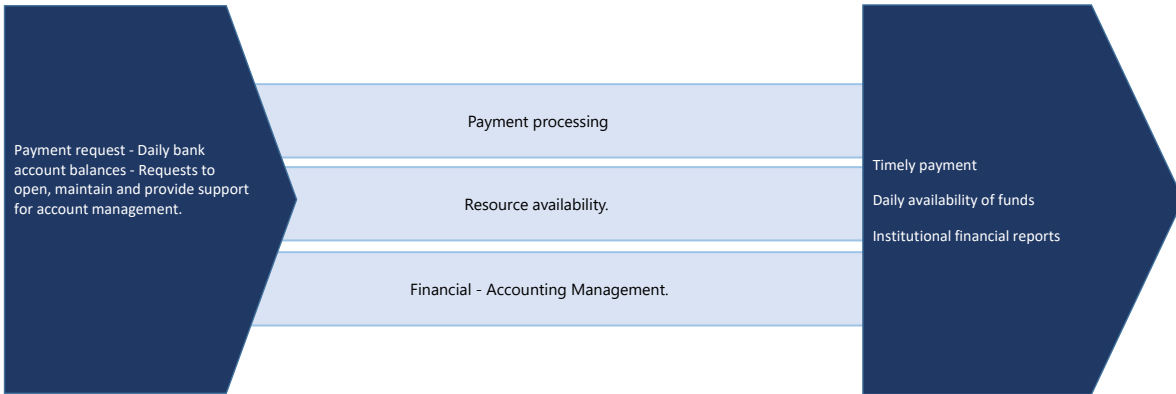




Macroprocess	
<b>11 Financial Management</b>	
<b>Objective</b>	Ensure the effective and transparent use of financial resources by defining, executing and verifying guidelines and providing financial and accounting services, ensuring that all objectives are achieved.
<b>Scope</b>	Hemispheric level. Technical-regulatory actions and execution. Centralization at strategic levels and at Headquarters. Partially decentralized at the tactical and operational levels, by region and country.

Inputs	Processes	Outcomes
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<b>Process</b>
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<b>11.1 Payment Processing.</b>	
<b>Objective</b>	Guarantee the payment of goods and services in accordance with procurement terms.
<b>Scope</b>	Hemispheric level Execution and technical-regulatory actions. Centralized at strategic levels and at Headquarters. at the tactical and operational levels, by region and country. <span style="float: right;">Decentralized</span>
<b>Specific Policies and Rules</b>	1. All units - Headquarters and Delegations - requesting payment for goods or services must abide by the relevant policies and rules and use the forms established by IICA to channel said payments through the Financial Management Division. 2. All payment requests must be submitted to Financial Management, in accordance with the established requirements and accompanied by the relevant annexes (via the Information System).
<b>Information Systems</b>	SAP – SAPIENS – Office – E-mail.
<b>Indicators</b>	<ul style="list-style-type: none"> <li>• Percentage of payments made according to the established terms.</li> <li>• Percentage of payroll payments discharged in a timely manner (Local and International).</li> </ul>

Process	Subprocess
11.1 Payment processing.	11.1.1 Validation of information.
	11.1.2 Payment generation, approval and verification.



Subprocess		
<b>11.1.1 Validation of Information.</b>		
<b>Objective</b>	Receive information (forms, invoices and requests) and verify compliance with corresponding policies and rules and/or terms of the contract.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"> <li>• Payment request.</li> <li>• Local and international travel authorization form.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting manual.</li> <li>• Personnel Manual.</li> <li>• Service Agreement.</li> <li>• Annual Budget Plan.</li> <li>• Manual for the Procurement of Goods and Services.</li> <li>• IICA Strategic Plans.</li> <li>• SAP form - payment with Form FB60.</li> <li>• I-4 form: Authorization for Official Travel and Per Diem Request.</li> <li>• IICA I-5 Form - for Expenditure report</li> <li>• I-14 form - Overtime authorization.</li> <li>• Purchasing Plan.</li> <li>• Purchase Order.</li> <li>• Electronic invoice.</li> </ul>
<b>Outcomes</b>	Validated payment request. Validated local and international forms.	

