

# Accounting & Financial Management Manual



(Society for upliftment of people with people's organization and Rural Technology)  
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## SECTION 1 INTRODUCTION

**SUPPORT** (Society for Upliftment of People with People's Organization and Rural Technology) is a non-profit, voluntary organization nurture potentials and capabilities of the marginalized sections of the Society and endeavor to link with credit and work with them for realizing and optimally utilizing their potential for holistic development with several programs of different funding agencies and by voluntary sources in the state of Jharkhand and beyond the state boundary.

The Accounting & Financial Management Manual for SUPPORT has been prepared keeping in mind the various plan schemes that the Society has been implementing or would implement in future. The manual is not specific to any particular project or scheme and instead shall be applicable to all such projects / schemes being implemented by the Society.

The Accounting & Financial Management Manual is an enabling document for the Organisation to respond to its mandate bearing in mind the larger objects of the Society and their anticipated requirements in terms of financial management, fund flow, accounting, auditing, procurement of goods and services and delegation of powers and responsibilities. As part of Management Accounting, the document is intended to facilitate dexterous and responsive performance based decision-making as warranted by the Society's rationale and objects. It would ensure greater transparency and accountability in all financial transactions of the Society using an IT enabled system that shall have an audit trail for all transaction. The manual shall facilitate and strive to achieve better Program management by providing almost real time information on financial aspects and on key performance indicators to the Program management. It is intended to meet the financial reporting requirements of various stakeholders without compromising on the autonomy of the Society and capture for each program vertical separately, tenured (monthly, quarterly and yearly) budget and account information keeping track of fund allocation and its subsequent utilization.

The manual shall assist the society provide seamless accounting and reporting structures at all levels towards producing financial reports depicting budget v/s actual reflecting component-wise, category-wise and account head wise expenditure. It would also create an Internal Control Mechanism at the State and below level and perform audit at all levels including social audit and facilitate in forecasting of the estimated budgetary requirement and expenses.

The purpose of the Manual is to guide over the consistent and concerted implementation of financial and finance related administrative procedures and build internal management controls across the Societies offices of the SUPPORT. The purpose of the document is also to collate and document the financial rules and procedures for the projects implemented by the society, incorporating best practices prevailing in other Societies. The ultimate aim is to provide all employee with a ready reference rulebook / handbook and ensure that these are fully understood and implemented uniformly and consistently across the State and across all the project implemented under the organization .

## Definition

*Unless the context requires otherwise words and expressions, used in these regulations but not defined, shall have the meanings assigned to them under Rule ..... of the Society.*

**Additional Central Assistance (ACA)** linked schemes provide central assistance to the states for the state plan schemes. This assistance is meant for special programs as per the SUPPORT of the State, sectoral priorities and cover subjects not on the union list. The ACA linked schemes are funded by the ministry of finance and administered by the sectoral ministry concerned.

**Administrative approval** means formal acceptance by the competent authority of the proposals for incurring expenditure on a work.

**Asset** An asset is a resource from which future economic benefits are expected to flow to the entity. Assets are further classified as Fixed Assets, Current Assets etc.

**Auditor** means the auditor appointed by the Executive Committee to audit the accounts of Society as the case may.

**Bank** at State, District and Sub-district level means a scheduled bank or its subsidiary institution, where the funds of the Project may be kept in current / savings account or medium to long-term deposit accounts. .

**Beneficiary Institution** refers to a Federation i.e., a group comprised of poor households, duly established under the law of a participating state, managed by an executive committee elected by the group which may receive Investment Support under the project.

**Books of Account** refer to the basic records to be maintained as part of the accounting system. They comprise the following:

**Balance Sheet:** The Balance Sheet shows the assets (what the Society owns) and the liabilities (what the Society owes) as on a particular date. The Fund Balance on the liabilities side shows the net worth as a result of operations.

**Cash Book** – All cash and bank transactions are recorded in the Cash Book. Separate Cash Book is to be maintained for each bank account. The cash book is a record of all receipts and payments. This is the principal record for preparation of the Receipts and Payments Statement

**Cash Flow Statement:** The Cash Flow Statement is a statement showing the actual inflows and outflows of cash during the period. This is summary of Receipts and Payments.

**General ledger** In this book revenues and expenditure are recorded under each account head separately. The entries from the Cash Book are posted to the General ledger. This ensures that the dual aspect of the transaction is complete. Journal entries are also posted into the ledger from the Journal Register.

**Journal Register** The Journal Register is used to record all the journal entries passed. Journal entries are those accounting entries which do involve receipt or payment of money and hence do not appear in the Cash Book.

**Revenue and Expenditure Statement:** The Revenue and Expenditure Statement shows the revenues earned and expenditure incurred by the project during the period under various account heads. It shows the revenue and expenditure irrespective of whether cash has been received or paid against them.

**Budget** means the statement of estimated income and expenditure of the Project for any Financial Year as approved by the Competent Authority.

**Capital Expenditure** means expenditure involved in the acquisition of assets of permanent nature including a portion of revenue expenditure which is specially treated so under orders of the competent authority.

**Capital items** are items that are of long term nature (generally extending beyond one financial year). For e.g.: Building is a long term item, loan from bank that is to be repaid in 10 years is also a long term item. Both of these are referred to as 'capital items' though Building is an "asset" and the loan is a "liability".

**Capital Receipts** means receipts realised from the sale or disposal of assets, equipment or any specific portion of revenue receipts so treated.

**Cash** includes legal tender coin, currency and bank notes, cheques payable on demand, DDs, Indian postal orders, postage stamps and revenue stamps.

**Competent Authority** means the authority in whom powers to accord approval, administrative and / or financial or sanction of expenditure vests or has been delegated. This delegation could be the Secretary/President of the organisation

**Contingencies** shall include all incidental and other expenses, incurred for the management of the office and field expenses

**Day** means a Working Calendar day.

**Detailed head** means a break-up below a Sub-head. A detailed head indicates the nature of expenditure on a scheme/activity in terms of inputs, such as, salaries, office expenses, etc.

Dual Aspect concept requires that every transaction must have two aspects namely 'debit' and 'credit'. Dual aspect is the single most unique feature of double entry accounting system.

**Expenditure** refers to those operating items like salary, rent, etc. that are related to periodic consumption of a resource. Expenditure includes both 'Revenue' and 'Capital' items.

