

Statutes
of
Khmer Association for Development
(KAD)

Central Office

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Preamble

After involvement over the past 10 years in helping society and people, on behalf of humanitarian organization, we, the KAD founders, find that there has been a great change in security and development condition in Cambodia because we have acquired absolute peace and there are many national and international NGOs that have worked and are working to develop every field. With a lot of development and the growth of civil society and non-governmental organizations, so KAD makes an effort to change itself and its own development activities according to the present progressive situation in order to provide the people and national society with more assistance. We hope that we will be able to participate in serving the poor people and society. Based on this, we, the founders and Board of Directors decided to apply for permission to implement the activities in order to promote:

- economic and social development for the households that are our target groups.
- participation with the Royal Government of the Kingdom of Cambodia, other national and international organizations in rural poverty reduction.
- maintenance of positive and sustainable development for the young generation.
- community participation so that the communities would be able to assist in developing themselves and national society.

Chapter I Name, Central Office, Nature and Logo

Article 1: Name

This organization is officially named: **Khmer Association for Development (KAD)**.

Article 2: Central Office

Khmer Association for Development has located its central office in Dem Mean village, Sangkat Dem Mean, Ta Khmao town, Kandal province, Cambodia. This central office can be relocated to another site depending on the situation and necessity with decision made by the Board of Directors or KAD Executive Director.

Article 3: Date of KAD Establishment

KAD was established and officially accredited by the Council of Minister on April 19, 1999 and registered with the Ministry of Interior of the Royal Government of the Kingdom of Cambodia on November 02, 2004.

Article 4: Nature

KAD is a non-governmental, non-profit, independent, neutral, non-racial and non-political organization. It is the developmental and humanitarian organization.

Article 5: Logo

KAD's logo is as follows:

- Boat represents an organization that rescues the rural poor people out of poverty and misery.
- People in the boat represent those who are liberated from the poverty and misery by KAD.
- Broad water surface and dark cloud stand for despair and gloominess of the poor people's lives and hindrance that makes the poor unable to attain their goal.
- Plants and trees represent the rural remote areas.

Please see the logo below:



Chapter 2

Vision, Goals, Objectives and Missions

Article 6: Vision

Our vision is that if there isn't participation from the civil society, especially a national non-governmental organization, national rehabilitation and poverty alleviation will not be well underway. So the role of civil society, especially the national non-governmental organization will be needed for the national reconstruction. On the other hand, dependence on the sole external support is not good for a long-term development. So self-help can keep the work sustainable.

Article 7: Goal

In order to participate in helping the community and national society, KAD has two goals as follows:

- To enable Cambodian people to manage and carry out their work by themselves because nobody knows more about their needs than they do. Anyway, we will not be able to help provide the people with everything they need. We can only supply them with basic needs and besides those, we can help them according to the circumstance and where possible, except the long term technical support that we can deliver.
- To participate in economic and social redevelopment, boosting peace, building solidary and friendly environment and assisting each other in the name of the nation of Cambodia.

Article 8: Objectives

KAD has its certain objectives as follows:

- To improve the livelihood of the poor people and communities through provision of skills, professions and techniques towards income-generating opportunity, non-formal education, vocational training, education on social laws, health care, agriculture, environment, credit and other community development programs.
- To promote democracy, human rights, electoral justice and to assist in national society re-development like other developed countries.

Article 9: Missions

According to the above-mentioned views, in order to reach its goals and objectives, KAD will carry out four missions as follows:

- To provide the technical and human resource development.
- To implement the community based projects/programs.
- To rescue the vulnerable people.
- To promote the human rights and democracy.
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Article 10: Organizational Values

KAD has the following values:

- Development
- Participation
- Accountability
- Good governance
- Transparency

Chapter 3 KAD Membership and leadership

Article 11: Kind of membership

KAD is composed of four types of membership as follows:

1. Founding Members are the members who were involved in founding this organization and donated their private resources to begin it, when it hadn't yet received external assistance.

2. Honorary Members are the members who provide the organization with support in various ways comprising budgetary, in-kind or technical etc. that will be worth of \$20.00 upwards per month/person.

