



Minutes of the 90th Board of Trustee Meeting of Coastal Association for Social Transformation Trust held on June 25, 2016 at COAST Principal Office, House-13, Road-2, Shyamoli, Dhaka.

Member participated:

1. Begum Shamsun Nahar, Chairperson
2. MinarMonsur, Vice-Chairperson
3. M. ZahirulAlam FCA, Treasurer
4. Dr. Tofail Ahmed, Member
5. Ruma Akter, Member
6. Halima Begum, Member
7. Rezaul Karim Chowdhury, Secretary (Executive Director, COAST)

Agenda transacted:

1. Review of the last 89th BoT Meeting
2. Plans & Budget FY2016-17
3. External audit ToR and appointment for FY 2015-16
4. Micro finance trend analysis
5. HR Policy revision (Complaint Response Mechanism)
6. Money laundering compliance by MRA
7. Any other Business (AoB)

The meeting has been chair by the vice chair Mr Minar Monsur, as chair has some pre occupation, started with the welcome address. The secretary explain the necessity of this meeting although regular meeting supposed to be held on August, with quarterly interval, and last meeting have had held on May ie in last month. It is special as because to discuss SF internal assesment report, all though there are some agenda too. He thanked the members for their kind participation especially during this holy Ramadan month. The decisions and major discussions of the meeting are as follows.

1. Review of the last 89thBoTmeeting minutes


- a. Board has instructed to strengthen more monitoring system to curb financial misappropriation. Also instructed to transfer all credit funds from branch to branch as per instruction from head office.
- b. Board has instructed to increase donor project monitoring system. The secretary informed that due to man power crisis, it couldn't be strengthen. A team headed by Director has been formed to review the organizational existing audit and monitoring system and from July'16 an effective audit and monitoring system will be implemented.
- c. The board has advised not to take such donor project(s) who will not provide any management or overhead cost. COAST should not launch such a project where COAST has to be contributed since COAST has not such for this contribution.
- d. As a part of CREP loan follow, the secretary informed that COAST has taken initiatives to meet the IDCOL loan for renewable energy project with a flexible and affordable repayment schedule. In this regard a high official meeting will be held with IDCOL on Aug'16.
- e. The board has instructed DD-FC&CA to communicate with Hoda Vasi Chowdhury & Co and SF Ahmed &Co for collecting the quotation for audit fee for the year 2015-16. The board also instructed to prepare a ToR in this regard which will be guided the Treasurer-BoT.

2. Plans & Budget FY2016-17

The Director presented the Plans and Budget for the year 2015-16 in the meeting and the board has primarily approved it. The major highlights of the plans and budget are as follows:

- a. **Reviewing of FY 2015-16:** During 2015-16, COAST has received the special consultative status from UN ECOSOC. Through this status, COAST has got the ability to join any UN events.


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Executive Director
COAST Trust


Begum Shamsun Nahar
Chairperson-Board of Trustee
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The six branches of micro finance program in Chittagong region have reached at the break-even point. This year the savings products have been attracted by the member participants and the savings amount has been accumulated with BDT 443.00 million.

The organization has crossed its portfolio BDT 1 billion in December 2015 and surplus amount is BDT 36.10 million.

b. Planning for 2016-2017: The major planning and strategies of the FY 2016-17 will be as follows.

i) To strengthen the climate change adaptation through CITEP, ii) management and monitoring streamlining for the projects, iii) overdue realization will be emphasized through giving special support from principal office and other project staff, iv) to establish the community radio station in Cox's Bazar, v) searching fund for establishment and operation of community radio, vi) to set the new six branches in Noakhali region, vii) integration of disaster response and DRR in institutional program and management, finding donor or partners for this, viii) to complete the strategic planning process for the period of 2017 to 2021 and ix) to keep running the installments of IDCOL.

c. Budget Focus for 2016-2017

i. During 2016-17 the total budget will be BDT 38.48 crore with the surplus figure of BDT 3.28 crore. Total budget has been increased of 22% than that of FY2015-16 (BDT 31.4 crore).

ii. During FY2016-17 the donor grant will be Tk.10.01 crore, which is 15.51% more than last year.

iii. In 2016-17 the service charge earned from micro finance program will be BDT 28.91 crore, which is 19.05% more than that of last year (BDT 24.28 crore). The 75% cost of budget of FY 2016-17 will be covered from the income of micro finance service charge (BDT 28.91 crore).

iv. The percentage of admin cost will be 6.20% (BDT 19.82 crore), while the percentage of program cost will be 93.74% (Tk. 18.67 crore as program cost and Tk. 299 crore as Credit Fund Operation).

v. At the end of 2016-17 the total number of member participants will be 118,022 nos which is 15.07% more than last year (102,050 nos). The outstanding balance at the end of 2016-17 will be BDT 1,50.55 crore. This is 24.90% above from last year (BDT 1,22.00 crore). The member savings at the end of FY 2016-17 will be Tk. 50.30 crore which is 13.53% higher than FY 2015-16 (BDT 44.30 crore).

