

76th Board of Trustee meeting minutes of Coastal Association for Social Transformation (COAST) Trust held on 19th January, 2013 COAST Principal Office, Dhaka.

Member Participated

1. Begum Shamsun Nahar, Chairperson
2. Maqsurur Rahman, Vice Chairperson
3. M. Zahirul Alam FCA, Treasurer
4. Dr. Tofail Ahmed, Member
5. Afroza Khanom, Member
6. Hazera Begum, Member
7. Rezaul Karim Chowdhury, Secretary / Executive Director

Agenda Transacted

1. Review of last meeting minutes
2. Review of micro finance performance
3. Authorization for financial and other dealings with PKSF
4. External audit report
5. Internal audit major findings
6. Facilities for staff in respect of flat/land purchasing
7. New inclusion and exit strategy of BoT membership
8. Renewal of NGOAB registration
9. Donor projects matrix
10. Any other business

The meeting is chaired by Dr. Abbas U Bhuiya, Chairperson, major discussion and decisions of the meeting are as follows;

1. Review of the last meeting minutes

- i. The board has given instruction to communicate with Shaha Majumder & Co for settling the PF registration by next BoT meeting suppose to be held on 20th April 2013.
- ii. Strategic plan preparation is in under process and it will be submitted in next BoT meeting.
- iii. It is decided that COAST will not pay any extra/speed money for legal processing of Charfassion land formal handing over to COAST from Action Aid. COAST will pay the exact amount for registration as per GoB rules. The vice chairperson of BoT Mr. Maqsurur Rahman will assist and will communicate with Govt official in this regard.
- iv. It was decided in to the last 72nd BoT that an educational endowment fund will be created in the name of Late Moti Quader of which income from investment a stipend will be provided to the poor children for education purpose. The fund will be operated jointly by her daughter Mrs. Rahat Fahmida and COAT Trust. The secretary has prepared a draft MoU in this regard and presented it in to the board. The board has appreciated this initiative and given authority to maintain the fund on behalf of board. The Treasurer of BoT will review it's program and financial activities time to time.
- v. The board has given thanks to the Trustee members for visiting Cox'sbazar for verifying new land purchase at Khuruskul, Cox'sbazar. The secretary formed that due to have had some ownership problem in to the deed, it purchase should be abandoned. He also informed the board that COAST will not go for purchasing any new land at Cox'sbazar due to scarcity of fund rather than to develop and gradually buildup new regional office in it's existing land at Ramu.
- vi. Reference to the discussion in 73rd BoT meeting regarding new inclusion of BoT member, the board has cancelled the proposed name of (i) Dr. Sharmind Neelormi, Economics Departement,

- Jahangir Nagar University due to not getting clearance from her department and (ii) Mr. Nasir Uddin, Ex Secretary to the Energy and Information Ministry due to have some official problem.
- vii. The secretary has briefed the overdue situation and it's status in to the board. He informed that two team has been working from principal office for arresting overdue where other team is for updating documentation of OD members.

2. Micro finance trend analysis

The Assistant Director-Core Program has presented the micro finance trend for the period of July'12-Dec'12 (6months) as per following.

- End of Dec'12 the active group member balance has been increased 3379 than July'12 i.e. 4% increased. At the end of July'12, the borrower percentage against member was 81% which has decreased at the end of Dec'12. It happened due to shortage of fund.
- End of Dec'12, net savings balance has been increased taka 1.19 crore i.e. 6% increased than July'12. The savings and loan outstanding ratio was 33% at the end of Dec'12 where it was 31% at the end of July'12. Board has appreciated the increasing saving balance.
- Loan outstanding (principal) also decreased tk.28.66 lac i.e. 0.5% decreased at the end of Dec'12 than July'12. AD-CP informed that the outstanding could be more increased if the loan fund would available during pick period.
- Per CDO active member at the end of Dec'12 was 336 where end of July'12 it was 329. The board has suggested to achieve the per CDO target as per market trend and BP.
- Among the total loan fund, COAST's portion is 8%, member's savings is 30%, PKSf is 46% and SF is 16%. The board urged to increase the COAST own fund.

The board also advised to prepare an intensive plan for arresting overdue with initiative from head office.

