The creation of this draft financial policy is as a result of the absence of a previous policy and the need to have guideline in the revenue generation and expenditure when carrying out business for the APEB.

A. Introduction

1. The financial policy set out herein outlines the guiding principles for making financial decisions with respect to the activities of the Association of Professional Engineers of Belize (APEB), and for recording in a transparent manner the financial transactions entered into by the Council of APEB.

2. The financial policy is a dynamic one that will require review from time to time to ensure that current issues are being addressed.

3. The policies reflect generally accepted financial and accounting principles taking into account the specific characteristics and needs of APEB.

4. The policies given herein will be applicable after they have been endorsed by the Council of APEB at a council meeting set for that purpose.

B. Areas of Responsibility

5. The Council is responsible for prudent management of the association’s funds so that mismanagement, non-management, or self-dealing does not occur. In order to fulfill this responsibility the Council shall:

   i. Review, revise and approve written financial policies and procedures.

   ii. Review and approve the annual budget so that the goals set can be achieved and an operating reserve maintained.

   iii. Monitor budget performance on a regular basis and analyze variances in expense and revenue from expected performance.

   iv. Revise the budget if the variances are extreme and/or threaten goal achievement.

   v. Initiate an annual audit/review.

   vi. Distribute an annual financial report to all association members.

6. The treasurer is responsible for maintaining the financial records and manages the financial affairs of the Association in accordance with the established financial policies. In order to fulfill these responsibilities, the treasurer shall:

   i. Prepare the budget and submit to Council for review and approval.

   ii. Maintain the association’s financial information system which includes:
a. Keeping a record of the expenditures and income.
b. Reconciling the bank statement monthly.
c. Maintaining a balanced checkbook that is congruent with the records.
d. Maintaining a filing system where the vouchers, receipts, bank statements and
cancelled checks are kept as documentation of all transactions.
e. Keeping a supply of banking items such as vouchers, checkbooks, etc.
f. Maintaining a file of financial reports, annual budgets and audit reports.

iii. Present a written financial report to the Council at each scheduled meeting. The
financial report should include a statement of income and expenses by appropriate
accounts. Annually the audit/review report is also presented to the Council at the
end of the fiscal year.

iv. Work closely with the external auditor/ reviewer during the examination of the
financial records.

v. Prepare and submit any tax forms that may be required.

C. Income

7. Income for a financial period is defined as the money or money equivalent received or
accrued during the financial period in which it is received.

8. Income will generally be collected from membership dues, application fees, late fees,
donations, fund raising, interest earned on cash available, and payments for services
rendered and charged for by functional units of the Association.

9. All income shall be deposited promptly into the checking account.

D. Expenditure

10. Expenses incurred will be charged as expenses in the financial period in which it
incurred.

11. A voucher shall be prepared for all expenses prior to any payments being made. The
voucher shall contain the following:

• Name and address of the organization
• Date
• Payee
• Payment amount in numbers and words
• Payment description
• Financial institution and account from which the payment is been made
• Budget item from which the payment is being made
• Authorization: space for signatures of two council members to both sign and
print name but only one member may sign both cheque and voucher. A third
councilor is required for verification. At all times three council members must
know of the payment being made.
12. An invoice shall be attached to all payment vouchers.

13. All disbursements are made by check.

14. Two Council members will be required to sign on all payment checks. One of the members must be the treasurer or president and any other member as authorized by the council/bank.

15. Expenditure of monies from donations will be allocated according to the wishes of the donor; otherwise they will be allocated in accordance with the approved budget.

16. A maximum of $500.00 can be spent either as a lump sum or an accumulated sum on any one item or program without the need for Council approval provided it is within a budgeted line item.

17. A two-thirds majority vote is required by the Council to approve expenditures greater than $500.00 for any one item or program provided it is within a budgeted line item.

18. No expenditure can be made for items that were not budgeted with the exception of emergency expenditures. Emergency expenditures are as follows:
   
   i.  Legal fees and penalties
   
   ii. Natural or man made disasters
   
   iii. Sudden or unforeseen rises in operating costs such as utilities and office rent
   
   iv. Unexpected or unplanned items or programs that are approved by a unanimous vote of the Council members.

19. No advances of funds to employees, officers, or directors are authorized. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed as per schedule A.

20. All moneys accrued from expenditures that were budgeted but not incurred are carried over to the following year’s budget or invested according to the Investment Policy.

E. Assets

21. The acquiring or purchasing of assets shall be approved by the Council.

22. Suitable protection and maintenance of assets shall be carried out to ensure the continued expected functionality of the assets.

23. The disposal of assets will be done by locally acceptable practices. The assets will be valued based on current market values and can be disposed either by a direct sale or by open or sealed bidding.
F. Investment Policy

24. The current CD shall remain and be re-invested into another CD upon maturity.

25. Interest earned from the CD shall be deposited into the checking account.

26. The Council shall review and determine whether any accrued money will be invested. Any such investment must be low risk and have a record of safe and steady growth.