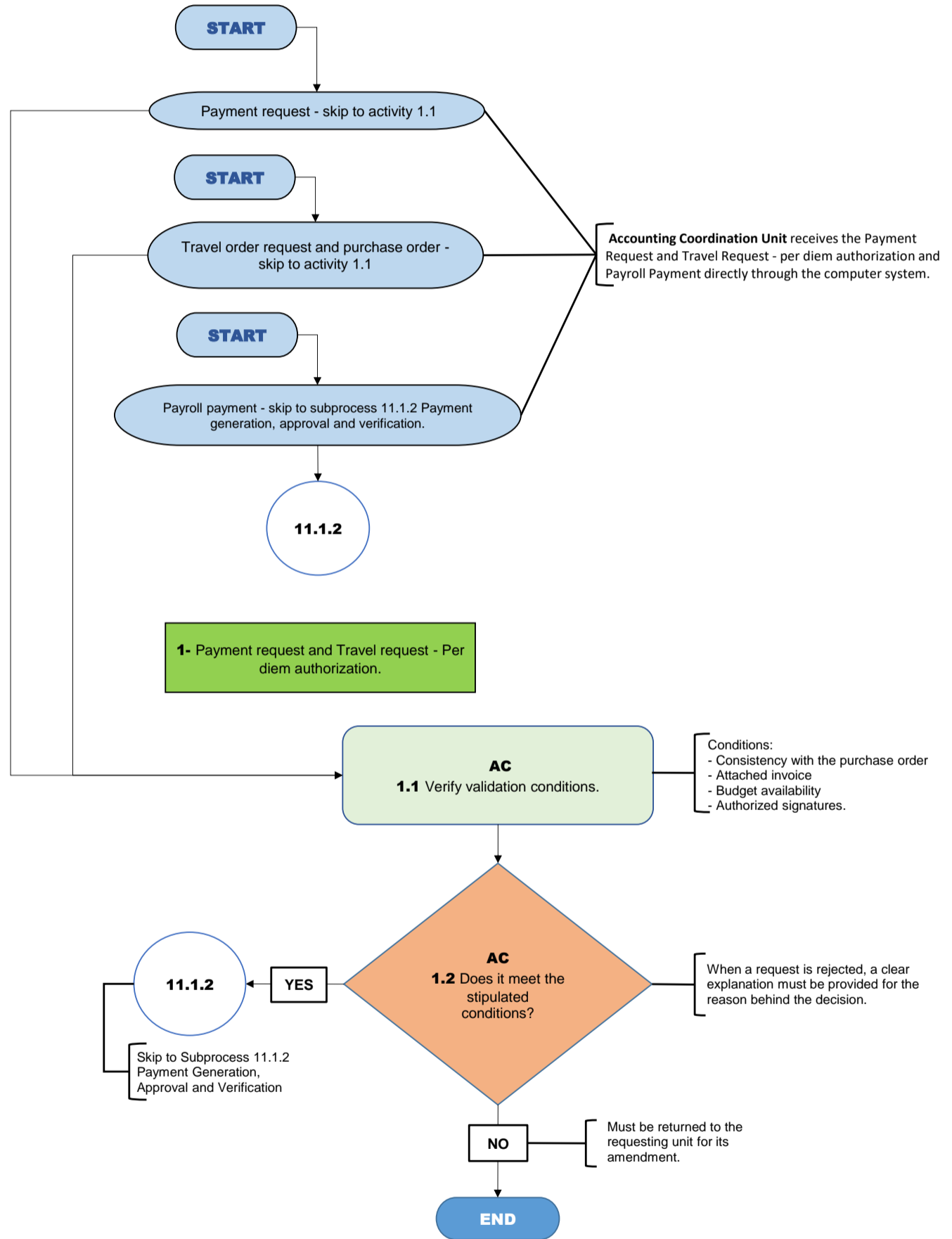
**11.1 Payment Processing.**

**11.1.1 Validation of Information.**

**PARTIES INVOLVED**

**Financial Manager ( FM )  
Treasury Coordinator ( TC )  
External Resources Coordinator ( ERC )  
Accounting Coordinator ( AC )<sup>1</sup>**

1: Office comprised of Country Units (CUs), Operations Units (OUs) and Analysis and Consolidation Units (ACUs).





**Subprocess**

**11.1.2 Payment Generation, Approval and Verification.**

<b>Objective</b>	Ensure the appropriate recording, processing and approval of each document, in order to guarantee the timely payment of all obligations, in accordance with the established schedule.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"> <li>• Validated payment request.</li> <li>• Validated local and international Travel Authorization Form.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting Manual.</li> <li>• Personnel Manual.</li> <li>• Service Agreement.</li> <li>• Annual Budget Plan.</li> <li>• Manual for the Procurement of Goods and Services.</li> <li>• IICA Strategic Plans.</li> <li>• SAP form - payment with Form FB60.</li> <li>• Travel Authorization.</li> <li>• Expenditure Report Form</li> <li>• Form I-14 - Overtime Authorization.</li> <li>• SC/DG-099.</li> <li>• Purchase plan.</li> <li>• Purchase Order.</li> <li>• Electronic invoice.</li> </ul>
<b>Outcomes</b>	Timely payment in accordance with the requirements.	

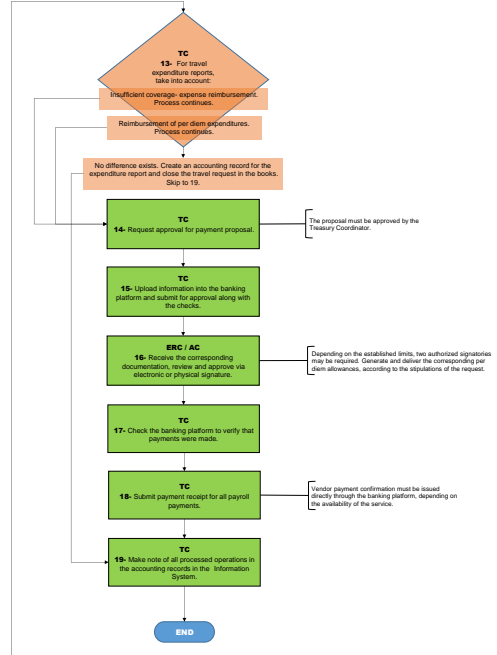
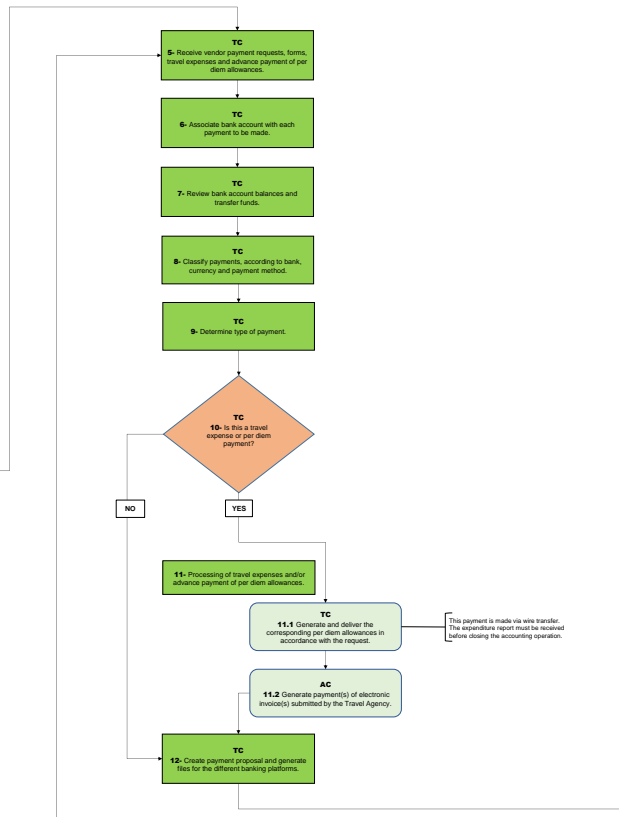
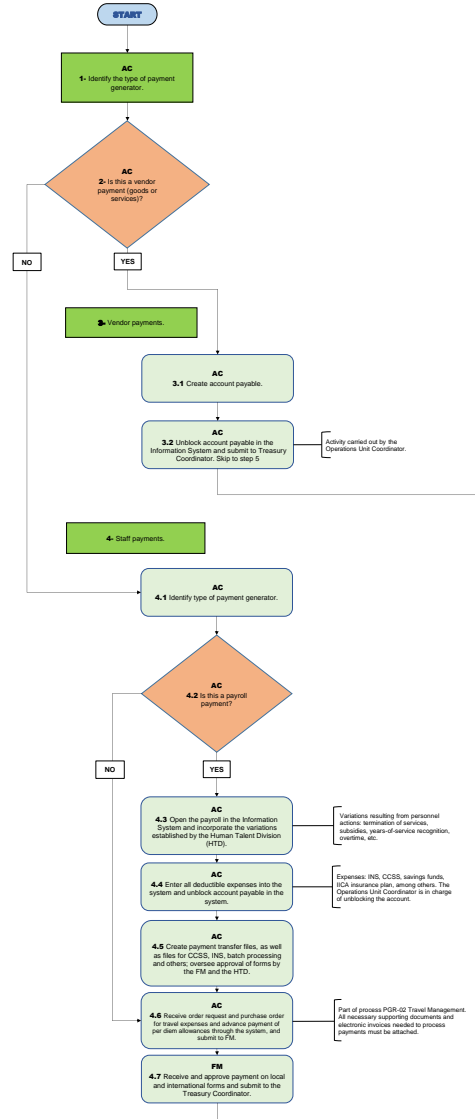


11.1 Payment Processing

11.1.2 Payment Generation, Approval and Verification

Financial Manager (FM)  
Treasury Coordinator (TC)  
External Resources Coordinator (ERC)  
Accounting Coordinator<sup>1</sup> (AC)

<sup>1</sup> Office comprised of Country Units (CU), Operations Units (OU) and Analysis and Consolidation Units (ACU).





