Information Systems

The Bank’s virtual private network (VPN) infrastructure was expanded in 2010 to enhance the exchange of information with stakeholders such as the commercial banks, which began using the facility to submit their reports to the Central Bank. The Ministry of Finance, money transfer businesses, external auditors and other financial institutions also began using the system to safely exchange electronic data with the Bank during the year.

Steps were taken to: (i) upgrade the communication software for the Swift systems, (ii) install, configure and parallel test new software to facilitate the management of loans and, (iii) implement a new library management system that included the conversion and uploading of existing electronic library records. Upgrades were also implemented for the human resource information system, building management system and the CS-DRMS software applications.

A project was launched to replace the Bank’s current website and the first stage, which includes development of the web content strategy and content design was completed with the second stage of website development expected to be completed in 2011.

Given the general increase in the challenges and threats to electronic information systems, the decision was taken to add an Information Security Officer to the Bank’s Information Technology Department. This officer was assigned responsibility for implementing and managing a bank-wide information systems security programme, which includes appropriate information systems security policies and procedures that will ensure the integrity, confidentiality and security of the Bank’s information. In the same vein, a revised Portable Computer Guidelines was implemented that specifies full data encryption for identified portable computers and the security scanner for the email system was replaced with new software that integrates with Windows Active Directory and provides for more granular policy-based security administration. An examination of the Bank’s external network security was conducted by a network security consultant who reported that the security penetration tests he had conducted demonstrated that the Bank’s network security is adequate and consistent with international best practices.

Internal Audit

Internal Audit assessments of internal controls and its other general administrative functions that included the observation of currency destruction, routine monitoring of stocktaking exercises and information systems’ back up processes continued during the year. In addition, audits were
conducted of the staff club, pension, severance and gratuity payables, social security sickness payments, purchases, contracts, building service supplies, ammunition, staff loans, the Bank’s vehicle fleet and other fixed assets. Other audits were done on the procedures for treatment of abandoned property, the timeliness of financial reconciliations of 2009 activities, the operations of the mail center and the 2009 work program of the FSSD, with the focus of the latter two being on the effective achievement of work objectives.

With a view to ensuring that management appropriately addressed the issues raised by the external auditors, the Audit Committee reviewed the Bank’s annual audited financial statements for 2009, the management letter and the general computer controls audit report. The Audit Committee was able to verify that the Bank’s affairs were being handled in an environment of openness, honesty and integrity, supported by prudent accounting policies, internal controls and financial reporting practices.

**Project Management**

Recognizing the need for more strategic allocation and efficient management of resources in order to implement several ongoing and new priority projects, the Central Bank established a project management office within the office of the Deputy Governor, Operations during the year. Shortly thereafter, it was decided that the Bank’s project management approach should be standardized, and in this regard, the Prince2 methodology and Microsoft Project software tool were selected. The Bank also introduced a governance framework to increase the efficiency of decision making and ensure the full accountability of project team members. To date, the initiative has borne considerable fruit by drawing upon the contributions of a broader cross section of Central Bank staff than had been the general practice prior to this.

Currently being implemented are several important projects that are at various stages of development. Among these are the National Payments System Reform and Credit Bureau projects that are aimed at modernizing Belize’s financial infrastructure. Both of these are in the project preparation stage and are expected to be phased in over the next two years. Other significant projects aimed at improving the Central Bank’s operational efficiency include the replacement of its accounting system and website, and development of an external communication plan. The communication plan and website are scheduled for completion in mid 2011, while the implementation of a new enterprise business solution information system will be launched in 2012.
Human Resources

The Human Resources (HR) Department focused on improving the behavioural culture of the Central Bank during the year by developing and implementing policies and procedures that would promote a positive work environment and optimize employee engagement within the organization.

The initiatives included:
• a revised Staff Training & Development Policy to promote personal and professional development of staff;
• an Employee Code of Conduct for staff and the Board of Directors to foster a culture of transparency, accountability and integrity; and
• a revised Dress Policy to promote uniformity in dress and to convey a positive and professional image of staff to the general public.

Staffing and Employee Relations

At year-end, the Central Bank’s staff complement totaled 168 employees, comprised of 152 permanent, 12 contract and 4 temporary staff. The Bank received 198 employment applications and filled 6 permanent positions in the supervisory, professional and management categories. The relatively low turnover rate of 1.8% provided further evidence of the continued success of the Bank’s recognition programmes and retention strategies.

On 28 May 2010, negotiations with the Christian Workers Union were successfully concluded with the signing of a Memorandum of Understanding (MOU) and an Addendum to the Collective Bargaining Agreement, which resulted in improved benefits to staff. Both parties agreed that the current Agreement would remain in effect until 31 December 2012.