**Producers Livelihood Plan** means a plan of Producers livelihood activities, prepared by a Beneficiary Institution and approved by the relevant authority/ project manager, which consists, inter alia, of an aggregation of household investment plans for financing the purchase of goods, works and services

needed to create assets, generate household income, develop technical skills, access educational and health services and meet specific household consumption SUPPORT.

**Financial Sanction** means sanction accorded by the Competent Authority to the expenditure by a separate order or by signature or counter-signatures on bills or proposals either in Material form or electronically.

**Financial Year** means the year commencing on 1st April of a calendar year and ending on 31st march of the following calendar year.

**Gender** words importing either gender shall be taken to include those of the other gender, if the circumstances so require.

**Head of Account** means the sector of component programme provided in the budget with the object of classifying the income and expenditure of the Society.

Head of Office means the Coordinator (Administration) office at Hazaribagh

**Imprest** means cash maintained for routine office expenses, travel and other personnel advances

**Liability** A liability is a present obligation arising from past events or transactions settlement of which is expected to result in the outflow of economic resources.

**Non-recurring expenditure** means expenditure on an item or a work incurred occasionally.

**Pay** means the amount to which an employee is entitled to and is drawn by him/her monthly in respect of the post held by him/her and includes, personal pay, special pay, deputation pay and any other emoluments which may be classified as pay by the competent authority. In case of employee paid from contingencies, or on consolidated pay, the monthly-consolidated pay drawn by them will be treated as 'pay' for purposes of these rules.

**Recurring Expenditure** means expenditure incurred on an item or a work at regular intervals.

Regulations mean the financial and / or administrative regulations of the society

**Revenue Expenditure** means expenditure other than Capital and debt expenditure on items of routine nature, such as, pay and allowances of staff, office expenses, expenditure on minor repairs etc.

**Revenue items:** Revenue items are items that generally do not extend beyond one financial year. Examples of revenue items are fee revenues, salary expenses etc.

**Revenue Receipts** means receipts other than capital and dept receipts, of routine nature, such as, rent receipts, interest on bank deposits, etc

**Revised estimates** are estimates of probable receipts or expenditure of a financial year revised in the

course of a financial year based on the actual up to a certain period in the year and the likely transactions for the remainder period of the year.

**Rules** mean the Rules of the Society registered along with the Memorandum of Associations and modified from time to time in accordance with the procedure laid down in this regard.

Secured advance means an advance made on the security of materials brought at site of work.

**Society** means the SUPPORT (Society for Upliftment of People with People's Organization and Rural Technology) with registration No. 3944/IV- 36 dated 10<sup>th</sup> July 1998 of the Registrar Firms & Societies, Ranchi.

**Sub-Head** means a head sub-ordinate to a Head of Account indicating a series of activities within a programme.

**Technical Sanction** means sanction given by a Technical Competent officer to a properly detailed estimate of the cost of a work of construction or repair proposed or to be carried out for the Society.

**Tour** means when an employee is on duty away from his head quarters.

**Travelling Allowance** means a compensatory allowance granted to an employee to cover the actual travelling expenses which he incurs in the interest of Society. It is so regulated that on the whole it is not a source of profit to the recipient.

## CONTENT

1. Vision, Mission and Objectives
2. Legal Identity
3. Organizational Structure
4. Accounting System
5. Levels of Authorization
6. Procurement Policy
7. Types of Forms
8. Types of Registers
9. Investment Policy
10. Rules and Norms
11. Review and Monitoring Systems
12. ANNEXURE

## 1. VISION: MISSION AND OBJECTIVES

### VISION

Establish an educated, egalitarian and socially just society based on the values of equality, fraternity and mutual assistance

### MISSION

The mission of SUPPORT is to organize and empower the marginalized sections of the society through self-reliant initiatives and to enable them to conduct their own economic, social, educational and political affairs in an ethical and sustainable manner.

SUPPORT firmly believes in the potential and capabilities of the marginalized section and endeavors to work with them to realize and utilize their potential for holistic and integrated development.

### OBJECTIVE

- To empower the people through awareness creation and establish the spirit of confidence & self-reliant attitude through people's organization.
- To enable people to become self-reliant, socially and economically, by integration of their knowledge, skills and optimum utilization of available resources.

### GUIDING PRINCIPLES

- The organization follows the set of core principles which guides its work with the communities which are: - Equity, Justice, Peace, Fraternity and Secularism. Organization believes in collective wisdom of people to come up with best possible solutions. The organization primarily works to enhance the role of Panchayati Raj Institutions by enhancing their efficiency and capacity. 'SUPPORT' tries to alleviate the socio economic factors that make people poor and destitute through a set of well-designed programs ensuring potential and capacity of local communities to build their livelihoods across 9 districts of Jharkhand. 'SUPPORT' has taken the initiative to build infrastructure based on local conditions and prepare them to overcome various challenges and build conscious local communities who promote brotherhood and moral values.

### PRESENT CORE AREA OF EXPERTISE

- Sustainable Livelihood promotion among disadvantaged communities
- Natural Resource Management Based on Watershed Development Models
- Community Health and Sanitation program
- Promotion and running quality education.
- Institution building and capacity building of members.
- Skill development of youth
- Promotion of Horticulture and Value addition in NTFP / MFP
- Promotion of Micro Enterprise development activities
- Digitization of SHGs & Promotion of Micro credit/Finance
- Documentation, Research and Development



## SECTION 2: STATUTORY FRAMEWORK

SUPPORT has been registered under various statutes as required in India. Following table provides the information with regard to the Statutes under which SUPPORT has been registered.

Registered under Indian Trust Act 1882
I. T. Registration: I.T.Act 1961
Registration U/S12A: MemoNo.AACTS2974BE20214 valid from FY 2022-2023 upto 2026-2027 Place- NewDelhi
Registration under 80 G: AACTS2974BF20219
PAN NO. : AACTS2974B, TAN NO : RCHSO2713E
Registered under F.C.R.A.: Reg No.-337750001, valid upto 31.12.2026, Place-New Delhi
NGO Darpan : JH/2016/0102642
GST No. : 20AACT2974B2ZV
CSR 1:Registration No. CSR00007700

### Banking Details:

Name of Bank : Bank of India  
Address : Saketpuri, Hazaribagh  
A/c No. : 589010210000019  
IFSC Code : BKID0005890  
MICR Code :  
SWIFT Code :