3. Active Members are the members who apply for membership and voluntarily serve in the projects or the programs of the organization occasionally or permanently or those who participate in the implementation of the projects or the programs of the organization.

4. Supporting Members are the members who apply for the membership in order to support the principles and activities of the organization.

- ❖ Everyone can apply for the honorary, activist or supporting membership whenever they want to. Membership will be open to everybody regardless of race, religion, political party or social status etc.

Article 12: Loss of Membership

The members can be deprived of their membership, depending on the following cases:

- To quit the membership.
- To make an unforgivable major mistake (as stipulated in internal regulations).
- To pass away.
- In absence of fulfilling the role of membership for two years in a row.

Article 13: Head of Founding Member

The person who took the initiatives to establish this organization, made a draft statute, made budgetary, capable, in-kind, labor and spiritual contributions, gathered other people for formation of this organization and even offered money to operate the

project/program activities has been deemed to be the head of this organization's founding member.

Article 14: Initial Choice of Association Leaders

All founding members chose the organization leaders in its general assembly when it was set up. The organization leaders were selected amongst the organization founding members.

Chapter 4 Management Structures, Roles and Duties

Article 15: Management Structures

KAD has the following management structures:

- Assembly is a top institution of the organization.
- Board of Directors is a legislative institution of the organization.
- Executive Committee is an executive institution of the organization.

Article 16: Assembly

- It is the top leading institution of KAD joined by the founding members, the members of executive committee, the members of the Board of Directors and the other active members.
- The supporting members can be allowed to attend the meeting to express their opinion, but they don't have the rights to voting or standing for election. There are two kinds of assemblies, ordinary and extraordinary.

Article 17: Ordinary Assembly

- Ordinary assembly will be hosted once a year. The Executive Committee will organize and invite the members to attend the ordinary assembly at the order of the head of the Committee.
- Procedures, agenda, venue and time will be determined by the head of the Executive Committee.

Article 18: Duties of Ordinary Assembly

The ordinary assembly has the following duties:

- To examine and to adopt the compositions of the Board of Directors and Executive Committee.
- To sum up the results of annual work and to evaluate the annual activity and financial reports.
- To check and to adopt the guidelines, activity goals and budget for the following-year implementation.

- To examine and to decide on the statutes and internal regulations.
- To examine and to approve the statutes and internal regulation amendment.

Article 19: Extraordinary Assembly

Extraordinary assembly has the following duties:

- Extraordinary assembly will be held in particular or necessary case at the invitation of KAD Director or at one-third request of the members of Executive Committee or one-third of the members of the Board of Directors.
- Procedure, agenda, venue and time of the extraordinary assembly will be defined by the KAD Director.

Article 20: Duties of Extraordinary Assembly

The extraordinary assembly organized in order to:

- examine and make decision on the changes of the compositions of the Board of Directors and Executive Committee.
- check, make and approve the budget plan and the new projects/programs.
- examine and decide on KAD dissolution and property management.
- examine and endorse the reform of rules, statutes and internal regulations.

All the decisions of assembly are of legal value, made by the two-third majority of quorum of the members who will be present.

Article 21: Board of Director

- The Board of Directors is the legislative institution of the organization with 3-7 members who are highly-educated, well-behaved and well-experienced. The members of the Board of Directors are selected both from outside of KAD.
- The mandate of the Board of Directors is limited to two years. The Board of Directors can change its members at the request of its chairman through its meeting's decision by the majority of 50 plus 1 or ordinary assembly.
- The Board of Directors is led by 1 chairman elected from the members of the Board of Directors in the board meeting which two-third of the members attend by the decision of the majority of 50 plus 1.

Article 22: Duties of the Board of Directors

The board of directors has the following duties:

- To submit a request for an appointment and dismissal of Executive Committee to the ordinary or extraordinary assembly for examination and approval.
- To decide on the guidelines, the major plans, the goals and the activities prior to submission to Executive Committee for implementation in line with the objectives of KAD.
- To scrutinize and to propose the change of the members of Executive Committee and the Board of Directors to the assembly for approval. Two-third of the Board of Directors proposes the agenda to the assembly and decision, deprivation or change

of any or all of the compositions of the Board of Directors or the membership of Executive Committee can be officially done by the two-third majority of the members of the assembly upwards.

