



FINANCIAL POLICIES

FINANCE POLICY

2.1. Fund Receipt

2.1.1 Sources of Funds

NGO receives funds from the following sources:

- i. Project fund.
- ii. Membership fees.
- iii. Income from short term professional services and consultancy assignments undertaken by NGO.
- iv. Grants Donations received from philanthropic organizations and individuals.
- v. Grants received from Government

2.1.2 NGO Core Fund

The following are identified as NGO's core programme: A. NGO's administrative expenses (house rent, utilities, administrative officer, peon). Any programme coming to NGO must allocate some funds to support this core programme.

2.1.3 Signatories to Cheque Books

The Secretary of NGO, its President will be signatory to NGO's cheques. Money can be released by the signatures of two signatories.

2.1.4 Types of Accounts

The following three types of accounts will be maintained by NGO:

(i) Central Account

All income accrued to NGO will be deposited in the General Account. The Secretary, and President are authorized to operate the bank account. Two signatures of these officials will be required for fund disbursement.

(ii) Savings Account

NGO will keep fixed deposit savings account for its trust fund.

(iii) Petty Cash Fund

A petty cash fund is kept to cover payments not exceeding Rs.5000. The Accountant/Office Administrator will handle this account and is to be liquidated every two weeks.

The Secretary and/or President will ensure proper handling of petty cash fund through surprise checks from time to time.

(iv) FCRA Account


President
Kandhamal Zilla Sabuja Vaidya Sangathan


Secretary
Kandhamal Zilla Sabuja Vaidya Sangathan





All the foreign contribution will be deposited in this account. The Secretary and President are authorized to operate the bank account. Separate program wise accounts are maintained.

2.2. Fund Disbursement

All payments be made either by cheque or cash.

2.2.1 Payment by Cheque

Crossed cheques will be issued for all the payments

(i) Payment for Purchases

Payment against purchases exceeding 5000 shall be made by cheque.

(ii) Payment for Services Rendered a. Payments for Staff Salaries

i. Payment Calendar

Staff salaries are paid within seven days following the completion of the month. Single bank statement and single cheque will be sent to the bank with the name and account numbers of staff members for depositing their salary in their respective accounts or if any

individual are not having bank account they will be issued individual cheques.

ii. Staff payroll

Staff payroll (salary sheet) is prepared by the Accountant as the basis of payment. The staff payroll contains information on the employees' basic salary for the month, allowances if any, deductions and net salary payable. The staff payroll is checked by the President and approved for payment by the Secretary.

iii. Advance Pay

Advance payment will not be given to the NGO's employees. For travel purposes, NGO employees shall be given cash advances for expenses covered on official trips. Request for cash advances is prepared by the personnel concerned, recommended by the President or Project Secretary and is approved by the Secretary. All cash advances for travel are to be liquidated within a week following the completion of the trip.

iv. Tax Deduction at Source NGO will deduct tax at source where applicable as per Government rules.

v. Professional Tax deduction

Registered with Government for the deduction of professional tax. Renewing registration every year. Professional Tax deducted from the staff and paying to commercial tax department.

b. Payment for Contractual Services

Payment for contractual services is done through cheque disbursements. The schedule of payment depends on the Terms of Reference (TOR) agreed upon by the personnel concerned


Amitan Paul
President







and NGO. Payments are covered by a Request for Payment Form prepared by the accountant and approved by the Secretary.

2.2.2 Procedures for Fund Disbursements

- All requests for payments are to be made using the appropriate forms.
- Requests for payments are to be properly substantiated with bills/receipts and essential documents.
- Requests for payments are prepared by accountant and submitted to the Secretary for checking and approval.

2.3. Book Keeping and Recording

2.3.1 Book Keeping

The recording system of NGO's financial transactions allows to monitor bank balances, status of funds receipts and expenditures, and a comparative statement of budget vs. actual expenditure on a regular basis.

NGO will maintain records of fixed assets, petty cash disbursements, supplies, inventory, the use and maintenance of office equipment.

2.3.2 Accounting

The following sets of financial reports will be prepared by NGO: A. Quarterly financial reports will be prepared for review by each individual project manager of NGO's specific projects as well as of its core activities. This quarterly report will be reviewed by the Board of NGO. Financial reports to donors will be submitted as prescribed in the agreement between donors and NGO.

B. Annual Balance Sheet and Statement of Income and Expenditures will prepared for each financial year.

C. Separate Annual balance sheet and statement of Income and Expenditures will be prepared for the foreign contributions.

2.4. Auditing

Books of Accounts of NGO shall be audited annually by an independent auditor appointed by the General Body.

NGO may hire internal auditor in order to streamline its accounting systems and procedures

The Policy Passed By:

Sl No. Name and Designation

Signature

1. Amitav Raul, President



President



Secretary





2. Dinabandhu Maharana, Secretary

3. Samuka Pradhan, Member

4. Barnaba Pradhan, Member

5. Soroj Ku Pradhan, Member & Soroj Ku Pradhan



President
Kandhamal Zilla Sabuja
Vidya Sangathan
Daringbadi, Kandhamal

Secretary
Kandhamal Zilla Sabuja Vaidya Sangathan
Daringbadi, Kandhamal