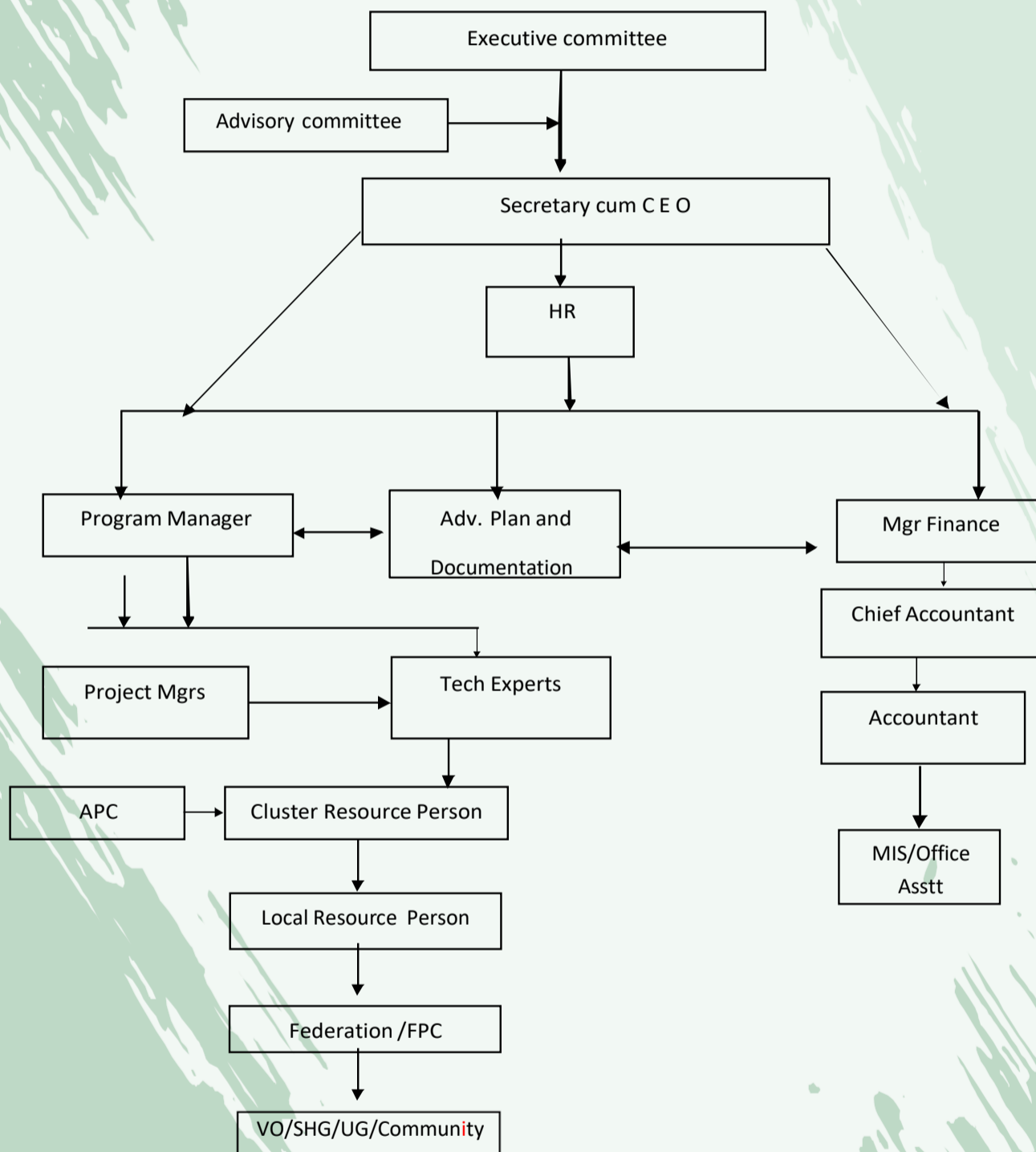
### FCRA Account

Name of Bank : State Bank of India  
Address : Main Branch, New Delhi  
S.B. A/c No. : 40089789297  
IFSC Code : SBIN0000691  
MICR Code :

Name and Address of Statutory Auditors: M/s. V Rohtagi &  
Co.  
Chartered Accountants  
Address: Ranchi  
Ph: 9117525639  
Email: [rnc.vrc@gmail.com](mailto:rnc.vrc@gmail.com)

### 3. ORGANISATIONAL STRUCTURE

#### Management structures



## 4. ACCOUNTING SYSTEM

The Organisation is following the double entry system of accounting. The books of accounts are maintained in the computerised form. The accounts are prepared in Tally ERP 9 software.

### 1. Separate Books of Accounts are maintained

- i. Indian Fund
- ii. Foreign Fund

### 2. Recognition of Revenue Income

The Income is recognized in the books of accounts as and when it is received.

### 3. Recognition of Revenue Expenditure

All the expenditure other than depreciation is recognized as and when it is incurred. Depreciation is provided at the end of the financial year on the written down value of the capital items.

### 4. Recognition of Capital Expenditure

All capital expenditures are capitalized in the books of accounts and are reflected in the Balance Sheet. The depreciation is provided on Written Down Value basis at the end of each financial year.

### 5. Major Source of Income

- i. Grants
- ii. Contributions
- iii. Interest

The income of grants is received from government and private development agencies from within the country and international donors.

The income of contributions is received in the form of consultancy charges, accommodation usage charges, equipment's usage charges, sale of publications, donations etc.

Interest income is received on Fixed Deposits and Savings Bank Account and is accounted on accrual basis at the end of the year.

### 6. Major Expenditure

- i. Direct Project Expenses

The direct project expenses are accounted as and when it is incurred.

The direct project expenses include ledger head like, Rural Development, Sustainable Livelihood promotion, Natural Resource Management Watershed Development, Community

Health and Sanitation program, education, Institution building and capacity building of members, Skill development of youth, Promotion of Horticulture and Value addition in NTFP / MFP, Promotion of Micro Enterprise development activities, Digitization of SHGs& Promotion of Micro credit/Finance,Documentation, Research and Development , Education Material, etc.

Based on the agreement with the donors, the budget line for the total amount of project is prepared and code is allotted for each head for data entry and easy reporting of expenses. Project wise cost centers are opened for the project and expenses are accounted according to the budget head. Simultaneously all the vouchers for the expenses incurred are accounted in the regular accounting system for the purpose of preparing income – expenditure statement and Balance Sheet for the Income Tax and other purpose for all the projects.

**ii. Salary and Honorarium**

The expenditure of salary includes the salary of CEO, programme staff, administrative staff and accounts staff along with management contribution for provident fund and gratuity for the eligible staff. The contribution for provident fund is paid to the employees who are entitled for the provident fund under the Provident fund a/c 1952 and management part of gratuity for the permanent staff. The expenditure of honorarium includes the payment made to the consultants.