3 Authorization for financial and other dealings with PKSf

The BoT members' hereby taken the decision that the Executive Director is designated and authorized in favor of COAST to sign and making agreement with PKSf in case of any financial (loan or grant) deal. The Executive Director and Secretary-BoT has informed that PKSf has provided a financial grant for COAST conducting Action Research project on see weed culture and promoting dry fish production without pesticide in Cox's Bazar areas. This project is running August 2011 and PKSf has extended the project for next six month from September 2013 to February 2014 observing its potentialities. So, the Executive Director of COAST Trust will communicate with PKSf to make an agreement in this purpose.

The ED also informed the board that till to date COAST has made expense total tk.8,25,845.00 for this program at Cox's bazar. The board has appreciated the program launching with PKSf.

4 External audit report :

AD-CAIA has presented the external audit finding for the year 2011-12 conducted by S.F.Ahmed & Co (chartered accountants). The board has suggested to give more emphasis on strengthening internal audit specially on assets and store management.

5. Internal audit major findings :

AD-CAIA has also presented the internal audit findings of 16 branches for microfinance program. The board has given necessary instruction to the operation section for minimizing the findings and to strengthen the monitoring and controlling system of RPC and AM for the smooth operation of MF program. The board also instructed to maintain audit cycle as per plan.

6. Facilities for staff in respect of flat/land purchasing

The secretary has proposed to create a fund of tk.5.00 lac for giving financial support as loan to the committed staff for purchasing land or flat. The board has accepted the proposal and instructed to prepare a policy with a discussion of PKSf and other similar MFIs and should be presented in next BoT meeting.

7. New inclusion and exit strategy of BoT membership

including three term elections and in each term for three years, in total nine years)

The secretary informed that the tenure of existing BoT members will be ended by April 2018 which was started as on April 2009 (as per MRA rules, a member can exist maximum for nine years by following three term elections and in each term for three years). In this regard he has proposed to make an exit and entry planning matrix of old and new BoT members. The board has accepted the proposal and requested Dr. Tofail Ahmed (Member-BoT) to assist the Secretary for preparing the plan and would submit it to the next BoT Meeting.

A part from this the secretary has also proposed to include (i) Mr. Minal Monsur and (ii) Mr. Ayub Khan, FCA as a new Trustee in to the board. The board has suggested collecting their CVs and would submit it to the next BoT meeting for further discussion.

8. Renewal of NGOAB registration

The Secretary has informed the board that the NGOAB registration date of COAST will be expire by 24th February 2013 and is required to renew the registration from NGOAB. The has approved it has given instruction to take all sorts of necessary actions in this regard.

9. Donor projects matrix

The Director has briefed the existing donor funded projects and their project objectives and working area (other than MF) in to the board. He informed that there are seven different projects have been running and these are (a) SFP-GoB/EU, (b) ROSC-GoB/WB, (c) Education-SF, (d) LGP-MJF, (e) C4D-UNICEF/AAB, (g) EWG-Asia Foundation, and (i) JLS-UK Govt & Maxwell. He also informed that total approved budget of these seven projects is tk. 214.24 million and till to Dec'12 we have made expense tk.75.71 million against the total received tk.81.00 million. The current utilization rate is 93% where the cumulative utilization rate is 38% at the end of Dec'12.

The Director mentioned that the current three projects (LGP, ROSC and EWG) will be closed by June'12 and COAST has submitted ---- project proposals for new projects and ----- PP writing are in progress. COAST has given highest emphasis on fund raising in order to reduce dependency on MF income.

10. Bad debt written off procedures.

AD-CO has presented the classification of overdue amount of microfinance program and the board has instructed to present it again in to the next board meeting more significantly mentioning the proposed written off amount and it's book adjustment.

11. MRA statutory requirements and compliance

AD-CO has also briefed the statutory requirements and compliances of MRA and also COAST's position against MRA rules in to the board. The board reviewed it and given thanks for operating the operation according to MRA rules and regulations.

12. Any other business

The board has advised to visit Bogra Academy for taking learning and exchanging views for enhancing CITEP in COAST area. AD-CP and M-TS will take necessary steps in this regard.

Prepared by

Approved by

Rezaul Karim Chowdhury
Executive Director and Secretary
COAST Trust

21st January, 2013

Begum Shamsun Nahar
Chairperson, BoT
COAST Trust