Staff Activities

The HR Department hosted its first HR Awareness Day, under the theme, “HR & You” in order to show appreciation to staff for their contributions to the Central Bank and to encourage them to ask questions and learn more about the Central Bank’s policies, procedures and staff benefits.

At the Bank’s Annual Employee Recognition Ceremony and Family Day, 18 employees were honoured for serving ten or more years. Of these recipients, four were recognized for 25 years of service.

In line with its objective to promote staff unity, the Central Bank’s Staff Club organized several social and sporting activities during the year. The Club also coordinated several community outreach activities that included the adoption of the Maternity Ward at the Karl Heusner Memorial Hospital, a food and clothing drive to assist two impoverished schools and donations to the Belize Red Cross. Additionally, the Bank donated to the Haiti Earthquake Relief Fund and with
the spearheading of its HR Department, conducted a toy drive for the children of More Tomorrow Village, one of the communities devastated by Hurricane Richard.

Staff continued to donate generously to the annual Salvation Army Christmas Appeal and, cognizant of their social responsibility and the importance of maintaining good health, engaged in a national diabetes awareness promotion, the annual Belize Cancer Society’s Walk and the Belize Blood Bank volunteer drive.

Training and Development

The Bank’s management maintained its commitment to facilitate higher education in order to reinforce continuous staff development and increased commitment to the Central Bank. Numerous training and professional development opportunities were provided for staff with the aim of developing functional areas and building technical competencies. These efforts included the facilitation of e-learning courses as well as in-house training workshops to build competencies in software applications such as Microsoft Word, Excel 2007, Eviews, CS-DRMS and Crystal Report Writer. Dr. Kevin Greenidge, Director of Research of the Central Bank of Barbados, conducted a workshop for professional and executive staff entitled “Econometrics for Central Bankers” that covered foundational concepts and various econometric techniques. The Central Bank also awarded a full scholarship to a Deputy Director in its Research Department to pursue a Masters degree at Columbia University in New York City.

Supervision of the financial sector was furthered strengthened through specialized staff training and participation at several major conferences. These included Bank Analysis and Examination, 15th Annual International Anti-Money Laundering Conference in Hollywood, Florida, World Council of Credit Unions (WOCCU) Regulators’ Roundtable in Las Vegas, Nevada, Seminar on Regulation and Supervision of Savings and Credit Cooperatives in Quito, Ecuador, WOCCU/CARTAC Caribbean Credit Union Supervision Workshop in Montego Bay, Jamaica and the University of Oxford’s Small Countries Financial Management Programme that was held in the Isle of Man.

With technical assistance being provided by the IMF and CARTAC, Central Bank Examiners also received training in September to upgrade the quality of the stress testing conducted on domestic and international banks. Stress testing tools were developed to analyze the impact of various scenarios on individual banks as well as the entire banking system.

Corporate Relations

The Bank demonstrated its commitment to continuous development of national
education through participation in tertiary level internship programmes. Five students at the university and junior college levels were offered temporary employment to meet their core requirements for graduation. At the secondary level, nine senior high school students did their work study programmes at the Central Bank and under the Central Bank’s Summer Employment Programme, nine tertiary level students had the opportunity to develop their practical skills and work experience.

**Box 6: Meetings and Conferences Attended by the Governor and Deputy Governors**

<table>
<thead>
<tr>
<th>Name of Meeting/Conference</th>
<th>Month</th>
<th>Place</th>
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<tbody>
<tr>
<td>XXXI Meeting of the Latin American Network of Central Banks and Finance Ministries</td>
<td>April</td>
<td>Nassau, The Bahamas</td>
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<tr>
<td>Harvard Business School-Executive Education</td>
<td>May</td>
<td>San Francisco, U.S.A.</td>
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<tr>
<td>Meeting of Committee of CARICOM Central Bank Governors</td>
<td>May</td>
<td>Washington, D.C., U.S.A.</td>
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<tr>
<td>CARTAC Steering Committee Meeting</td>
<td>May</td>
<td>Bridgetown, Barbados</td>
</tr>
<tr>
<td>Meeting on the Agreement of Reciprocal Credits &amp; Payments of the ALADI</td>
<td>July</td>
<td>Santo Domingo, Dominican Republic</td>
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<tr>
<td>CARTAC Steering Committee Meeting</td>
<td>October</td>
<td>Georgetown, Guyana</td>
</tr>
<tr>
<td>IMF Annual Spring Meeting and work on IMF Article IV Corrections</td>
<td>October</td>
<td>Washington, D.C., U.S.A.</td>
</tr>
<tr>
<td>35th Bi-Annual Meeting of CARICOM Central Bank Governors</td>
<td>November</td>
<td>Nassau, The Bahamas</td>
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