**iii. Administrative Expenditure**

The administrative expenditure includes the expenditure other than project expenditure. These expenses include office maintenance, audit fees, travelling of admin staff, telephone, postage, courier, finance and management expenses, Municipal Taxes, staff welfare etc. These expenses are paid from Indian accounts and is allocated to different projects on the availability of the budget along with 5% institutional development cost.

Over and above, for the purchase of capital item - movable properties and immovable properties, there is a separate procedure for the procurement of these items. Movable properties consist of computers, office equipments, furniture and fixtures and vehicles located at different offices. Immovable properties consist of land and building located at Hazaribagh office and Mandu Office at Ramgarh.

**iv. Depreciation**

Depreciation is not considered as expenditure but it is a charged to income and expenditure a/c for the usage of capital item and to create reserve. SUPPORT follows the WDV (Written Down Value) for the depreciation as per the Income Tax Act 1961.

**7. Management of Project Accounts**

All direct project expenditures are accounted based on the budget as determined in agreement between the SUPPORT and the respective funding agency. The books of accounts are maintained as

per the requirement of donors as well as under the Society registration Act and Income tax Act 1961. These books of accounts are maintained simultaneously and are tallied. The books are maintained under 'Tally 9.9'.

As per ledger the details of specific grant income is arrived in aggregate (sum up of all the projects), while as per Cost Centre the details of such specific grant is arrived project wise. As and when accounting entry is passed, firstly, grant is credited in the specific ledger and simultaneously it is credited in the specific defined cost centre of the respective project.

Similarly, as per ledger the detail of specific expenditure is arrived in aggregate (sum up of all the projects), while as per Cost Centre the details of such specific expenditure is arrived project wise. As and when accounting entry is passed, firstly expenditure is debited in the specific ledger and simultaneously it is debited in the specific defined cost centre of the respective project.

When the project is completed, the Utilisation Certificate (UC) to be issued to the respective funding agency is prepared based upon the data generated in the Cost Centre of the respective project.

#### **8. Books of Accounts and Other Documents Maintenance**

At SUPPORT, the a/c keeping has been recorded as per various internal and external audit requirements.

##### **8.1 List of Books of Accounts**

Separate vouchers are maintained for FC and Indian accounts with serial numbers and centre wise. The list contains Cash Receipt, Cash Payment, Bank Receipt, Bank Payment, Contra, Journal, TDS Journal, Asset Journal, etc.

Following books/registers are maintained for FC and Indian accounts separately (one Kachha Cash Book is also maintained for day to day cash transaction and from Kachha Cash Book, all vouchers are entered in Computer Cash Book). This contains Cash Book, Bank Book, Journal Register, TDS Journal Register, Asset Journal Register, etc.

##### **8.2 Statutory and other Compliances**

List of Books of account maintained and other documents maintained for Statutory and Internal Audit Requirements. For FC and Indian accounts separate cash and bank receipts, cash and bank books, cash and bank vouchers, contra vouchers and journal vouchers, ledgers for expenses and capital items, asset register, etc. Over and above the kaccha cash book is also been maintained. Following Files/ registers are maintained:

- General Correspondence
- TDS Return (Salary, Job Work & Professional Fees):
  - i. TDS needs to be paid before 7th of the next month in which the tax is being deducted except in the month of March. The Tax is paid before the 30th April.

ii. Quarterly returns to be filled before 15th of the succeeding month after the end of quarter except for March, the cutoff date is 30th April.

○ **FC Return File:**

The FC return duly audited by statutory auditors needs to be filled with the FCRA division of Ministry of Home Affairs before December 31 of the Financial Year.

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○ **Bank Reconciliation File:**

Every month bank reconciliation statements are prepared and tallied with the bank passbook after taking necessary accounting action.

○ § Consolidated Balance Sheet and Income expenditure Statement (FC and Indian) Income Tax (IT) Return:

○ The IT Return needs to be filled before 30th November on completion of Financial Year.

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○ **MIS (project-wise):**

○ The budget wise expenditure statement is prepared & submitted before 10th of the succeeding month to all the project heads for the review.

○ **Financial statements for the Management Committee:**

Minute book is maintained for Executive Committee/Management Committee meeting as well as for general body meeting. The Executive Committee meeting is held minimum of Two times in a year.

**9. Physical Verification and Reconciliation:**

**Physical Verification of Cash**

The physical verification of cash is conducted by the Internal Auditor /Finance Manager at every quarter and is reconciled with cash book. Also surprise physical verification of cash is conducted by Finance Manager. To mitigate the risk, insurance of cash is also taken.

**Physical Verification of Assets**

The physical verification of assets is done jointly by the Management along with the internal auditor once in a year.

Any excess shortage in cash or in assets is dealt with proper accounting action.

## 5. LEVELS OF AUTHORISATION

Expenditure (In Rs.)	Authorization
Up to 10,000	Programme Co-ordinator (PC). PC are authorised to sign administrative/ accounts expense vouchers for their respective projects. Finance Manager is authorised to sign normal /regular overhead expenses.
Between 10,000 to 25,000	Chief Executive Officer (CEO) in their individual capacity for the projects allotted to them and Respective project head and Finance Manager jointly
Above 25,000	Recommended by respective Project head , Treasurer and final approval by the Secretary

The procedures to be followed by respective program lead and Project Co- ordinators (PC) before incurring project expenditures:

The budget for events like workshop, trainings are to be prepared with the approval of the Secretary in the preceding month, of the month in which expense is to be incurred. After approval, this budget is to be submitted to the finance/accounts department for financial planning.

Cheque

All the cheques shall be signed by any two authorized persons including the Secretary

Authorisation:

## 5. PROCUREMENT POLICY

The purpose of the procurement policy is to ensure procurement of relevant goods and services with market appropriate and competitive rates, ensuring quality and timely delivery. It also ensures transparency and accountability in the purchasing system. However, it needs to be understood that while the procedures are important it shall not undermine the relevance of the purpose, i.e. if any relief material has to be purchased, it has to be as per the requirement of the local people and so timely delivered that it reduces human suffering.

### Procedure for Procurement

Procurement can be classified broadly in two categories: (i) Goods of capital and revenue items - items can be movable (cement, steel and other items for housing support, food and non-food items for relief, computers, office equipment, furniture and fixtures, vehicles) and immovable (land and building); (ii) services like maintenance contract, legal and audit fee, professional consultants, etc.