- To formulate the guidelines and policy of Khmer Association for Development and put forward to the assembly for scrutiny and for decision.
- To monitor the activities and steer the Executive Committee towards their destination.
- To draft and to adopt the by-laws for KAD.
- To assist in finding funds for KAD in cooperation with KAD Executive Director.
- To consider every request raised by the Executive Committee.

Article 23: Decision of the Board of Directors' Meeting

All the decisions of the Board of Directors' Meeting are considered to be legal, unless there is approval by the majority of 50% plus 1 of the meeting quorum at least two-third of the members of Board of Directors. In case, there is equal voice, the voice of the chairman of the Board of Directors is prominent in decision.

Article 24: Deprivation and change of Membership of the Board of Directors

Deprivation and change of membership of the Board of Directors can be done by decision of the meeting of the Board of Directors with the majority of meeting participants or by extraordinary assembly.

Article 25: Executive Committee

Executive Committee is the executive institution implementing and directing the projects or programs of the organization. Executive Committee is composed of the compositions from 5-9 persons, some of whom are selected from the founding members and some others employed from the external milieu. The Executive Director of KAD will recruit and change the members of Executive Committee by requesting for support from the Board of Directors and/or from the assembly.

Article 26: Mandate and Recruitment of Executive Committee

Executive Committee holds 5-year mandate. Executive Committee is led by one Executive Director selected among the founding members or among the members of Executive Committee.

Article 27: The Meeting of Executive Committee

Executive Committee must meet on average twice per month at the invitation of the Executive Director of KAD. Procedure, agenda, venue and time will be the competence of Director of KAD. The meeting of Executive Committee organized in order to:

- scrutinize and decide on the past monthly activities.

- examine and decide on the continuous activity plans.
- inspect both bad and good situation that has impact on KAD.
- consider and decide on various contract signing.
- examine weekly, monthly, trimester, semester and annual reports.
- make future plans.
- prepare activity documents to be submitted to the Board of Directors and assembly for approval.

Article 28: Compositions of Executive Committee

The compositions of Executive Committee change its numbers according to the actual needs and programs of KAD in each step. There are 8 most important compositions as follows:

- | | |
|--------------------------------------|-----------|
| • Executive Director | 1 person |
| • General Program Manager | 1 person |
| • Administrative/Financial Manager | 1 person |
| • Administrative/Financial Assistant | 1 person |
| • Project Manager | 4 persons |

Article 29: Duties of Executive Committee

Executive Committee performs the following duties:

- To prepare draft statutes, internal regulations, guidelines, project plans and strategies for submission to the Board of Directors for examination and decision before passing through the assembly.
- To implement the projects/programs of the organization as required by the Board of Directors and assembly.
- To make reports on activities and to make financial statement to be submitted to the Board of Directors and to relevant institutions such as the Ministry of Interior.
- To help find funds for KAD by all ways and where possible.
- To cooperate and to make public relationship with other organizations, associations and related institutions.
- To maintain all the performance documents and assets of KAD.
- To organize annual and extraordinary assemblies. In the assemblies, the achieved activities and budget (income, expenditure) are publicly reported.

Article 30: Rights and Roles of KAD Executive Director

The head of the founders is the Director of KAD who will execute the following important roles and duties:

- To take responsibility for all affairs of KAD and to sign all the by-laws and decisions into effect after decisions made by the Board of Directors and/or assembly.
- To manage incomes, expenses and to allocate budget and assets of KAD as well as to inspect monthly, trimester and annual account.
- To lead program manager, assistant and all the department managers to carry out the projects, programs and tasks consistent with KAD's goals.

