

Draft Minutes of the 107th Virtual Executive Committee (EC) Meeting of Coastal Association for Social Transformation (COAST) Trust held on 31 October, 2020

Member participated:

1. Abbas U. Bhuiya, Ph.D, Chairperson
2. Minar Monsur, Vice-Chairperson
3. Mostafa Kamal Ahmed, FCA, Treasurer
4. Gawher Nayeem Wahra, Member
5. Jacob Kumar Sarker, Member
6. Ms. Jasmeen Sultana Paru
7. Ms. Anjulika Khisa
8. Rezaul Karim Chowdhury, Member Secretary (Executive Director, COAST)

Agenda transacted:

1. Review of the last 106th Executive Committee Meeting
2. Review of last 22nd Pre-EC Audit and Finance Trend Meeting Minutes
3. MF Trend Analysis
4. Feedback from latest external audit and balance sheet analysis
5. Human resource, complaint and gender situation report
6. Court case status
7. HRP Revision (New Clause addition)
8. Sending working paper electronically
9. Money laundering compliances of MRA
10. Any other business (AoB)

The Chairperson started the online meeting with welcome to all members and other COAST staff participants. The major discussions and decisions of the meeting are as follows.

1. Review of the last 106th Executive Committee (EC) meeting minutes:

- a. The Deputy Executive Director (DED) informed the meeting that the due salary for the month of April and May 2020 has been disbursed to the staff with the salary of August and September, 2020.
- b. The Deputy Executive Director informed the meeting that the telemedicine for women and men colleagues are being provided separately by women doctor and male doctor respectively. The health measures are being continued in all the offices. The board appreciated initiatives.
- c. The meeting appreciated that, COAST has following the Money Laundering and Terrorist Finance Act-2015 properly in respect of all transactions happening in the organization.

2. Review of last 22nd Pre-EC Audit and Finance Trend Meeting Minutes

The Director-ME&IA presented the 22nd Pre-EC Audit M

- a. Total 26 MF branches and 6 donor project have been audited during the period from Jul-Oct 2020.
- b. Tk. 2, 97,961/- identified as misappropriation by 115 staff where Tk. 2,87,581/- has been realized in the spot and Tk. 10,380/- is to be released as staff left organization. This amount will be deducted during final settlement with the staff.

- c. Due to pandemic situation, misappropriation trend observed a slight higher. The following factors contributed for high trend;
 - Major focus was to establish contact with members after MF operation resume.
 - Effort provided to start & expedite realization than monitoring.
 - Apart, SMS service introduced in daily collection activities, where member will get SMS on their payments. Monitoring will be possible without passbook. Thus corruption reduce at a level. This system is piloting in 12 MF branches. It will cost for each member per year Tk. 18.
- d. CIB monitoring model is piloting in 3 MF branch; Shantirhat, Barobkunda and Amanbazar with the assistance of MRA. It can reduce the overdue.
- e. Financial irregularities were observed as loan approval process and savings withdrawal.
- f. In the project audit major findings were only vat and tax related issues which had been resolved in the spot.

3. MF Trend Analysis :

The Director-Core Programs presented the Micro Finance trend analysis during the period of January to September, 2020.

- i. At the end of Sep 2020, total members in MF program are 1.35 lakh and number of borrowers are 1.07 lakh (79% of member). Trend is increasing and target to reach to above 80% by Dec 2020.
- ii. Total portfolio stands on Tk. 265.21 crore at the end of Sep'20. It is expected that by Dec'20 it will reach Tk 280.00 crore.
- iii. Accumulation Capital fund is added as positive trend overcoming the pandemic crisis and stands as Tk. 38.16 crore at the end of Sep 2020. Surplus is increasing around 50.0 lac per month from July' 20
- iv. Meeting proposed to revise the business plan and fund flow status in Dec'20 observing the corona situation and its second phase impact.
- v. Meeting also proposed to make a comparative view on major MF indicators of SPLY [Same Period last Yr.].

4. Feedback from latest external audit and balance sheet analysis

The Director-FCA&HRM presented the latest external audit and the balance sheet up to September, 2020.

- i. Organization liabilities increased around Tk. 29.40 crore during last fiscal year [up to June 2020]. This liabilities included unutilized donor fund, fund borrowing for MF and provisional PF and Gratuity amount.
- ii. Some current assets (e.g. IDCOL loan to members, stock etc.) should gradually be written off as this asset is turned into bad debt in the field already.
- iii. Over "Cash in hand" observed by External Auditor. This happened during pandemic as branches had taken additional money as cash. However that should be controlled by planned way exercise.
- iv. As per balance sheet the total current assets Tk. 317.84 crore (in June 2020) and TK. 288.44 crore in June 2019. On the other hand the current liabilities are Tk. 208.75 crore in June 2020 and Tk. 173.20 crore in June 2019.