**The Procurement Process:**

**Procurement Planning, Management and Supervision Arrangements Procurement process .**

### The first step in undertaking

Procurement is the establishment of a purchase committee. The committee would be responsible for reviewing the grouping of the items or services to be purchased, for preparing the procurement plan and procuring the needed goods/works/services as prepared by the Procurement Section/Unit. Procurement Committee will also convene the meeting to review Bid/Proposal Evaluation Report submitted by jointly Procurement and Technical Section. The composition of Purchase Committee at Central unit of the SUPPORT i.e Hazaribagh level may be as follows

1. Project Manager
2. Program Lead/Senior Program Manager
3. Chief Accountant
4. HR
5. Treasurer
6. CEO/Secretary

### Procurement Planning:

Planning and adhering to procurement of various items in an orderly manner ensures an effective method of budget execution and expenditure management. Procurement by any project implementing entity at National, State and District level shall be undertaken in adherence to the following essential conditions:

- (a) Ensure that specific budget provision is available to meet expenditure in the financial year in which it is to be incurred.



(b) Assess bulk requirement of goods, works and services for procurement at the beginning of the financial year and initiate action for procurement in accordance with the procedure applicable.

(c) Ensure that procurement is made to the best advantage of the annual plan implementation after comparison of competitive prices.

(d) Purchase of office equipment and furniture is in economic lots keeping in view the annual requirements.

(e) Miscellaneous items of goods, works and services not covered by bulk requirement are to be purchased according to the actual requirement at different points of time during the financial year provided the value of goods, works and services so purchased is small and expenditure is met from within the sanctioned budget.

**The procurement plan details should include:**

- i. The particular contracts for the goods, works and/or services required to carry out the project during the financial year.

**Open Tender**

Open Tender is the preferred method of procurement for goods and works. This method involves competitive bidding to generate adequate competition in order to ensure reasonable prices. The criteria used in the evaluation of tenders and the award of contracts is made known to all bidders in a timely manner and not applied arbitrarily

**The range of the tender amount for goods is more than 2,00,000 and above for goods and work**

**Limited Tender (≤20,000 to ≤2,00,000)**

Limited Tender is used for goods and works where a large supplier/contractor base exists and an open tender is not expected to vary the pricing conditions. It involves comparing tenders obtained from several suppliers, usually at least three to ensure competitive prices.

**Items**

**Procured:**

Goods, Equipment, Raw Materials, Construction Works, Plant and Machinery, etc.

The range of procurement is ≤20,000 to 200000 for goods and Work

**Local Shopping (≤20,000 for Goods)**

Local Shopping involves comparing price quotations obtained from several local suppliers, usually at least three to ensure competitive prices. Shopping should be carried out with appropriate record keeping

for verification and audit.

Items Procured:

Goods, Equipment, Raw Materials, Construction Works, Plant and Machinery, etc.

This will be in range of ≤20,000 for goods and work

Petty Purchase (≤10,000 for goods)

Petty Purchase can be used when purchasing articles or group of articles estimated to cost less than the financial ceiling given in this manual. No tenders/quotations are required. Only goods can be purchased of the value Rs. ≤10,000.

Items Procured:

**Office stationery, common commodities etc.**

1. For procurement of material and services up to Rs. 20,000, the item shall be purchased after informal market survey.
2. For regular procurement of goods/material of single set of items above Rs. 20,000/- to Rs. 2,00,000/- a three members internal procurement committee shall initiate the procurement process. Three quotations shall be sought and a comparative statement shall be prepared by the committee. They shall recommend the agency and rate from whom the procurement shall be made. If needed, the committee shall negotiate for lower rate.
3. If the procurement is made in a far-away project location, the concerned official is authorised to form a local procurement committee and seek the written approval of the committee formed at the office level. It shall also follow the same three quotation procedure.
4. For goods of single set of items above Rs. 2,00,000/- open tenders shall be invited. All standard tender procedure shall be followed.
5. For the purchase of items like four-wheel vehicles up to five in number no tender shall be invited. If there is a single dealer in the city, the vehicle can be procured directly, however, it shall be documented and approved by the internal procurement committee.
6. For the services like Annual Maintenance Contract for the computers, Air conditioners, Maintenance of Internet connection, Xerox machine, etc. three quotations shall be obtained for AMC Fees/charges are above Rs. 50,000/-. It shall be procured through the procurement committee with the approval of the Secretary.

The professional services of consultants for facilitation of training, evaluations and similar other tasks, SUPPORT has been utilising the services of experts who are familiar with the work of SUPPORT and considered as partners. Looking the past experience of SUPPORT, the following processes has to be followed to hire consultants. The Program Coordinator, CEO and Finance Manager can directly hire/engage a consultant up to the fee of Rs. 2,00,000/- by getting a written approval from the Secretary. It may be noted that this is valid if the daily fees is Rs. 10,000/- or less. If the consulting fees are above Rs. 10,000/- per day and total amount is above Rs. 2,00,000/- for single set of task agreement, three quotations in the form of letters shall be collected to take a decision for choice of consultant. After the selection of the consultants, a formal task contact may be agreed upon in the prescribed format indicating the objectives, deliverables, time-frame, quality control, fee and upper limit of the other expenditures. (Fee shall not include the actual expenditure like travel, food, accommodation and other expenditure incurred towards completion of the task)

10. For procurement of any non-budgeted item of above Rs. 5,00,000/- the Secretary shall take written approval of the Executive Committee. The process of procurement shall be same as mentioned above.

#### **Procedures for Accounting**

When the item is received on the basis of purchase order, the copy of delivery challan/bill sent by the vendor should be verified by the administration department with the purchase order with respect to quantity, rate and amount. This should then be forwarded to the concerned person who has made the requisition for approval with respect to quality. Once it is approved then the delivery challan/ purchase bill should be signed by the appropriate authority. The administrative department should make necessary inward entries in the inward register for recording purpose. When payment is to be made to the vendor, a copy of the order, challans, bills should be sent to the accounts department for payment. The bill should be approved by appropriate authority giving project code and quantity received.

## 7. TYPES OF FORMS

To facilitate the day-to-day operations of the organisation, various types of forms have been made in easy to fill formats for the staff members. The purpose and the system to be followed while filling each of the forms have been explained below and the specimen copies are available separately. The procedure for purchase has been explained in the following chapter on purchase policy.

