

1. Philosophy of creating Accounts Keeping and Audit policy

- i. All bill will be approved by the supervisor, no one is allowed to approve his/her own bill by himself/herself. If it do not do so then the neutrality of accountability will be broken.
- ii. The accounts and audit related person can not be engaged in operating bank account as well as any procurement. Other wise there may have arisen any question on neutral auditing.
- iii. In order to ensure the check and balance policy, the “Prepared by”, “Check by” and “Approve by” these three personals will have to be individual.
- iv. All kinds of accounts maintaining will be audited from two sectors, one is from Operation and other one from Central office. So that, every staff from every stage can realize that they are accountable for their work.
- v. As the management of COAST Trust has been running with the service charge that has given by the poor and the donor’s grant that has came for the poor, so this organization is the public organization and we all are accountable to the poor.
- vi. Conducting audit is not also for : calculating of accounts, re-conciliation and maintaining of system, but also the process of spot and person verification. So that, no one can think that they could get rid off from accountability and liability by submitting fake voucher or signature.
- vii. For program purpose, if the cash lying in hand for the long time, then there may have a scope to create corruption. So, as soon as possible the program expenditure will have to be adjusted. As a result the concern staff can be free from liability and in the same time the cash management could be more strengthen.
- viii. It is better to not engage by the senior staff and the sector heads of office and project with any procurement and auction process. If it do not do so, then there may create a question of keeping neutrality.
- ix. COAST Trust believes on “one step service” for fast work. But it is proven that the reverse could be happened, if the staff do lose the loyalty and capability with lack of proper monitoring and it’s controlling for this decentralization.
- x. If the organization falls in financial loss due to lacking in responsibility of a staff then the management can realize the same amount from that accused person(s). As a result, the honor would shown in favor of invested money and in the same time the compensated person will not do again the same mistake by taking learning from here.

2. Accounts Keeping System

2.1 Definition of Accounts keeping

In order to assess the financial picture of organization, some transaction that keeping in scientific way may called accounts keeping.

2.2 Characteristics of transaction

Change of finance location	Decrease/Increase/Transfer of money
Measurable as per the money	No transaction if no measuring by money
Double existence	Should have receiver and payers
Self sufficiency and individuality	Every transaction will express separate location
Visibility	Should be visible and understandable

2.3 Golden rules of Debit and Credit journal

a. In terms of Assets

Increasing of all kind of assets	Dr
Decreasing of assets	Cr

b. In terms of Liability

Decreasing of all liability	Dr
Increasing of liability	Cr

c. In case of loss or expenditure

Increase of Loss/Expenses	Dr
Decrease of Loss/expenditure	Dr

d. In case of income or profit

Decrease of Income/Profit	Dr
Increase of Income/Profit	Cr

2.4 Definition of voucher, classification and example

Written record of any transaction is called voucher. It can be classified into two ways,

a. Business voucher

Papers or voucher uses to substantiate a transaction in a business are business vouchers.

b. Accounting voucher

A written authorization in the form of a voucher prepared by the accountant and approved by the appropriate authority that is used before a transaction is recorded in books is called an accounting voucher.

Using business voucher in terms of bank transaction

- Cheaque and it's counter foil, - Debit and credit advice, - Bank statement, - Deposit slip

Using business voucher in terms of purchase

- Purchase requisition, - Purchase committee, - Quotation, - Resolution, - Comparative analysis, - Work Order, - Delivery note, - Challan, - Money Receipts, - Payment voucher etc.

Using business voucher in terms of Salary and benefits

- Pay-roll, - Salary statement, - Advice to bank etc.

Using business voucher in terms of Traveling

- Tour program, - Travel voucher, - Miscellaneous voucher

Accounting voucher

- Credit/Receipt voucher, - Debit/Payment voucher, - Journal voucher, - Transfer voucher etc.