- v. Meeting proposed to prepare an aging report on the current asset item "Advance deposit & pre-payment" where idle financing will be found out and then management can take decisions for next measures.
- vi. Only this year the external audit report has been submitted to MRA and banks in due time. For this effort EC gave thanks to the finance sections and others involved with the process of external audit.

5. Human resource, complaint and gender situation report

The Deputy Director-HRM presented the status of HR, Complaint Response Mechanism and Gender issues.

HR status:

- i. Up to September, 2020 the total staff of the organization is 1424 where female staff are 466 and male staff are 958. The male female ratio is 68:32.
- ii. Total staff in core programs are 855 and total staff in non-core programs are 569.
- iii. Total disciplinary actions were taken against 8 staff where the major actions are show cause, warning, financial fines etc. These actions were taken due to violations of rules and regulations of the organization.

CRM status:

In September, 2020 total 8 complaints have been recorded. These were: 1 for taking unfair benefits, 3 for unprofessional behaviors and 4 for programs and service related.

Gender related status:

One case was received during September, 2020 and this is sexual harassment of two Rohingya volunteers by COAST staff. Then after investigation the allegation was proved and then that staff was dismissed. The regional and central gender relation committees are active and they are conducting meeting regularly with the staff and the minutes are uploaded in the website.

6. Court case status

Director-Admin. & SR presented the legal cases of the organization. He informed that: Total 53 legal cases are running against the staff and group members at the end of Sep 2020. The amount is claimed as 2.01 crore. He told that management decided to solve at least 28 cases through mutual discussion, where amount claimed below 2 lakh by December, 2020.

7. Sending Working Papers Electronically

To reduce the cost and time, the Secretary proposed to ensure the working papers to honorable EC and GC members electronically. The house discussed the matter and approved the proposal and now and onward, the working papers will be sent to the honorable EC/GC members electronically. The papers will be sent two days before of the meeting.

8. HRP Revision (New Clause addition)

The Deputy Executive Director has proposed to include some new clauses in the latest HR Manual about the returning of PF and Gratuity Funds to the staff whom job duration in COAST more than 15 years and who seems as committed to the organization. The purpose of the return only for flat purchase, land purchase and home constructions. The meeting discussed the issues thoroughly and Chairperson suggested the Secretary to check with the government laws about the return of the PF and Gratuity Funds. After analysis the laws the Chairperson will call an emergency EC meeting urgently to take the decision about the returns of the PF and Gratuity Funds to the staff of his/her portions.

9. Money laundering compliances of MRA

The Deputy Executive Director informed the meeting that COAST is following the Money Laundering Act-2015 (amendment) properly. The issue regarding money laundering, terrorist financing, smuggling and illegal drug issues have been discussion in each group meeting as well as staff meeting. These issues also mentioned in the passbooks so that the member participants can follow and be strict during spending their money taken from the organization. The member participants have invested their loan at right schemes. From July-September, 2020 total loan disbursement was Tk. 111.11 crore, savings collection was Tk 20.12 crore , loan outstanding in September, 2020 was Tk 265.20 crore and members savings balance in September, 2020 was Tk 97.42 crore The Director also mentioned that there are no any illegal financing has been reported for money-laundering, terrorist financing, smuggling, illegal drug and any other illegal engagements or purpose. The savings fund of borrowers also been utilizing properly in MF program and also as FDR.

10. AoB:

- i. Director-Core Programs informed that the joint stock registration is in progress and it is hopeful to end the process by November, 2020.
- ii. The meeting has proposed the next Pre-EC Audit and Finance Trend Meeting will be on 12 February, 2021 and Executive Committee Meeting will be on 13 February, 2021. On the other hand the AGM 2021 will be held on 13 June, 2021.

Having no other discussions, the Chairperson concluded the meeting with a vote of thanks and hopes to follow the health issues to protect the COVID-19 and wishes that all should stay safe in this crisis period.

Prepared by

Approved by

M Rezaul Karim Chowdhury
Member Secretary-EC&GC and
Executive Director, COAST Trust

31 October, 2020

Abbas U. Bhuiya, Ph.D
Chairperson-EC&GC
COAST Trust