- To prepare and to draft by-laws, disciplines of KAD to be submitted to the Board of Directors or assemblies or to be approved with the members of Executive Committee.
- To recruit, train, manage and evaluate the personnel performance.
- To discharge or to change the staff in case, they obstruct the project activities or present inactivity to the project implementation in consultation with the Executive Committee. If that staff is the member of Executive Committee, Director must consult the Board of Directors or stop her/him from job according to her/his employment contract term.
- To recruit the members of Executive Committee and sign other contracts.
- To assign and confer other tasks upon other members of Executive Committee.
- To prepare narrative and financial reports to be submitted to the Board of Directors for consideration and decision before sending them to the ordinary or extraordinary assemblies.
- To check and decide on future plans and balance sheet inventory before putting forward to the assembly for decision-making.
- To communicate with foreigners, donors and governmental institutions to seek funds and cooperation.
- To research and to make plans.
- To implement other tasks considered to be necessary.

Article 31: Rights to Recruitment of Assistant

The Executive Director of KAD has the rights to recruiting administrative official, advisor and assistant when necessary for assistance in implementing, leading and managing activities, making international relationship and cooperation, monitoring and evaluating the results of project implementation and providing technical and legal support.

Article 32: Program Support Unit

The Program Support Unit is the important unit of KAD in charge of directing program implementation of KAD at district, commune and village branches. The Program Support Unit has the following roles and duties:

- To directly receive the plans from KAD Executive Director for implementation.
- To put forward the request for establishment of the Area Support Units to the Executive Director of KAD.
- To put forward the request for subordinate staff recruitment to Executive Director of KAD.
- To put forward the request for appointment of subordinate staff and activists to the Executive Director of KAD.
- To lead the direct activity implementation in cooperation with the Area Support Units.
- To bear direct accountability to KAD Executive Director for success or failure in executing the KAD programs.
- To directly submit reports to the Executive Director.
- To communicate and cooperate with relevant authorities from national to local levels.

- At the higher levels, it is the duty of KAD leaders and as for lower levels, it is the duty of the Area Support Units according to the levels of authorities.
- To communicate and cooperate with other organizations, associations and institutions with the same status.
- To select the small operational areas (villages and communes) in the project catchment areas.
- To select the target groups in cooperation with the Area Support Units.
- To cooperate and coordinate with other departments that help them.

Article 33: Administrative Section

Administration is the important section that manages and leads office work of KAD. This section works on documents and orders in KAD office. The administrative section has the roles and duties as follows:

- To administer central office, orders and security.
- To welcome national and international visitors.
- To draft and to prepare outgoing letters to be submitted to the Executive Director of KAD for consideration and approval and to send letters to other sections.
- To receive incoming letters and record and file them according to their dates and types.
- To decorate office and its surrounding ground.
- To arrange and supervise library and other documents.
- To make public relation.
- To manage and handle security issues.
- To arrange and organize ceremonies of KAD in relation with seasons.
- To make total of statistic results of implemented programs like the number of training courses, the number of KAD members, the number of project implementing villages, communes and districts where the activities have been done and being done, the amount of budget spent on each program, the number of visitors and volunteer activists.

Article 34: Financial Section

Finance is the section playing a role in helping administering and managing income and expenditure at the order or by the guidance of KAD Executive Director and the by-law of the organization. Financial manager must be selected by KAD Executive Director among the members of Executive Committee with high education, experience in finance and accounting or with certificate and good skills. Accountant is the signatory together with the Executive Director of KAD for incomes, expenses and has the following roles and duties:

- To manage all the budget and finance of KAD.
- To make weekly, monthly, trimester, semester and annual balance sheet, loss and benefit account, and bank account reports with receipts or other documents to the Executive Director for examination and approval.
- To deposit the cash into the bank and draw the cash from the bank account at the order of KAD Executive Director.

- All the work or reports done by accountant must have a signature of KAD Executive Director. In case of contradiction must be annulled except in case of granting the rights in writing from KAD Executive Director.
- To manage warehouse and distribute materials at the order of KAD Executive Director.
- To make an inventory to be submitted to the Executive Director for examination.
- Accountant is given the rights by the Executive Director to deposit the cash into and draw the cash from the bank.
- Depositing the cash into the bank and drawing the cash from the bank can be done alone, if the small amount of cash is \$1,000 downward. There are two people, if the amount of cash is between \$1,001 and \$3,000. If more than \$3,000 upward is drawn, there must be approval or signature from Executive Director on cash withdrawal certificate.
- Accountant is to keep cash drawn from the bank for use according to approval of the Executive Director.
- Accountant is to keep account and check expense documents and accept cash from the Area Support Units returned or left.