2.5 Charts of Accounts (For field level)

a. In terms of Expenditure

i. Salary and benefits	xvi. Day Observation
ii. Beneficiaries training	xvii. Service charge to Mother A/C
iii. Traveling and daily allowance	xviii. Legal Expenses
iv. Staff training	xix. Welfare fund expenses
v. Fuel and oil	xx. Vaccine purchase
vi. Office rent	xxi. Chick/Duck rearing
vii. Utilities	xxii. Overhead expenses
viii. Office maintenance	xxiii. LLPI bank charge
ix. Refreshment	xxiv. DMFI bank charge
x. Staneries and printing	xxv. DRFI bank charge
xi. Phone/fax	xxvi. FDR bank charge
xii. Mail/e-mail/postage	xxvii. Other bank charges
xiii. Money misappropriation	xxviii. LLP Expenses account
xiv. Repeating and maintenance	xxix. DMF Expenses account
xv. Stakeholder meeting	xxx. DRF Expense account

b. In terms of Assets

i. Loan account	vi. DRF Investment account
ii. Fixed asset account	vii. Loan Outstanding (PKSF) account
iii. FDR account	viii. Staff loan account
iv. LLP Investment account	ix. Advance account
v. DMF Investment account	x. Regional Management Centre account

c. In terms of Capital and Liability

i. Savings account	i. PF loan account
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ii. Mother loan account	ii. Welfare fund account
iii. LLP account	iii. Payable to beneficiary training account
iv. DMF account	iv. Payable to salary and benefits account
v. DRF account	v. Regional Management Centre account
vi. PF account	vi. Capital Fund account

d. In terms of Income/Surplus

i. Loan service charge account	viii. Bag/Diary/Cap/T-shirt sale account
ii. Admission fee account	ix. Seat rent account
iii. Pass book sale account	x. Staff Punishment A/C
iv. Resolution khata account	xi. LLPI bank interest account
v. Format account	xii. DMFI bank interest account
vi. Chick/duck rearing income	xiii. DRFI bank interest account
vii. Vaccines/medicines sale grant account	xiv. FDR bank account
	xv. Other bank interest

2.6 Sub line items/heads accounts of main accounts

Main heads of accounts	Sub heads of account
a. Salary and Benefits	i. Salary ii. Gratuity iii. Provident fund (own and organizational) iv. Medical facilities v. House rent vi. Child allowance vii. Leave facilities viii. Picnic subsidy
b. Utilities	i. Electric bill ii. Electric line reparing iii. Bulb and wire purchase
c. Office maintenance	i. Reparing of furniture ii. Kerosene purchase iii. Tax iv. Cookeries purchase v. Office cleaning
d. Refreshment	i. Office stationeries ii. Printing cost iii. Photo copy
e. Cases expenditure	i. Case expenses (staff/beneficiaries/others) ii. Advocate fee iii. Court fee iv. Expenditure in Police station v. Any types of legal expenditure.

2.7 Books registers in the office

i. Cash book	x. Training register
ii. General ledger	xi. Audit register
iii. Stock register	xii. Full realized register
iv. Fixed Asset register	xiii. Admission register
v. Cheaque/DD issue register	xiv. Overdue register regarding holidays
vi. Loan disbursement master roll	xv. LLP and DMF register
vii. Members ledger	xvi. Group visit register
viii. Savings withdrawn/return register	xvii. Movement register
ix. Realizable register	xviii. Fund transfer register

3. Different accounting entries of transaction

3.1 Necessary journal entry in branch offices

i. In case of income

Cash/Bank A/C	Dr
All kinds of Income	Cr

ii. In case of expenditure

All expenditure A/C	Dr
Cash/Bank account	Cr

iii. In case of receiving loan from mother account (PKSF)

Bank account	Dr
Mother Loan A/C	Cr

iv. In case of Revolving Loan Fund (RLF) receive (for SF loan)

Bank A/C	Dr
RLF loan A/C	Cr

v. In case of Principal & service charge return to Mother A/C (PKSF loan)

Mother loan A/C	Dr
Mother loan service charge A/C	Dr
Bank A/C	Cr

vi. If any loan taken from project or any receivable received

Bank A/C	Dr
Project Office A/C	Cr

vii. If any loan paid to project or loan return to project

Project Office A/C	Dr
Bank A/C	Cr

viii. If any instruction so that asset purchase from project office and transfer to unit office

Asset account	Dr
Project Office A/C	Cr

ix. Deduction from monthly salary

Salary A/C	Dr
Staff PF A/C	Cr
PF Loan A/C	Cr
Seat rent A/C	Cr

x. In case of quarterly Loan Loss Provision (LLP)