1. Receipt
2. Project Advance Requisition
3. Cheque/DD Requisition
4. Local Travel Claim
5. Outstation Travel Reimbursement
6. Requisition for Ordering Food/Snacks during Workshop/ Meeting and Training:
7. Vehicle Requisition for Local/Outstation Travel Vehicle Log Book / Travel Slip
8. Air Ticket/Rail Booking
9. Leave Application
10. Bill Book / Contribution Book
11. Stationery Requisition

### 1. Receipt

For every financial transaction amount received from the party an acknowledgment in the form of receipt is issued. Separate receipt books should be maintained for FC and Indian transactions. There should be three copies in the book. The original copy should be issued to the party from whom money is received, the other copy should be used for accounting purpose and the third copy should remain in the bounded book. The receipts must be signed and stamped by the authorised person of the accounts department and then it should be issued. This book must have serial number. Appropriate accounting entry should be passed on the basis of second copy and the same should be attached with the voucher.

### 2. Project Advance Requisition

This form is to be used when advance money is required by the staff for meeting expenses related to travel or programme event. This form should be filled by the applicant and it should be first verified and initialised by the accounts department for any outstanding balance in his/her account. After verification by accounts department the concerned staff should get the approval for advance and submit it to the accounts department. The staff requesting advance should at least intimate his/her requirement of advance before two days. After releasing the amount appropriate accounting entry is passed in the books of accounts.

### 3. Cheque/DD Requisition/Account Transfer

This form is to be used by the staff when advance payment is required to be made to an outside party. Along with this form, a request letter from the party should also be submitted and this amount should be

considered as an advance to the party. This form should be duly approved by the appropriate authority and should be presented before the accounts department at least two days in advance. After verification by the accounts department the amount is released. In case the amount exceeds Rs. 20,000 the income tax PAN no. must be obtained from the party for the payment of services like consultancy, contract etc. After releasing the amount appropriate accounting entry is passed in the books of accounts.

**4. Local Travel Claim**

This form is to be used by the staff as and when travel is done by them locally. To recover the expenditure incurred towards travelling, staff members should fill clearly the following details: (Template Attached)

- Date of travel
- Kilometers travelled (if own vehicle is used)
- Mode of travel
- Purpose of travel
- Incidental expenses
- Eligible allowance amount

Local travel Claim Form						
SUPPORT						
Name _____			Month _____			
LOCAL TRAVEL						
Date	From	To	Kms.	Mode	Purpose	Amount
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
Total ( In Words)						Rs.
Approving Authority			Applicant		Date	

This form should be duly signed and approved with budget code of the project by the appropriate authority and should be presented before the accounts department. After verification by the accounts department the amount is released. After releasing the amount appropriate accounting entry is passed in the books of accounts.

This form should be duly signed and approved with budget code of the project by the appropriate authority and should be presented before the accounts department. After verification by the accounts department the amount is released. After releasing the amount appropriate accounting entry is passed in the books of accounts.

**1. Outstation Travel Reimbursement**

This form is to be used by the staff for outstation travel. To recover the expenditure towards outstation, travel the applicant should fill clearly the following details in the form: (Template attached)

- Name of the staff
- Name of the project
- Place of visit
- Purpose of travel
- Fare and mode of travel
- Local conveyance
- Food expenses
- Accommodation charges
- Petty cash purchases for projects/official work
- Other allowable miscellaneous expenses
- Daily allowance
- Advance taken if any
- Balance to be recovered/returned

**Outstation Travel Claim Form  
SUPPORT**

Name:	Designation:	Date:
Place Visited:		Project Code:
Purpose:		

A. FARE DIRECTLY PAID

Date	Mode	From	To	Amount
Sub Total				

B. LOCAL CONVEYANCE

Date	Mode	From	To	Amount
Sub Total				

C. FOOD ALLOWANCE

Starting Date and Time	Closing Date and Time	Destination Category	No. of Days and Hours	Rate of Allowance	Amount
Sub Total					

D. ACCOMMODATION CHARGES

Tariff Rs.	Type (Single / Shared)	Days	Amount
Sub Total			

E. PETTY CASH PURCHASES FOR PROJECTS / OFFICIAL WORK

Date	Particulars	Amount
Sub Total		

F. MISCELLANEOUS		
Date	Particulars	Amount
Sub Total		

G. DAILY ALLOWANCE								
Duration of Travel	No. of Overnight Days	Rate of Allowance	Amount					
Sub Total								
TOTAL	A	B	C	D	E	F	G	Rs.
Rupees								

This form should be duly approved mentioning the project code by the appropriate authority and then presented to the accounts department.

This form should not be accepted by the accounts department unless it is accompanied with the brief report and the expense bills. If no bills are available, it should be clearly mentioned 'No Bills'.

After verification by the accounts department and after settling the advance amount, if taken before travelling, the balance amount is released/ recovered. The advance amount must be settled within seven working days on completion of travel or project work for which advance is taken. After releasing/recovering the amount appropriate accounting entry is passed in the books of accounts.

#### 1. Requisition for Ordering Food/Snacks during Workshop/ Meeting and Training

This form should be filled by the concerned department for requirement of food/ snacks/ training material for the workshop/ meeting/ training. The form contains the following details: (template attached)

- Venue
- Date
- Name and place of workshop/meeting/training
- Name of programme unit
- Project code
- No. of lunch/snacks required
- Items required in the menu
- Restaurant if any
- Time of requirement



**Requisition form for ordering food/snacks during workshop/Meeting and Trainings**

**SUPPORT**

Venue: \_\_\_\_\_

Date: \_\_\_\_\_

Name of the Workshop/Meeting / Training \_\_\_\_\_

Name of the Programme Unit \_\_\_\_\_ Project Code \_\_\_\_\_

No Of Lunch/Snacks required \_\_\_\_\_

Items required in the menu \_\_\_\_\_

Restaurant if any \_\_\_\_\_ Time of requirement \_\_\_\_\_

Approval by P.C/ Manager: \_\_\_\_\_ Ordered by (Name): \_\_\_\_\_

\_\_\_\_\_

The said form should be duly approved by the respective authorities and be submitted at least two days in advance.

The accounts department will pass the entry on the basis of requisition form along with bills duly approved with the project code by the concerned authority.

**7. Vehicle requisition for Local/Outstation Travel**

This form is for the requirement of vehicle for local and outstation travel as far as possible; if office vehicle is available the same should be provided.