G. Appendix

Sample Voucher

Association of Professional Engineers of Belize
“Address”

Date: ______________

Payee: __________________________________________________________________

<table>
<thead>
<tr>
<th>Description of Payment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

Amount paid in words: _____________________________________________________

Financial Inst.: __________ Account No: __________ Budget Item No.: ______

Name: ______________________________ Signature: _________________________
(Print in block letters)

Name: ______________________________ Signature: _________________________
(Print in block letters)

Name: ______________________________ Signature: _________________________
(Print in block letters)

Name: ______________________________ Signature: _________________________
(Print in block letters)
Schedule A

Mileage to be paid at 1:00 Dollar a mile as per the following approved distances

- Belize City to Belmopan 52 Miles
- Belize City to San Ignacio 72 Miles
- Belize City to O.W. Town 54 Miles
- Belize City to O.W. Town 65 Miles (old road)
- Belize City to Corozal Town 84 Miles
- Belize City to Corozal Town 95 Miles (old road)
- Belize City to Sta. Elena Corozal. 104 Miles (old road)
- Belize City to Maskall Village 39 Miles

- Belmopan to San Ignacio 23 Miles
- Belmopan to Dangriga 55 Miles
- Belmopan to Punta Gorda 150 Miles
- Belmopan to Benque Viejo 31 Miles
- San Ignacio to Benque Viejo 8 Miles
- Dangriga to Mango Creek 50 Miles
- Mango Creek to Punta Gorda 63 Miles
- Dangriga to Punta Gorda 107 Miles

- O. W. Town to Corozal Town 30 Miles
- O. W. town to St. Elena, Corozal 39 Miles

- Corozal Town to St. Elena, Corozal. 9 Miles
- Belize City to Placencia 161 Miles

Per diums, Consultancies will be paid at 50% of values as per table A below from the approved APEB/APAB fee schedule.
1. SCOPE OF CONSULTANT’S BASIC SERVICES

A1 CONCEPTUAL DESIGN PHASE

This phase of works shall include the following:

A1.1 Review the program ideas of the Client to ascertain the requirements of the project and arrive at a mutual understanding of such requirements with the Client.

A1.2 Provide a preliminary evaluation of the Client’s program, schedule and construction budget requirements.

A1.3 Review with the Client alternative approaches to design and construction of the project.

A1.4 Based on the mutually agreed-upon program, schedule and construction budget requirements, prepare for approval by the Client, Schematic Design Documents consisting of preliminary drawings illustrating the project.

A1.5 Prepare and submit to the Client a preliminary estimate of Construction cost based on current area, volume or other unit costs.

A2 DESIGN DEVELOPMENT PHASE (may be incorporated in the Construction Document phase)

A2.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Client in the program, schedule or construction budget, prepare Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

A2.2 Advise the Client of any adjustments to the preliminary estimate of Construction Cost.

A3 CONSTRUCTION DOCUMENTS PHASE

A3.1 Based on the approved Design Development Documents or Schematic Design Documents and any further adjustments in the scope or quality of the project or in the construction budget authorized by the Client prepare
Construction Documents consisting of Detailed Drawings and Specifications, setting forth in detail the requirements for the construction of the project.

A3.2 Assist the Client in the preparation of the necessary bidding information, bidding forms, the Conditions of the contract, and the form of Agreement between the Owner and the Contractor. Bidding documents may be in the form as approved between the Client and Consultant.

A3.3 Advise the Client of any adjustments to previous preliminary estimates of construction cost indicated by changes in requirements or general market conditions.

A3.4 The Consultant shall assist the Client in connection with the Client’s responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the project.

A4 BIDDING OR NEGOTIATION PHASE

A4.1 The Consultant, following the Client’s approval of the Construction Documents and of the latest preliminary estimate of construction cost, shall assist the Client in obtaining bids or negotiated proposals and assist in awarding and preparing contracts for construction.

A5 CONSTRUCTION PHASE – ADMINISTRATION OF THE CONSTRUCTION CONTRACT

A5.1 The Design Consultant shall be engaged by the Client during the construction phase, at least in a nominal capacity to address discrepancy issues and to identify and recommend rectification measures for calculation, drawing or design errors. Alternatively, if a Consultant other than the Design Consultant is engaged for the construction phase without the nominal engagement of the Design Consultant as noted above, then that new Consultant shall assume those responsibilities, unless otherwise agreed between the relevant parties in writing. The Consultant responsible for the construction phase is therefore responsible to review the document to ensure that the designs are generally in accordance with relevant accepted standards.

A5.2 The Consultant’s responsibility to provide Basic Services for the Construction Phase commences with the award of the Contract for Construction and terminates at the issue of the final Certificate for Payment or 60 days after the date of Substantial Completion of the Work, whichever is earlier, and unless otherwise agreed in writing.

A5.3 Duties, responsibilities and limitations of authority of the Consultant shall not be restricted, modified or extended without written agreement of the Client and Consultant.

A5.4 The Consultant shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Client and Consultant to become
generally familiar with the progress and quality of the Work completed and to
determine as far as practical if the Work is being performed in a manner
indicating that the Work when completed will be in general accordance with
the Contract Documents. However, the Consultant shall not be required to
make exhaustive or continuous on-site inspections to check the quality or
quantity of every aspect of the Works. On the basis of on-site observations,
the Consultant shall keep the Client informed of the progress and quality of
the Work, and shall endeavor to guard the Client against defects and
deficiencies in the Work. More extensive site representation may be required
and agreed upon base on the size and complexity of the project. Such fees
may be treated as additional works.