Process	
<b>11.2 Resource Availability.</b>	
<b>Objective</b>	Ensure the transparent generation and utilization of cash flow, in accordance with the policies, rules and stipulations of the annual operational budget.
<b>Scope</b>	Hemispheric level Execution and technical-regulatory actions. Centralized at strategic levels and at Headquarters. Decentralized at tactical and operational levels, per region and country.
<b>Specific Policies and Rules</b>	1. The availability of resources in the bank accounts of Headquarters will be reviewed, after all income and expenditure, as well as placement of funds in short-term investments, have been duly recorded.
<b>Information Systems</b>	Online banking systems at Headquarters - SAP.
<b>Indicators</b>	* Percentage of income records documented in a timely manner (Quota Payments from Member States - External Resources) in relation to all incoming funds identified in the accounts.

Process	Subprocess
11.2 Resource availability.	11.2.1 Daily availability of funds.
	11.2.2 Income and expenditure records.
	11.2.3 Short-term investments.



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Subprocess		
11.2.1 Daily Availability of Funds.		
<b>Objective</b>	Calculate resource availability at the start of the day in order to have a clear understanding of funds available to cover pending obligations.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	· Daily bank account balance.	<ul style="list-style-type: none"><li>· Financial regulations.</li><li>· Internal policies and rules.</li><li>· Accounting Manual.</li><li>· IICA strategic plans.</li><li>· Annual Budget Plan.</li><li>· Purchase Orders.</li></ul>
<b>Outcomes</b>	Initial cash flow.	

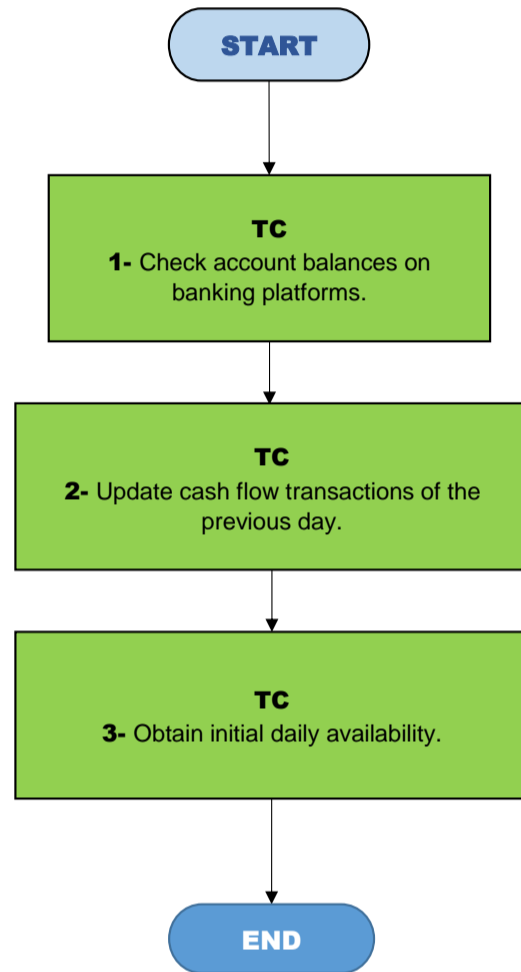


**11.2 Resource Availability.**

**11.2.1 Daily Availability of Funds.**

**PARTIES INVOLVED**

- Financial Manager ( FM )**
- Treasury Coordinator ( TC )**
- External Resources Coordinator ( ERC )**
- Accounting Coordinator ( AC )**





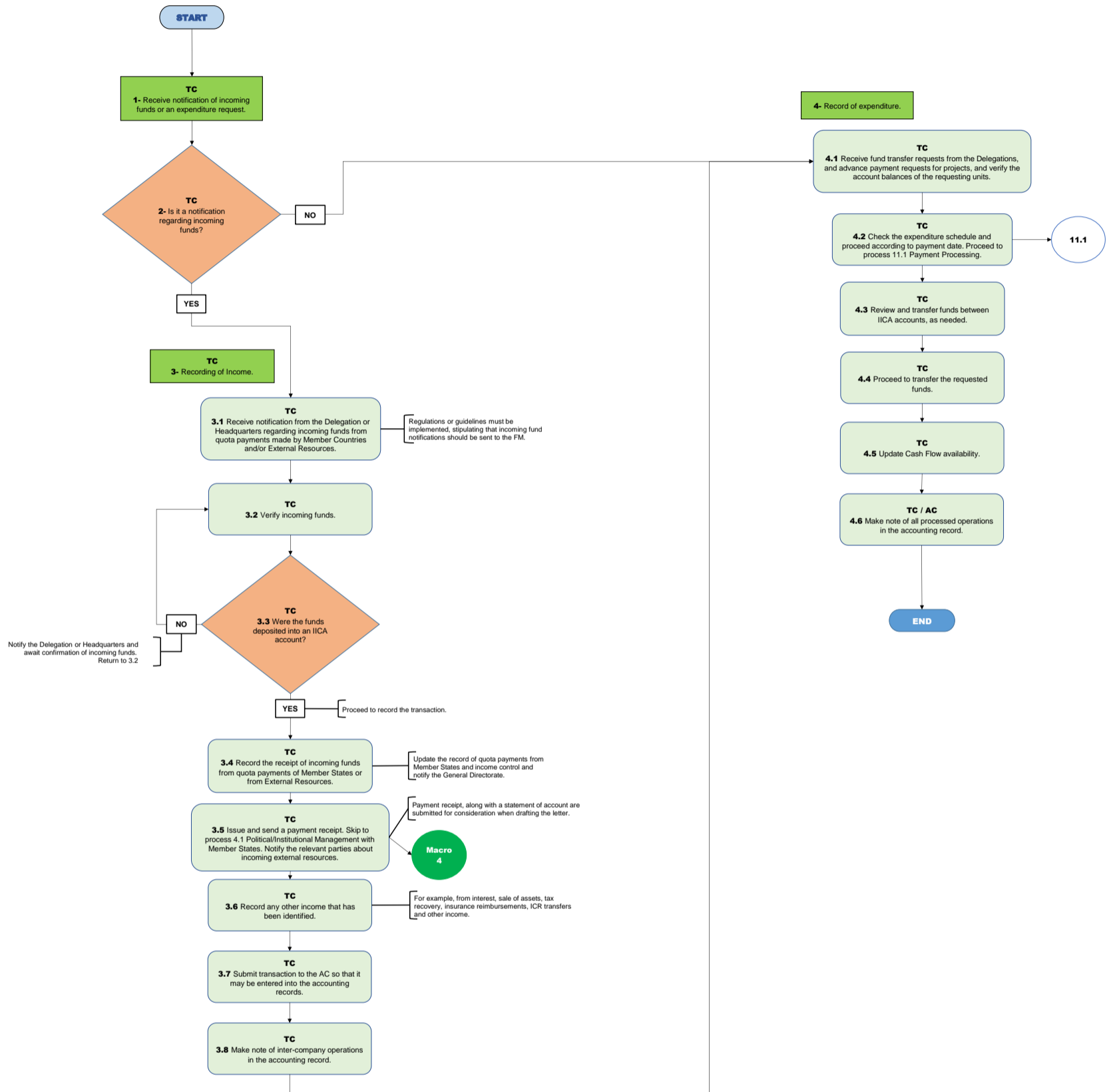
Subprocess					
<b>11.2.2 Income and Expenditure Records.</b>					
<b>Objective</b>	Ensure that income received from payment of Member State quotas and/or from external resources, as well as expenses to be paid and funds requested by each Delegation, are recorded in a timely and efficient manner.				
<b>Inputs</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #1a3d54; color: white;">Background Information</th> <th style="background-color: #1a3d54; color: white;">References</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>• Notification sent by the Delegation advising that a quota payment has been made by a Member State.</li> <li>• Notification sent by Headquarters or a Delegation regarding incoming funds from external sources.</li> <li>• Request for funds by a Delegation.</li> <li>• Request for advance payment for projects.</li> </ul> </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting Manual.</li> <li>• IICA Strategic Plans.</li> <li>• Form: I-2 - Request for funds.</li> <li>• Memo 031-2018 Request for Funds I-2.</li> <li>• Annual Budget Plan.</li> <li>• Purchase Orders.</li> </ul> </td> </tr> </tbody> </table>	Background Information	References	<ul style="list-style-type: none"> <li>• Notification sent by the Delegation advising that a quota payment has been made by a Member State.</li> <li>• Notification sent by Headquarters or a Delegation regarding incoming funds from external sources.</li> <li>• Request for funds by a Delegation.</li> <li>• Request for advance payment for projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting Manual.</li> <li>• IICA Strategic Plans.</li> <li>• Form: I-2 - Request for funds.</li> <li>• Memo 031-2018 Request for Funds I-2.</li> <li>• Annual Budget Plan.</li> <li>• Purchase Orders.</li> </ul>
Background Information	References				
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<b>Outcomes</b>	Timely recording of incoming funds and payment of pending obligations Updated cash flow.				