The following details should be filled in the requisition form:

- Date of requisition
- Name of the person travelling
- Place of travel
- Date of travel
- Purpose of travel
- Project code
- Name and signature of the person making the requisition
- Name and signature of the sanctioning authority
- Name of the person who booked the vehicle
- Type of vehicles booked or hired vehicle
- Type of vehicle indicating the number of persons travelling or any other Requirement

## VEHICLE REQUISITION FORM FOR OUTSTATION TRAVEL SUPPORT

Date \_\_\_\_\_

1. Name of the Person Travelling : \_\_\_\_\_
2. Place of travel : From \_\_\_\_\_ To \_\_\_\_\_
3. Date Of Travel : Starting Date \_\_\_\_\_ Time \_\_\_\_\_ Closing Date \_\_\_\_\_
4. Purpose of travel : \_\_\_\_\_  
\_\_\_\_\_
5. Project Head : \_\_\_\_\_
6. requisition by ; Name \_\_\_\_\_ Signature \_\_\_\_\_
7. Sanctioned by : Name \_\_\_\_\_ Signature \_\_\_\_\_
8. Booked by : Name \_\_\_\_\_ Signature \_\_\_\_\_
9. Type of vehicle Booked : SUPPORT Vehicle :  
Hired Vehicle ( Company) : \_\_\_\_\_ Type Of vehicle : \_\_\_\_\_

Without the support of requisition form the payment will not be made.

In case of hired vehicle, the payment should not be made by the accounts department without the support or requisition form and bill of the travel agent.

In case, vehicle of SUPPORT is used the voucher of vehicle log book containing details as per specimen of log book voucher should be submitted to accounts department for accounting purpose on monthly basis from 26th of previous month to 25th of the current month.

### 1. Air Ticket / Rail Booking

For booking of air/rail ticket, this form should be filled along with obtaining approval. Before making payment towards air ticket, the accounts department should verify the following details mentioned in the booking form:

- Date of requisition
  - Name of the person travelling
  - Booking/cancellation details
  - Preference of airlines, booking agents if any
  - Purpose of travel
  - Project head
  - Name and signature of the person making the requisition
  - Name and signature of the sanctioning authority
  - Name of the person who has booked the ticket
  - Air/rail ticket bill no. and date
  - Date of ticket handed over to the person who has made the requisition
- Signature of the person to whom ticket is has been handed over

## AIR TICKET BOOKING SUPPORT

Date \_\_\_\_\_

1. Name of the Person Travelling : \_\_\_\_\_

2. Booking /Cancellation details :

From : \_\_\_\_\_ To : \_\_\_\_\_ Date: \_\_\_\_\_ airline : \_\_\_\_\_

From : \_\_\_\_\_ To : \_\_\_\_\_ Date: \_\_\_\_\_ airline : \_\_\_\_\_

From : \_\_\_\_\_ To : \_\_\_\_\_ Date: \_\_\_\_\_ airline : \_\_\_\_\_

From : \_\_\_\_\_ To : \_\_\_\_\_ Date: \_\_\_\_\_ airline : \_\_\_\_\_

4 .Project Head : \_\_\_\_\_

5 .Requisition by : Name \_\_\_\_\_ Signature \_\_\_\_\_

6. Sanctioned by : Name \_\_\_\_\_ Signature \_\_\_\_\_

7. Booked by : Name \_\_\_\_\_ Signature \_\_\_\_\_

8.Particulars of Bill : Bill No \_\_\_\_\_ Bill Date \_\_\_\_\_

9.Ticket handover :Date \_\_\_\_\_ Signature \_\_\_\_\_

### 1. Leave Application

Every employee of the organisation, who wants to avail leave, should fill this form. Generally, this form should be filled in advance, however, in case of emergency it should be filled immediately on resuming the office.

### 2. Bill Book /Contribution Book

For rendering services of consultancy, Training Centre , contribution received for supplying publication, stationery and other materials, office equipments for project workshop /training there are charges to be made to the respective project which may be decided by the management.

For supplying the above services, the receipt /contribution book should be maintained in three copies with serial numbers. The amount should be charged as decided by the management for these services and the receipt should be prepared. The original copy should be issued to the concerned part. The second copy is for accounting purpose and the third copy will remain in the book. This should be prepared by accounts/ administration department and should be signed by the authorised person. Accounts department should pass appropriate accounting entry on the basis of this slip.

### 3. Stationery Requisition

Stationery is required for daily office use by all the departments and for meetings/ workshops and other programmatic events. For both the above requirements, separate requisition forms are to be filled.

## 8. TYPES OF REGISTERS

To have better internal control, the accounts/administrative department should maintain the following types of register regularly.

1. Salary and Receipt (employee wise)
2. Assets
3. Stationery and Training Materials Stock
4. Publication Stock
5. Postage (inward and outward)
6. Service Contract
7. Vehicle Log Book
8. Investment
9. Insurance
10. Leave Record
11. Staff Attendance
12. Staff Movement
13. Training centre

Specimens are available in separate file.

## 9. INVESTMENT POLICY

The unutilised funds of the grants and contributions are invested in the scheduled banks and with other institutions in the form of term /fixed deposit. Each project manager should prepare quarterly budget for the requirement of fund as per the project period for his/ her projects. After receipt of budget the accounts department should plan the financial requirement and recommend for short /long term investment of the surplus fund to the Secretary so that the organisation gets maximum income of interest. The accounts department should prepare a quarterly statement showing receipts and payments as per actual for the past quarter and budget for the next quarter.

## 9. RULES AND NORMS

A. The staff service regulations have been made to ensure a fair, just and gender sensitive working environment as well as to maintain discipline in the organization (Ref. HR Policy 2022 and Sexual Harassment Policy 2022)

These regulations shall apply to all persons employed by the organisation on permanent and on project-based appointments. It covers rules and norms like:

- Categories of employees and their pay scales
- Provident Fund and Gratuity
- General Conditions of Service for Employees
- Travel Rules and Regulations
- Policy for Protection and Action against Sexual Harassment
- Leave Facilities
- Termination of Employment
- Misconduct by Employees
- Punishment for Misconduct
- Office Timing
- Attendance

B. Use of Office Infrastructure like Vehicle, Resource Centre, Telephone, Equipments etc. For requirement of above services, charges are decided by the Management These have been mentioned in the Annexure separately and necessary changes are also made from time to time through issue of office order.

1. Charges for vehicle
2. Charges for utilising various facilities for space, equipments
3. Charges for consultancy (in country and inter project staff)
4. Rates for preparation of SoP, PoP, Educational learning material etc.
5. For supplying Livelihood related services.
6. Any other services

## 11. REVIEW AND MONITORING SYSTEMS

### 1. Review and Monitoring by Management

The accounts department should provide by way of Management Information System (MIS) following details to the Secretary.