vi. During FY2016-17 it will be needed BDT 42.30 crore as Revolving Credit Fund (RCF). It is expected to receive BDT 30.00 crore from Palli Karma Shahayak Foundation (PKSF), BDT 6.00 crore from Stromme Foundation (SF) and 6.30 crore will be from private banks.

vii. By the end of FY2016-17 the total staff will be 1137 nos (male-592 and female-545 and ratio-52:48) which is 23.58% more than the last year (920 nos).

viii. This year the cost of fund is BDT 7.00 crore. The cost of fund includes the interest payable to group savings, PKSF, SF and statutory banks for using their fund for Revolving Credit Fund.


The board carefully gone through the plans and budget and has provisionally approved it. The board has requested the Treasurer to review the budget and financial plan of FY2016-17 if possible by middle of Aug'16 for its authenticity and the way of its calculation.

3. External audit ToR and appointment for FY 2015-16:

The Deputy Director-FC&CA has presented the Terms of Reference (ToR) of external auditor for the FY2015-16 to the board. The board has reviewed the ToR and has approved the audit time schedule and the method of accounts presentation that has set in there. The DD-FC&CA informed that as per instruction of Treasurer, we have communicated with Hoda Vasi Chowdhury & Co and SF Ahmed & Co for collecting the quotation for audit fee. Only SF Ahmed & Co has placed their quotation in due time by mentioning fees Tk. 1,40,000/- including VAT and Tax. DD-FC&CA informed that the last year consolidated audit fee was Tk. 1,32,000/-. The board has approved the fee and has selected SF Ahmed & Co as External Auditor of COAST for the year 2015-16. The board also instructed to give appointment letter as soon as possible and to maintain the date line considering the MRA compliance.


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Shamsun Nahar
Chairperson-Board of Trust
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4. Micro finance trend analysis

The Assistant Director-Core Program has presented the micro finance trend for the period of July'15 to May'16 as per following.

- End of May'16 the active group member balance has been increased of 9090nos than July'15 (10%). At the end of May'16, the borrower percentage against member was 77% which is also 80% as on July'15. The board said that as the bank loan has remarkably been increased, so borrower percentage should be increased.
- End of May'16, net savings balance has been increased taka 6.70 crore i.e. 18% increased than July'15. The savings and loan outstanding ratio was 37% at the end of May'16 where it was 39% at the end of July'15. Board has expressed their deep concern on it and instructed to mobilize DPS as a part of savings generation.
- Loan outstanding (Pr) also increased Tk.24.91 crore i.e.26% at the end of May'16 than July'15.
- Per CDO active member at the end of May'16 was 348 where end of July'15 it was 321. 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 10%, member's savings is 35%, PKSf is 40%, SF 16%. The board urged to increase the COAST own fund.

AD-CO also informed that computer automation system has been completed at all branches and as a result the mishap and OD hide issue has been minimized and also be controlled.

5. HR Policy revision (Complaint Response Mechanism):

The Director has presented the amendment the clause-11 of HR policy regarding complaint response mechanism. The board reviewed it carefully and has approved the amendments which will be the integral part of the HR policy. This will be included in to the policy at the time of HR policy revision.

6. Money laundering compliance by MRA:

The Director has informed the board that COAST has been following the Money Laundering Act-2015 (amendment) very strictly. From July'15 to May'16, total loan disbursement was made Tk.189.57 crore , Loan outstanding Tk.119.39 crore, Savings balance Tk.43.64 crore, Member balance 1,01,884 nos and Borrower balance was 78,685 nos. Member's detail information as per AML circular-27 by Bangladesh Bank has been keeping properly. The respective borrowers have been utilizing the loan properly i.e. at right scheme. The savings fund of borrower also been utilizing properly at MF program and as FDR.

The director also mentioned that the donor projects also been maintaining properly. From internal audit section and also from central finance section, the audit and financial monitoring has been doing regularly. Apart from this, almost every two months afterwards the donor personnel also doing both program and financial monitoring for ensuring proper utilization of fund. FD-4 reports also been submitting at NGO Affairs Bureau per Govt. rules. No any suspicious and irregular/abnormal transactions has been made within the organization. The Treasurer of BoT does randomly check the bank statements and its transactions at least one week before the general BoT meeting.

7. AoB: N/A

Having no other discussion, the Chairperson has concluded the meeting with vote of thanks.

Prepared by

Rezaul Karim Chowdhury
Secretary-BoT, COAST

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Executive Director
COAST Trust

June 26, 2016

Approved by

Begum Shamsun Nahar
Chairperson-BoT, COAST

Begum Shamsun Nahar
Chairperson-Board of Trustee
COAST Trust