Article 35: The Area Support Unit

The Area Support Units are composed of the field work project managers and other support staff. The Area Support Units are geographically defined units. They are responsible for building and strengthening the capacity of the three development actors in order to develop the social structures of the communities with whom they work, managing, implementing and monitoring the projects/program in their areas.

Article 36: The Changes of Organizational Structure, Position and Duties

The structure, roles and duties outlined in the statutes can be amended in the future according to requirement. Such amendment can be made by KAD Executive Director in cooperation with Executive Committee and Board of Directors to be submitted to the assembly for consideration and approval.

Article 37: Consultant and Personnel

KAD Executive Director can recruit the consultant when needed. The consultant must help bear responsibility for advising to any actual performance or at the request of KAD Executive Director. KAD can recruit other staff to work when required. All the staff can be a volunteer to do part time and full time work. The wage or salary must reach agreement between KAD and staff. All the staff must have an employment contract with KAD describing duration, amount of wage or salary, dismissal, completion of employment mandate and renewal etc.

Chapter 5

Development Programs and Implementation Strategies

Article 38: Development Programs

KAD development programs consist of the order of priorities as follows:

A. Human Resource Development

The human resource development programs have been implemented by focusing on general education and vocational, skill training as follows:

- The Area Support Units have implemented the School Dropping Out Prevention project focusing on both Khmer and English language teaching by opening the after-school extra classes.
- The Area Support Units have implemented the Community Early Childhood Intervention teaching the 4-5 year old children the kindergarten level and providing them with health care.
- The Area Support Units have provided the young people with English Access Microscholarship program and advocacy skill training.
- The Area Support Units have implemented the vocational training programs leading to employment creation for income generation such as sewing and beauty skills and agricultural techniques.
- The Area Support Units will introduce new vocational training such as sculpture and molding, shirt weaving and food cooking methods, etc.
- The Area Support Units will initiate the short-term skill training courses such as administration, accounting, marketing, computer and management etc. that can provide the trainees with possibility to find the jobs.

B. Health

KAD has provided the vulnerable people with health services and education. Health services have focused on provision of dental and medical treatment and health education has focused on both dental and medical health education.

- The Area Support Units have provided the street children, orphaned children, the children with disability, poorest children and prisoners with dental and medical treatment.
- The Area Support Units have established the dental clinics dentally treating the poorest community people.
- The Area Support Units have established the mobile clinic medically and dentally treating the disadvantaged people living in the poor communities.
- The Area Support Units have educated the community women and children on health issues.
- In the future, KAD will add some more health activities and expand its target areas.

C. Media

KAD has established the Khmer Community Newspaper Project in order to promote access to news and information on local needs and problems to the country leaders and to the people living in rural areas. The newspaper has reported and wrote the articles related to the needs and problems of people living in rural, remote areas of Cambodia for publication of weekly newspapers.

D. Community Development

The Area Support Units have initiated the community development program focusing on the agricultural work including vegetable growing and animal raising.

E. Women's Rights

The Area Support Units have implemented the women's rights program focusing on the protection of the rights of the beer promotion girls and women by providing them with vocational training towards creation of new, dignified employment, raising awareness of their own rights and women relate laws and providing them with legal counseling.

F. Civil Society Activities

- To oppose the human right abuse.
- To implement and to promote democracy and the rule of law through advocacy and print media.
- To voluntarily participate in observation of the national electoral process.
- To spread information on any events in Cambodia to abroad.

Article 39: Implementation Strategies

According to the above, in order to achieve the goals, objectives and missions, KAD has selected two strategies to implement its projects:

1. To implemet the projects itself.
2. To implement the projects in cooperation with partners (communities, other institutions etc.).

➤ In order to achieve good results for public interest or for the interest of communities, KAD needs to single out one or two of the above-mentioned strategies in order to implement the programs in line with the decision of central office depending on the types of programs and actual situation of the program sites, budget and partners.