11.2 Resource Availability.

11.2.2 Income and Expenditure Records.

PARTIES INVOLVED

**Financial Manager ( FM )**  
**Treasury Coordinator ( TC )**  
**External Resources Coordinator ( ERC )**  
**Accounting Coordinator ( AC )**





**Subprocess**

**11.2.3 Short-term Investments.**

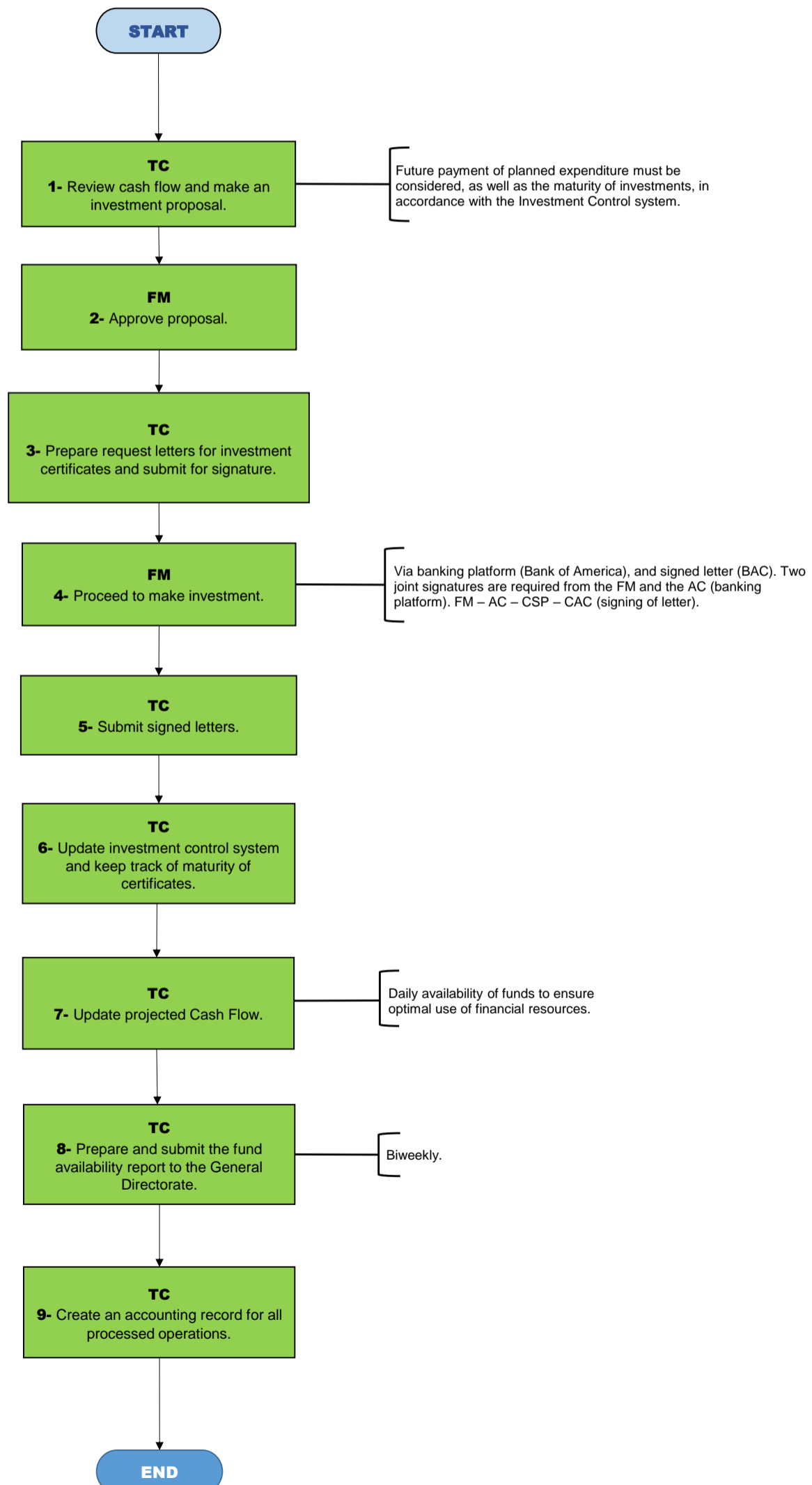
<b>Objective</b>	Make short-term investments to improve performance, in keeping with policies and rules, thereby making use of idle resources to generate additional income for IICA, while bearing in mind expenditure planning.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"> <li>• Projected cash flow.</li> <li>• Investment control.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting Manual.</li> <li>• IICA strategic and tactical plans.</li> <li>• Yearly Budget Plan.</li> <li>• Purchase Orders</li> </ul>
<b>Outcomes</b>	Availability of funds to ensure optimal use of resources.	

