, there shall be an appointed recorder who shall be mandated to record the minutes. Such minutes shall be signed by the recorder and the chairman of the meeting and properly filed.

Decisions at meetings shall be determined by a simple majority of the participants but shall be vetoed by the Chairman where necessary.

Article Four (4) Time Management

Good time management is essential for a meeting to be effective. Meetings that drag on or go round in circles run the risk of losing the necessary attention of the participants.

All meetings shall not exceed an appropriate time that shall be determined by the chairman of the meeting. Lateness to meetings starts after 15 minutes of the start time and participants who report after the grace period shall be sanctioned as below;



Period of Lateness	Sanctions
15 minutes after grace period	Forfeiture of lunch
30 minutes after grace period	Forfeiture of Transport / Fuel
45 minutes after grace period	Forfeiture of 50% of Allowance
1 hour after grace period	Forfeiture of 100% Allowance

The agenda for all meetings shall be determined by the Chairman of the meeting.

Article Five (5) Meeting Allowances

All Branch/Agency general meetings held shall not attract any allowance. Allowances shall be paid on all Branch, Agency and Head Office periodic meetings as per the approved allowance rates.



ANNUAL BONUS PAYMENT POLICY

Purpose

This Annual Bonus Policy (ABP) is designed to provide an effective means to motivate and compensate Executives and Employees, on an annual basis, through cash award bonuses based on the achievement of ROAACCU and individual performance objectives during each financial year.

It is intended to be ROAACCU's primary vehicle for the payment of bonuses. However, ROAACCU may, in certain limited circumstances, pay bonuses outside of this Policy, at the sole discretion of the BOD.

Who Is Eligible?

All Executives and Employees of ROAACCU shall be eligible to receive proportionately, a bonus under this policy, provided he/she:

- a. was actively attending meetings during the period for which bonus shall be paid.
- b. was in employment during the period of which the bonus shall be paid.
- c. was successfully appraised by his/her supervisor and scored at least grade 'D'.

How Does this Policy Work?

ROAACCU shall pay 50% of the excess of the year's budgeted surplus as bonus to Executives and Employees.

In the event that the excess over the budgeted surplus is reasonably low or no excess at all, the Board shall determine a reasonable percentage that will be applied on the surplus earned.

The determined percentage shall be distributed as follows:

Board of Directors	=	30%
Supervisory Committee	=	10%
Credit Committee	=	10%
Management	=	10%
Branch / Agency Head	=	10%
Senior Staff	=	10%
Junior Staff	=	17%
Contract Staff	=	3%



In all cases, the Board Chairman, Committee Chairman, CEO and Branch Manager shall have a relatively greater portion of the distribution in each category.

The payment of the bonus to Employees shall follow the table below:

RATING SCALE	GRADING (%)	BONUS	EXCESS BONUS
5 = Exceptional Performance	A = 90 - 100	100%	40%
4 = Good Performance	B = 80 - 89	80%	30%
3 = Satisfactory Performance	C = 70 - 79	60%	20%
2 = Weak Performance	D = 60 - 69	50%	10%
1 = Unacceptable Performance	E = 00 - 59	0%	0%

Miscellaneous

All bonuses shall be subjected to the applicable income tax (WHT) deductions.

Payment of bonus shall be made after the submission of the draft financial account by Management to the Board in December.

Bonuses shall be credited to beneficiaries' accounts with ROAACCU.

Any Executive / Employee whose loan is in delinquent, shall have the delinquent amount deducted from his / her bonus.

Payment of bonus shall be treated through the Income and Expense account.



END OF SERVICE BENEFIT POLICY

Preamble: The policy on End of Service Benefit (ESB) and its related issues shall be known as “End of Service Benefit Policy”.

Article One (1) - Definition

End of Service Benefit is an established terminal reward given to elected members who voluntarily served the Society as Executives in the capacity of Board, Supervisory and Credit Committee members.

Article Two (2) - Objectives

- i. To attract members with the required set of skills to serve the Society.
- ii. To compensate for the years spent by elected members in serving the Society.

Article Three (3) - Eligibility

- i. Shall be elected by the Shareholders at AGM to serve on the Board or Supervisory Committee.
- ii. Shall be appointed by the Board (excluding the Welfare Committee)
- iii. Shall have not less than 75% business meetings attendance record.
- iv. Shall be paid at the end of tenure or months served if full tenure is truncated.

Article Four (4) - Benefits

- i. Shall be given a citation with his/her photo, the cost not more than the maximum Board allowance.
- ii. Forty percent (40%) of the member's allowance multiplied by the number of months served.
- iii. Presentation of citation shall be done at the members' last AGM.
- iv. Benefit shall be credited to the member's account with ROAACCU



Article Five (5) - Source of Payment

- i. The total amount shall be paid from the Operating Reserves of the Credit Union.

FIXED ASSETS

ASSET CODING/ LABELLING PROCEDURE

For effective management and tracking of ROAACCU's physical assets, the following steps should be followed when coding new assets:

1. **Name of institution**
2. **Branch (using two letters. i.e MA to denote Manso Amenfi)**
3. **Asset Classification. (i,e LP to denote Laptop)**
4. **Number**
5. **Year of purchase**



OPERATIONAL POLICIES REVIEW

REVIEW OF ARTICLES

- a. A general review of the articles in these policies shall be carried out by a committee constituted by the BOD after every three (3) years preceded by soliciting inputs from the general membership.
- b. Portions of the articles in these policies shall be reviewed by the BOD to suit operations annually or as the need arises, after the date of commencement of its usage at a full BOD meeting.

Date of commencement

The provisions in these articles shall begin from 1st January 2025.

Endorsement:

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(BOD - Chairperson)



**ROAA CO-OPERATIVE
CREDIT UNION LTD.**
(ROAACCU) - AGONA AHANTA

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