Chapter 6

Funds and Management

Article 40: Funds

The sources of budget and resources of KAD can be found and secured from other sources such as:

- Contributions of other members (founder members, honor members, program implementing members etc.).
- Donations from national organizations and/or from international organizations that are funding institutions.
- Donations from the foreign embassies.
- Incomes from other programs such as dental services, vocational training courses, toursim etc.

Article 41: Management and Use of Budget

- All the incomes of KAD are managed by its financial department with approval from the Executive Director.
 - For all the incomes in cash or funds in national or foreign currency, the accountant maintains petty cash for KAD financial section for daily use as required by the Executive Director. The rest is kept in the bank that is recognized by the national bank in the name of KAD.
 - All the expenses of KAD on administrative and technical costs, salary, wage etc. must have receipts or relevant documents with signatures of accountant and Executive Director.
 - All the expenses of KAD must be inspected by an auditor or by inspector general or assistant of the Executive Director in charge of inspection at the order of the Executive Director.
 - Depositing cash in to the bank or drawing cash from the bank or from financial section, there must be signatures of the accountant and the Executive Director.
 - The Executive Director examines the expenditure and manages the budget and all the assets of KAD.
 - KAD uses budget and funds for the followings:
 - a). Technical assistance.
 - b). Development and intervention assistance.
 - c). Social salvation assistance.
- The above-mentioned 3 parts of assistance detailed according to different programs depending on plans and provision of each donor.

Article 42 : Financial Statement

Financial statement is made on regular schedule by the Executive Director to be submitted to donor and concerned institutions.

Article 43 : Budgetary Monitoring Done by External Institutions

Every income and expenditure will be supervised annually by external, independent auditor company employed by KAD. If KAD is unable to hire external auditor company or doesn't want to hire it, KAD Executive Director can nominate a mingled committee to monitor the use of funds. This mingled committee can consist of components from KAD, partnership institutions that are external expertises and that are trustable. Inspection of budget is dependent on requirement of donors or requirement of KAD.

Chapter 7 Statute Amendmen and KAD Dissolution

Article 44: Statute amendmen

Statutes are a top by-law of KAD. These statutes can be amended at the request of the chairman of the Board of Directors or at 2/3 request of the members of Executive Committee or KAD Executive Director. This amendment will be passing through the assembly for consideration and approval. In urgent case, KAD Executive Director can make decision with 1/3 members of the Board of Directors and majority of the members of Executive Committee. After amendmen is publicized to every founding member, member of the Board of Directors, member of Executive Committee and other members and related institutions.

Article 45: KAD Dissolution

Only the ordinary assembly has the rights to dissolve KAD. After declaration of KAD dissolution, all the assets of KAD must be allocated as stipulated in article 46 below.

Article 46: Budget and Asset Allocation Upon KAD Dissolution

1. To clear up debts (if indebted).
2. To return the remaining funds to donor (If KAD is required to do so).
3. Any undividable budget or asset must be donated as charity to pagoda, other associations or institutions with approval from the Executive Director of KAD.
4. Such allocation can be decided only by the Executive Director.

Article 47: Publication of KAD Dissolution

Prior to KAD dissolution, the Executive Director or the members of Executive Committee will be provided with the rights to announce it to all the staff and other members over the period of 15-30 days. Information on this dissolution will be given to the related Ministries and institutions.

Chapter 8 Ultimate Provisions

Article 47 : Addition to the Missing Points of Statutes

Any points have not been included into these statutes, the Executive Committee must compile, draft, detail further such as roles, duties and guidelines of the staff. After additional compilation, it will be submitted to the Board of Director for advising and for agreement from the assembly and then it will be signed into effect for dissemination by the Executive Director.

Article 48 : By-Law - Internal Regulations

In order to operate KAD very well, KAD has internal regulations that is the employment disciplines for all the members and personnel.

Article 49 : Being into Effect

These statutes are into effect and valid and legal from the signing date on.

Note: - These statutes have been unofficially translated from Khmer-written statutes submitted to the Ministry of Interior.

- Apart from these statutes, KAD has some other policies which haven't been included into the statutes. But they are for use in the organization only.