**11.2 Resource Availability.**

**11.2.3 Short-term Investments.**

**PARTIES INVOLVED**

**Financial Manager ( FM )  
Treasury Coordinator ( TC )  
External Resources Coordinator ( ERC )  
Accounting Coordinator ( AC )**





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Process	
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<b>11.3 Financial - Accounting Management.</b>	
<b>Objective</b>	Ensure timely and accurate recording of each financial and accounting transaction executed at IICA, with a view to preparing Institutional Financial Statements that will enable the authorities to make decisions.
<b>Scope</b>	Hemispheric level. Technical - regulatory actions and execution. Centralized at strategic levels and at Headquarters. Decentralized at tactical and operational levels, by region and by country.
<b>Specific Policies and Rules</b>	1. These transactions will be governed by the accounting regulations or any other relevant provision stipulated by IICA Headquarters.
<b>Information Systems</b>	SAP – SUGI - Office – E-mail - Intranet.
<b>Indicators</b>	Proper monthly Financial Statements issued during the first 10 business days of the following month.

Process	Subprocess
11.3 Financial - Accounting Management	11.3.1 Creation / Updating/ Closing of Bank Accounts
	11.3.2 Creation or Modification of Master Data.
	11.3.3 Adaptation and Stabilization of the Accounting System.
	11.3.4 Registration of Charge Advices.
	11.3.5 Accounting Operations and Coordination; Closing Procedures.



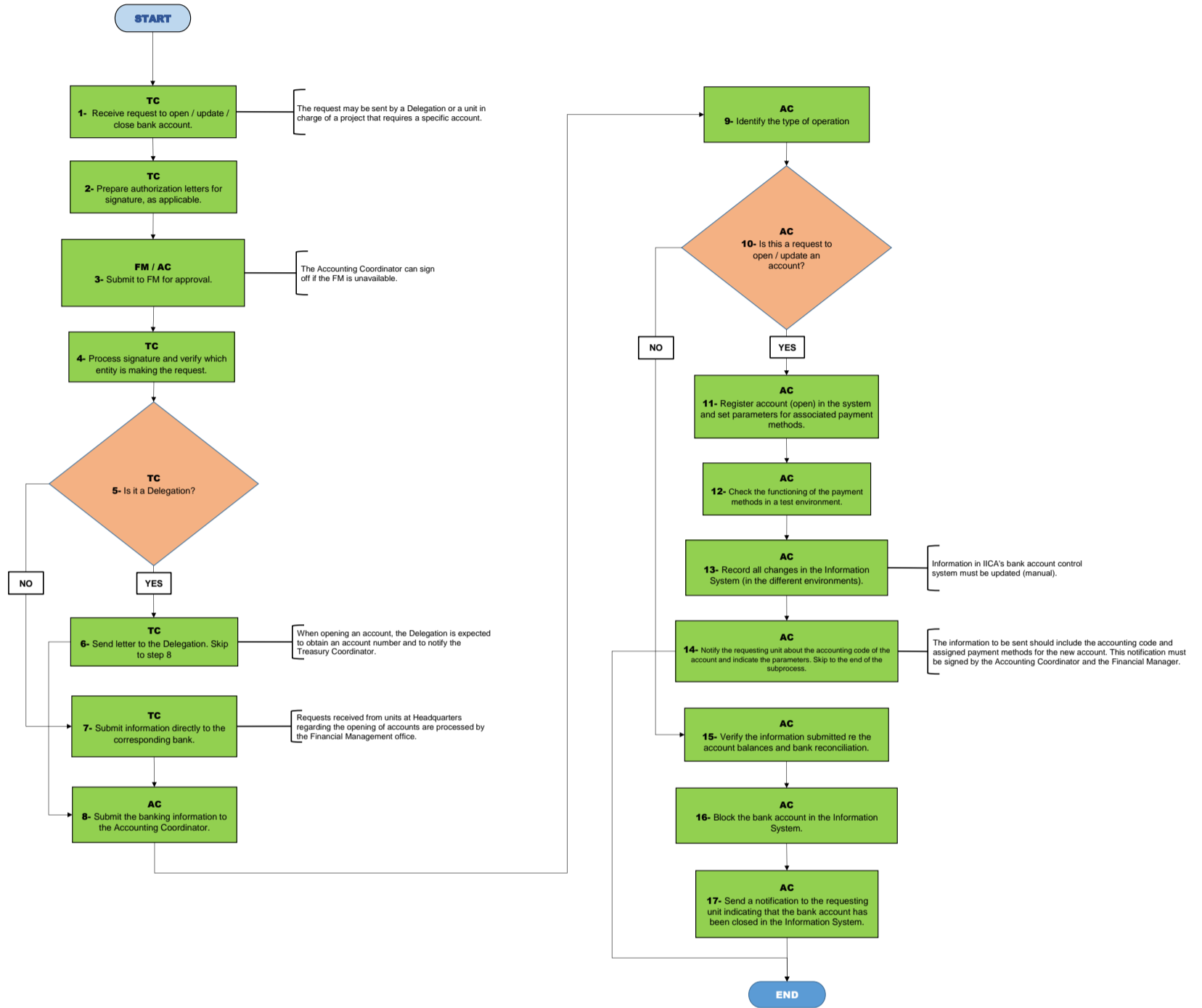
<b>Subprocess</b>		
<b>11.3.1 Creation / Updating / Closing of Bank Accounts.</b>		
<b>Objective</b>	Manage requests to open, modify or close bank accounts from the Delegations or Headquarters, in order to facilitate daily operations.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"><li>Requests to open / update / close bank accounts.</li></ul>	<ul style="list-style-type: none"><li>Financial regulations.</li><li>IICA guidelines and procedures to open, update and close bank accounts.</li><li>Copy of cards of authorized signatories of the Bank.</li><li>Bank reconciliation and bank account statement showing available balances (closing).</li><li>Copy of the settlement document showing the bank account balance (closing of the project account).</li><li>Internal policies and rules.</li><li>Accounting Manual.</li></ul>
<b>Outcomes</b>	Proper processing of bank accounts.	