#### Monthly MIS

- Budget comparison statement project wise
- List of grants received
- Bank reconciliation statement
- List of advances outstanding
- Statement of investment
- 

#### Quarterly MIS

- § Comparison of budget and actual expenditure statement
- § Trial balance
- § Receipts and payments accounts
- § Income and expenditure accounts

### 2. Appointment of Internal Auditor

To have better internal control over the areas of accounts, finance and administration regularly, an internal auditor should be appointed. The scope of internal auditor should be decided by the Management. Based on the scope of audit, internal audit is carried out by the outside professional agency on a quarterly basis. The Secretary should appoint such agency. The internal auditor should submit a bi-monthly report of their findings to the Secretary. The Secretary should forward the comments to the accounts department for necessary actions and compliances of the report. The accounts department should also inform the internal auditor about their compliance and should get the validation of their compliance from the internal auditor. The Secretary should then present the findings of internal auditor, compliance by the accounts department and the validation of the internal auditor in respect of the compliance from accounts department in the Management Committee meeting. Based on the concept of materiality, appropriate action should be taken by the Management

### 3. Review and Monitoring through Project Audit

#### Appointment of Independent Auditor

As required by the donor, when the project is completed, the Auditor who is working for the organisation and a resolution has already been passed and the donor is agreed to continue for the same or an independent qualified auditor is to be appointed or, the same auditor may continue as per MOU and the Utilisation Certificate as required is to be obtained.

The Protocol for External Management and Financial Audit of Projects are as under:

- i. The audit should be conducted by a Chartered Accountant or a firm of Chartered Accountants, who should be members of the ICAI, India.
- ii. Audit should be carried out under internationally accepted audit standards (GAAP).
- iii. A management report should be submitted along with the auditor's report.
- iv. A written contract should be signed between auditors and the Management along with the terms of agreement.
- v. A time frame as well as deadlines for the submission of audit and management report should be stipulated.
- vi. Audit fee and terms of payment should be fixed.
- vii. The documentations (files) on the work performed by the auditors must be accessible to the management/ funders/ CAG of India.
- viii. Auditor/s should express their opinion regarding the propriety of each of the expenses, management of the book keeping system as well as the procedures for internal controls.

#### **4. Appointment of Statutory Auditor**

Auditing of the annual accounts of the organisation is a statutory requirement. The Management should appoint professional chartered accountant for the audit of books of the organisation. After appointment of statutory auditors, audit of the books of accounts are carried out by them. The annual accounts (Balance Sheet and Income and Expenditure) of the organisation and form FC-3 and Receipts and Payments and other required statements together with the reports of the auditors are presented before the Management Committee for consideration and approval. After approval the Secretary should sign the accounts and the accounts department should get the signature of the statutory auditors on the Balance Sheet, Income and Expenditure and FC-3 statements duly stamped. FC-3 return and other statements as required under FCRA should be filed before due dates.

## ANNEXURES

From November 1, 2022 onwards the following rates will be applicable for rendering different types of services as given below till further notification:  
The rate will be revised as and when necessary. The same will be informed to concerned parties.

### A. Charges for use of Facilities at SUPPORT (As revised on November 1, 2022) Use of

#### Common Facilities

No.	Facility	Location	Price
1	Training Hall	Hazaribagh	5000
		Ramgarh	8000
2	For meetings, when outside food is purchased and catered the charges for use of Kitchen + Dining hall	Hazaribagh	6000
		Ramgarh	4000
3	Serving Tea/ Coffee / Juice for single unit	-	10

#### A. Equipment

Sr. No.	Particulars	Rate (Rs.) per day
1		
2		
3		

#### A. Publication Services

Sr. No.	Nature of Work	Unit	Rate (Rs.)
1		per SoP	40000
2		per PoP	20000
3			
4			
5			
6			
7			
8			
9			
10			

The concerned programme in charge will work.



**A. Other Services**

SR.NO	NAME OF ITEMS	Unit	Per Unit Rate
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

**A. Vehicles**

Charges for Use of SUPPORT Vehicles

Sr. No.	Particulars	Small Car (AC)	(Non-AC)
1	Local Travel (less than 2 hrs with minimum 40 km)	450	600
2	Local travel 4 hrs and 40 km	800	1150
3	Local travel 8 hrs and 80 km	1300	2000
4	Outstation Travel (Minimum 300 kms) (Add Rs. 500 for Driver Allowance)	3000	3000
5	Per Extra Kilo Meters	10	10
6	Per Extra Hour	100	100

**Use of Personal Vehicles for Office Use**

Car Standard	Motor Cycle / Scooter
Rs. 5.50	Rs. 3.50

**A. In Country Consultancy Norms**

Consultancies /assignments are taken up for facilitating training, evaluation and similar other tasks. Such consultancies are only taken up to maintain the partnership relationship with stakeholders and promote mutual learning. The revenue generated from the consultancies goes to the institution as contribution and is used for institutional development.

The computation of total number of days of engagement for each consultancy/ assignments is worked out in consultation with the respective partner while framing the Terms of Reference (TOR). The rates quoted below include the actual number of days for conducting/ organising the event – preparation, documentation and closure. For meeting administrative expenses of overheads and coordination an additional 10% is charged on the total amount

Grade I Rs. 10,000 – 15,000

(Secretary and other senior management members with similar experience)

Grade II Rs. 7,500 – 12,500

(Programme Coordinator, Programme Manager and other members with similar experience)

Grade III Rs. 3,000 – 5,000

(Programme Officer and other members with similar experience)

Grade IV Rs. 2,000 – 3,000

(Programme Associate and Community Facilitators and other members with similar experience.)

For all assignments the host organisation is expected to take care of actual expenses with regard to travel, local hospitality, food and accommodation. Along with this, an allowance for Grade I Rs. 800, Grade II Rs. 500, Grade III Rs. 300 and Grade IV Rs. 200 will be charged.

**B. Charges for Inter Project Support within the Organisation**

In SUPPORT we promote inter-project collaboration and mutual support to provide value addition to promote learning. For non-project staff involvement, as and when required the project in-charge can invite other staff members for support. It is expected that a written understanding is made clarifying the nature of the input and number of person days required. The staff time will be charged to the project based on the salary grade of SUPPORT.

Grade 1 Rs. 5,000

Grade 2 Rs. 3,000

Grade 3 Rs. 1,500

The above rates are applicable for programme, support and administrative staff.