A5.6 Based on the Consultant’s observations and evaluations of the Contractor’s
Applications for Payment, the Consultant shall review and certify the amounts
due the Contractor.

A5.7 The Consultant’s certification for payment shall constitute a representation to
the Client, based on the Consultant’s observations at the site and on the data
comprising the Contractor’s Application for Payment, that, to the best of the
Consultant’s knowledge, information and belief, the Work has progressed to
the point indicated and the quality of work is in general accordance with the
Contract Documents.

A5.8 The Consultant shall prepare Change Orders and Construction Change
Directives, with supporting documentation and data if deemed necessary by
the Consultant.

2 CONSULTATION FEES

2.1 DESIGN PHASE

The basic Consultation fees for tasks as described above should fall between the
following ranges based on the level of complexity and extent of responsibility placed
on the Consultant. The lower range represents minimum recommended charges
while the higher range represents maximum recommended charges.

Preferred Option - (percentage of construction cost)

1. Conceptual Design 1% - 2% of construction cost
2. Design Development and Construction Documents 1.70% - 4% of construction cost
3. Bidding or Negotiation .3% - .5% Construction Cost
   Total 3% - 6.5% of construction cost

CONSTRUCTION PHASE 2.5% - 5.5% of construction cost
TOTAL BASIC SERVICES (preferred option) 5.5% TO 12% of construction cost

**Alternative Option**

This approach may be based on pre-determined hourly estimates for tasks or may be based on actual time spent for various tasks by various personnel. The actual charge rates may be adjusted within the ranges shown based on complexity of task and responsibility of the Consultant.

**TABLE A**

<table>
<thead>
<tr>
<th></th>
<th>LIMITED ENGAGEMENT (LESS THAN 40 HOURS)</th>
<th>CONTINUOUS ENGAGEMENT (OVER 40 HOURS)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal or Specialist</td>
<td>$150.00 - $250.00</td>
<td>$135.00 - $250.00</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registered Senior Engineer/Architect</td>
<td>$125.00 - $200.00</td>
<td>$110.00 - $200.00</td>
</tr>
<tr>
<td>Registered Engineer/Architect</td>
<td>$100.00 - $140.00</td>
<td>$75.00 - $140.00</td>
</tr>
<tr>
<td>Non-Registered Engineer/Architect (with Engineering or Architectural degree)</td>
<td>$75.00 - $100.00</td>
<td>$60.00 - $100.00</td>
</tr>
</tbody>
</table>

Notes:

a) A specialist shall be a Senior Architect or Senior Engineer with a first degree in Architecture or Engineering and an advanced degree specializing in a particular area of Architecture and Engineering. A Specialist must have at least 8 years of engineering experience in the relevant area of specialty. Specialist rates apply to works done in that specialty field only.

b) Senior Engineer or Senior Architect shall have more than 12 years experience as a practicing Architect or Engineer or at least 8 years as a registered Architect or Engineer.

c) A principal shall be considered to be a Senior Architect or Senior Engineer who is the lead Architect or lead Engineer of the engaged firm.

d) The fees noted above for both options do not include sales tax or direct expenses. Direct expenses shall include mileage or direct transportation costs, costs of meals, printing of drawings, etc. such expenses shall be made clear in the fee proposal.
e) The lower ranges of fees are considered as absolute minimum.

f) Fees noted above do not apply to Sub-Consultants.

3 DEFINITIONS

3.1 The Consultant’s Basic Services shall consist of those items as described below. Any other services specifically required by the Client or deemed necessary by the Consultant shall be treated as additional services.

3.2 CONSTRUCTION COST

3.2.1 The Construction Cost shall be the total actual construction cost or estimated cost of all aspects of the project designed or specified by the Consultant.

3.2.2 The Construction Cost shall include the cost at current market rates for labor and materials furnished by the Client and equipment designed, specified, selected or specially provided for by the Consultant, plus a reasonable allowance for the Contractor’s overhead and profit. In addition, a reasonable allowance for contingencies shall be included for market conditions at the time of bidding and for changes in the Works during construction.

4 NOTES

4.1 USE OF CONSULTANT’S DRAWINGS, SPECIFICATIONS AND OTHER DOCUMENTS

The Drawings, Specifications and other documents prepared by the Consultant for a particular project are instruments of the Consultant’s service for use solely with respect to the project and, unless otherwise provided, the Consultant shall be deemed the author of the documents and shall retain all common law, statutory and other reserved rights, including the copyright. The Client shall be permitted to retain copies, including reproducible copies of the Consultant’s Drawings, Specifications and other documents for information and reference in connection with the Client use and occupancy of the project. The Consultant’s Drawings, Specifications or other documents shall not be used by the Client or others on other project, for additions to this project, or for completion of this project by others, unless by agreement in writing and with appropriate compensation to the Consultant.