11.3 Financial - Accounting Management.

11.3.1 Creation / Updating / Closing of Bank Accounts.

PARTIES INVOLVED

Financial Manager ( FM )  
Treasury Coordinator ( TC )  
External Resources Coordinator ( ERC )  
Accounting Coordinator ( AC )







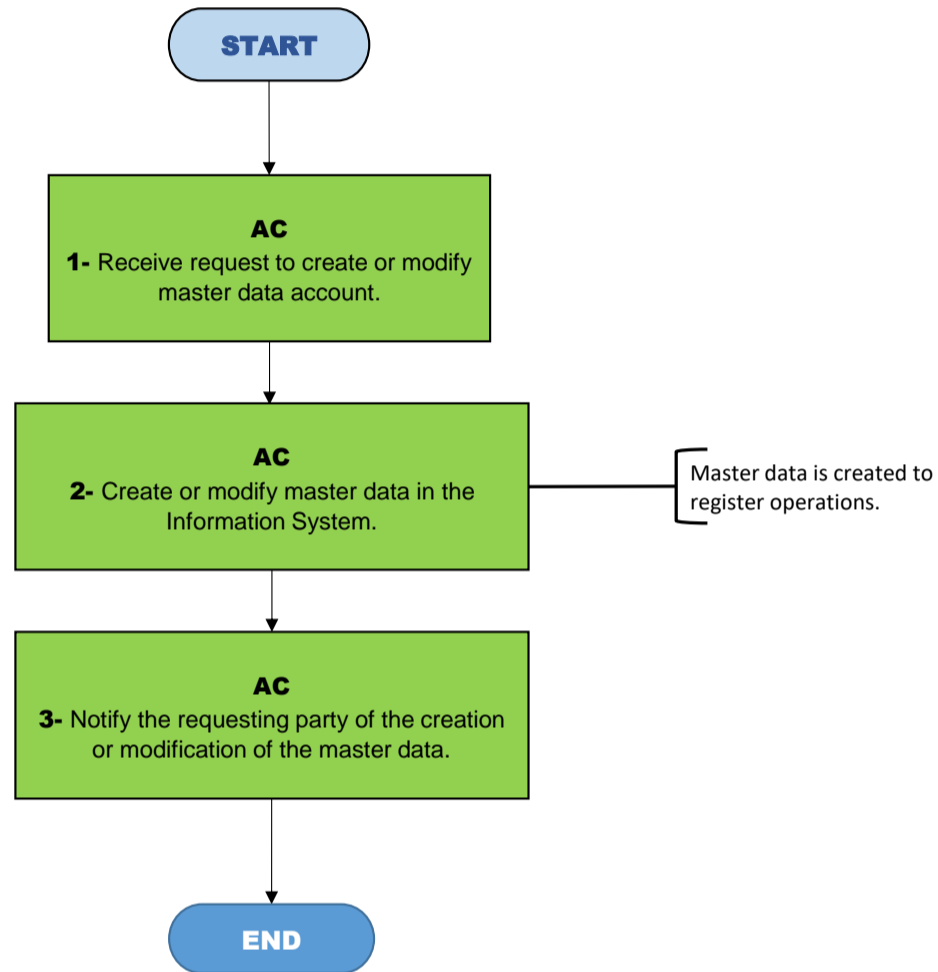
Subprocess		
<b>11.3.2 Creation or Modification of Master Data.</b>		
<b>Objective</b>	Create or modify the master data accounts to ensure correct and transparent submission of information.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"> <li>• Request form to create or modify master data.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Master data generation form for fixed assets.</li> <li>• Master data generation form for accounts.</li> <li>• SAP notifications and guidelines.</li> </ul>
<b>Outcomes</b>	Master data correctly generated or modified in the Information System.	

**11.3 Financial - Accounting Management.**

**11.3.2 Creation or Modification of Master Data**

**PARTIES INVOLVED**

**Financial Manager ( FM )**  
**Treasury Coordinator ( TC )**  
**External Resources Coordinator ( ERC )**  
**Accounting Coordinator ( AC )**





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**Subprocess**

**11.3.3 Adjustment and Stabilization of the Accounting System.**

<b>Objective</b>	Adjust the accounting system to enable proper recording of operations on a daily basis, thereby ensuring optimal management of the system.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"> <li>• Exchange rate.</li> <li>• Request to open / modify / close accounts associated with the balance sheet and income statement.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting manual.</li> <li>• Exchange rate – institutional banking platform.</li> </ul>
<b>Outcomes</b>	Information System in optimal condition for proper functioning and submission of information.	

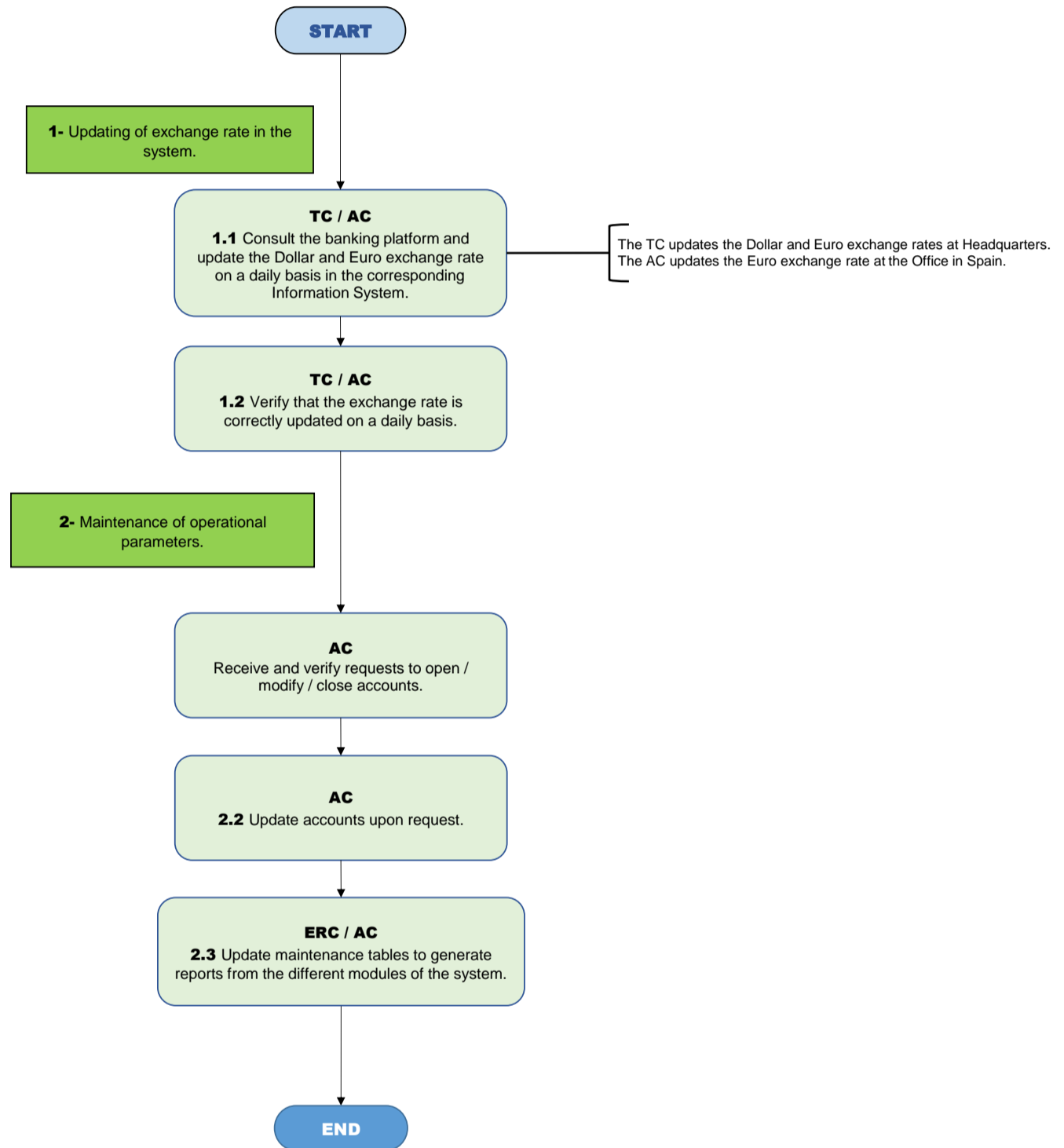
- Procedures:**
- 11.3.3.1 Response to and Resolution of Accounting System-Related Queries sent by the Delegations and Headquarters.
  - 11.3.3.2 Improvement Plans for the Accounting System.

**11.3 Financial - Accounting Management.**

**11.3.3 Adjustment and Stabilization of the Accounting System.**

**PARTIES INVOLVED**

**Financial Manager ( FM )**  
**Treasury Coordinator ( TC )**  
**External Resources Coordinator ( ERC )**  
**Accounting Coordinator ( AC )**





**Procedure**

**11.3.3.1 Response to and Resolution of Accounting System-Related Queries from the Delegations and Headquarters.**

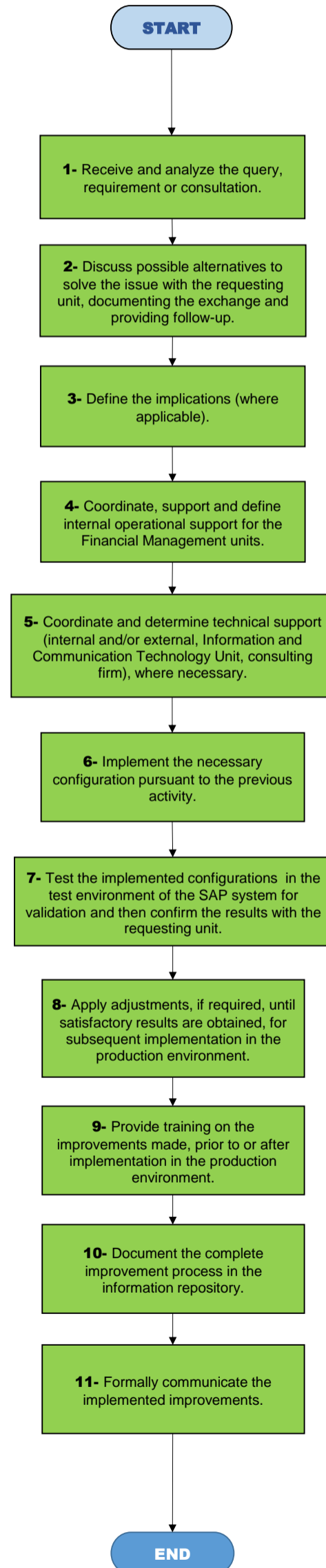
<b>Objective</b>	
	Receive, address and resolve queries sent by the Delegations and Headquarters regarding the accounting system.
1	Receive and assess the query, requirement or consultation.
2	Discuss possible alternatives to solve the issue with the requesting unit, documenting the interaction and providing follow-up.
3	Define the implications (where applicable).
4	Coordinate, support and determine internal operational support for the Financial Management units.
5	Coordinate and determine technical support (internal and/or external, Information and Communication Technology Unit, consulting firm), where necessary.
6	Implement the necessary configuration pursuant to the previous activity.
7	Test the implemented configurations in the test environment of the SAP system for validation and then confirm the results with the requesting unit.
8	Apply adjustments, if required, until satisfactory results are obtained, for subsequent implementation in the production environment.
9	Provide training on the improvements made, prior to or after the implementation in the production environment.
10	Document the complete improvement process in the information repository.
11	Formally communicate the implemented improvements..

**11.3 Financial - Accounting Management.**

**11.3.3 Adjustment and Stabilization of the Accounting System.**

**11.3.3.1 Response to and Resolution of Accounting System-Related Queries of the Delegations and Headquarters.**

**OBJECTIVE** Receive, address and resolve queries submitted by the Delegations and Headquarters regarding the accounting system.





**Procedure**

**11.3.3.2 Improvement Plans for the Accounting System.**

Objective	
	Analysis and implementation of improvement plans for the accounting system.
1	Analyze the terms of reference, deliverables, scope, time frames and costs of improvement plans with the consulting firm and/or internally.
2	Define and apply the schedule of implementation.
3	Coordinate, support, and define operational support for the units of the Financial Management Division regarding the authorized improvement.
4	Coordinate and define technical support (internal and/or external, Information and Communication Technologies Unit, consulting firm) in relation to the authorized improvement.
5	Conduct the necessary evaluations and adjustments in a test environment, until satisfactory results have been achieved.
6	Develop manuals and guidelines as needed.
7	Provide training on the improvements made, prior to or after the implementation in the production environment.
8	Implement adjustments and/or improvements in the production environment.
9	Document the complete improvement process in the information repository.
10	Formally communicate the implemented improvements.

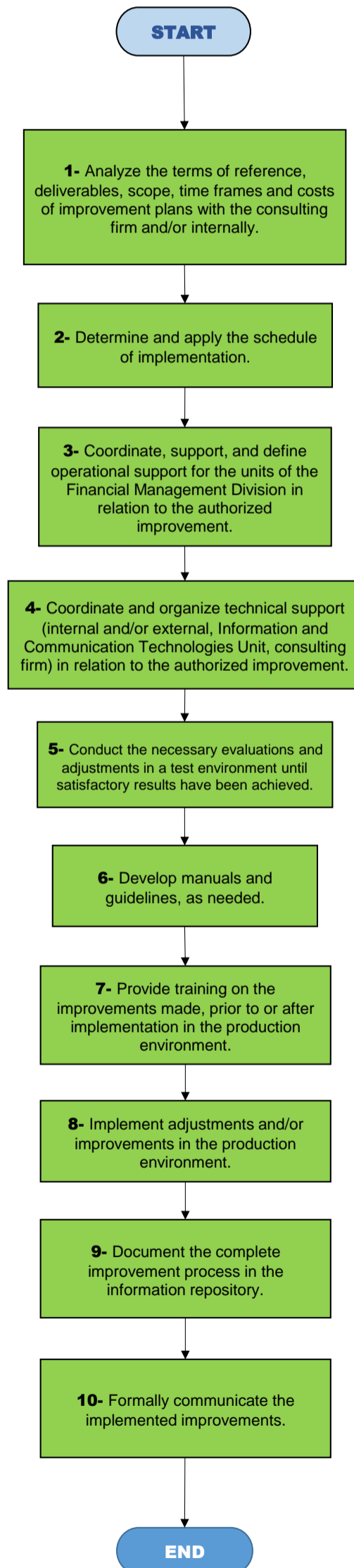
**11.3 Financial - Accounting Management.**

**11.3.3 Adjustment and Stabilization of the Accounting System**

**11.3.3.2 Improvement Plans for the Accounting System.**

**OBJECTIVE**

**Analysis and implementation of improvement plans for the accounting system.**







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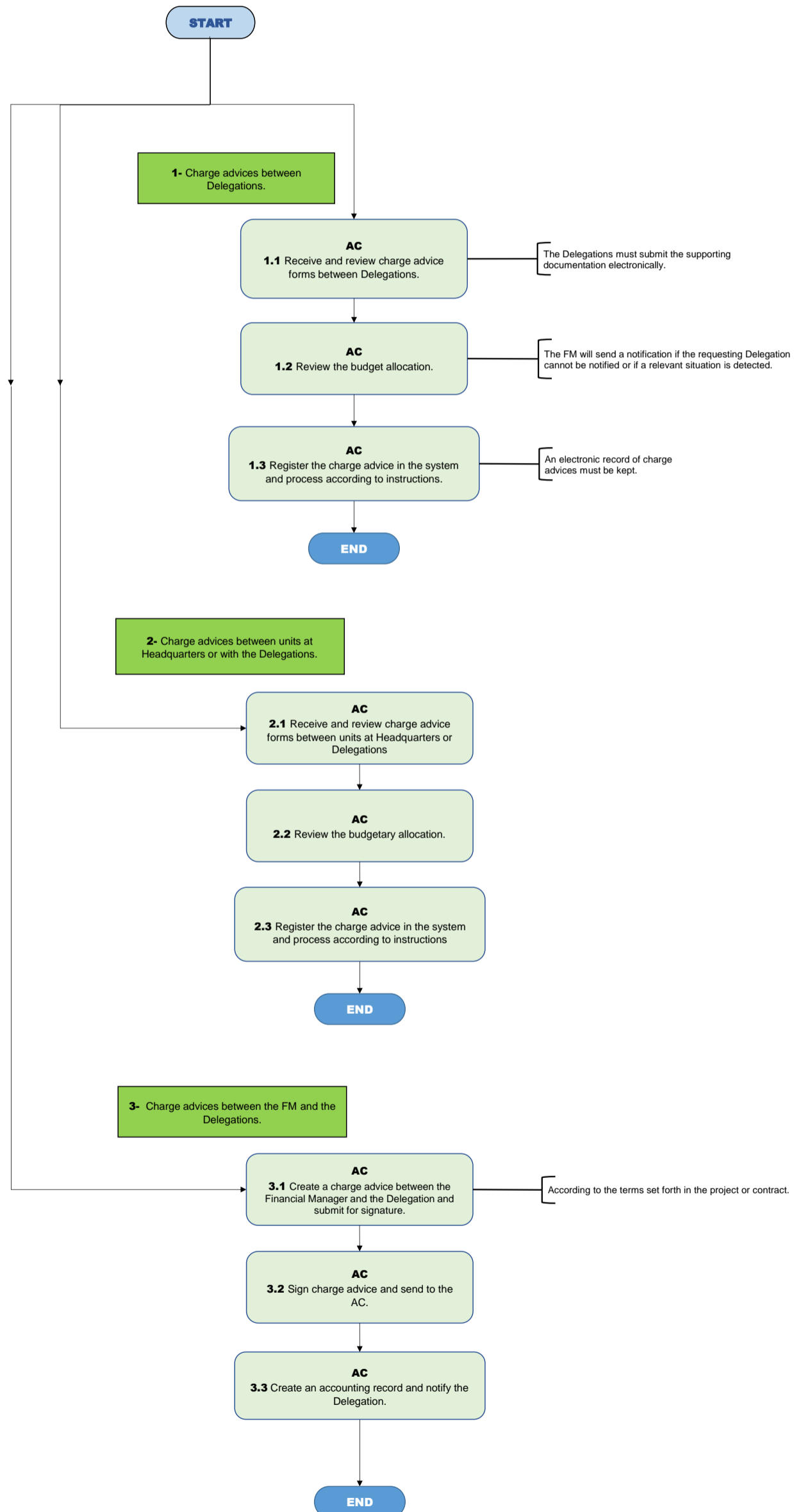
Subprocess		
11.3.4 Registration of Charge Advices.		
<b>Objective</b>	Create an accounting record of charge advices between Delegations and between the Financial Management Unit and the Delegations.	
<b>Inputs</b>	<b>Background Information</b>	<b>Reference Material</b>
	<ul style="list-style-type: none"><li>• Charge advices between Delegations.</li><li>• Charge advices between units at Headquarters.</li><li>• Charge advices between the FM and the Delegations.</li></ul>	<ul style="list-style-type: none"><li>• Financial regulations.</li><li>• Internal policies and rules.</li><li>• Accounting Manual.</li></ul>
<b>Outcomes</b>	Charge advices that have been properly recorded and processed, in keeping with the stipulated conditions.	

11.3 Financial - Accounting Management

11.3.4 Registration of Charge Advices.

PARTIES INVOLVED

**Financial Manager ( FM )**  
**Treasury Coordinator ( TC )**  
**External Resources Coordinator ( ERC )**  
**Accounting Coordinator ( AC )**





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Subprocess	
<b>11.3.5 Accounting Operations and Coordination; Closing Procedures.</b>	
<b>Objective</b>	Consolidate IICA's financial information, ensuring accurate and reliable recording of assets, liabilities and results by each Delegation and unit at Headquarters, for the purpose of issuing the Institutional Financial Statements.
<b>Inputs</b>	<b>Background Information</b>
	<ul style="list-style-type: none"> <li>• Accounting records of the Delegations and units at Headquarters.</li> </ul>
<b>Outcomes</b>	<b>References</b>
	<ul style="list-style-type: none"> <li>• Financial regulations.</li> <li>• Internal policies and rules.</li> <li>• Accounting Manual.</li> <li>• Memorandum of monthly balance sheets.</li> </ul>
<b>Outcomes</b>	Monthly financial statements that enable the Division to implement corrective actions and make strategic decisions.

11.3 Financial - Accounting Management

11.3.5 Accounting Operations and Coordination; Closing Procedures

PARTIES INVOLVED

**Financial Manager ( FM )**  
**Treasury Coordinator ( TC )**  
**External Resources Coordinator ( ERC )**  
**Accounting Coordinator ( AC )**