LLP Expenses A/C	Dr
LLP A/C	Cr

xi. In case of quarterly Disaster Management Fund (DMF)

DMF Expense A/C	Dr
DMF A/C	Cr

xii. In case of quarterly Depreciation Reserve Fund (DRF)

DRF Expense A/C	Dr
DRF A/C	Cr

xiii. In case of quarterly LLP Investment

LLPI A/C	Dr
Bank account	Cr

xiv.	In case of quarterly DMF Investment		
	DMFI account		Dr
	Bank account		Cr
xv.	In case of quarterly DRF Investment		
	DRFI account		Dr
	Bank account		Cr
xvi.	Staff transfer from one office to another with vehicle loan (Like X office to Y office)		
	<u>X office entry</u>		
	Project office account		Dr
	Staff vehicle loan account		Cr
	<u>Y office entry</u>		
	Staff vehicle loan account		Dr
	Project office A/C		Cr
xvii.	Any asset purchase in branch office		
	Fixed asset account		Dr
	Cash/bank account		Cr
xviii.	Any grant receive in cash or cheque/ Demand Draft (DD)		
	Cash/bank account		Dr
	Grant account		Cr
xix.	Partial or full reimbursement receivable from any donor		
	Donor grant receivable A/C		Dr
	Grant account		Cr
xx.	Any advance paid to staff through cash or cheque		
	Staff Advance account		Dr
	Cash/bank account		Cr
xxi.	If expenses and the advance stands equal		
	Expenses A/C		Dr
	Advance A/C		Cr
xxii.	If the expenses stands less than advance		
	Expenditure account		Dr
	Advance account		Cr
	and		
	Cash account		Dr
	Advance account		Cr
xxiii.	If the expenses stands excess than advance		
	Expenditure account		Dr
	Advance account		Cr
	and		
	Expenditure account		Dr
	Cash/bank account		Cr
xxiv.	Office rent as advance		
	Advance office rent account		Dr
	Cash/bank account		Cr
xxv.	Office rent advance adjustment		
	Office rent account		Dr
	Advance office rent account		Cr

xxvi. **If excess amount paid against members welfare then the balance of excess amount will be shown as expenditure and the entry will be**

Member welfare expenditure A/C	Dr
Cash/bank account	Cr

3.2 Necessary entry in RMC/Central Management Centre

i. Grant receive from donor

Bank account	Dr
Unutilized donor fund	Cr

ii. Different expenditure during the definite reporting

Expenditure account	Dr
Cash/bank account	Cr

iii. After the end of reporting period, the donor fund will be treated as grant

Unutilized donor fund account	Dr
Donor Grant account	Cr

iv. If any fixed asset purchased on credit

Fixed asset account	Dr
Creditor account	Cr

v. If any revenue expenditure made in credit

Expenses A/C	Dr
Creditor account	Cr

vi. Asset purchased for donor supported project where organization has contribution

Donor contribution account	Dr
Central office account	Cr

4. Ratio Analysis

01. Operating Cost Ratio: $\frac{\text{Total operating cost for MF}}{\text{Average Loan outstanding}} \times 100$

02. Performing Assets Ratio: $\frac{\text{Total income from MF (Service Charge)}}{\text{Average Loan outstanding}} \times 100$

03. Financial Cost Ratio: $\frac{\text{Financial Cost (MF + Others)}}{\text{Average Loan outstanding}} \times 100$

04. Operating Self Sufficiency Ratio: $\frac{\text{Total operating Income (MF)}}{\text{Total operating Expenses (MF)}} \times 100$

05. Financial Self Sufficiency Ratio: $\frac{\text{Total Financial Income (MF + Others)}}{\text{Total Financial Expenses (MF + Others)}} \times 100$

06. Donation & Grants Ratio: $\frac{\text{Donation \& Grants}}{\text{Average Assets}} \times 100$

$$07. \text{ Portfolio / Staff: } \frac{\text{Total Loan outstanding}}{\text{Number of staff}}$$

$$08. \text{ Repayment Rate: } \frac{\text{Loan Realized Amount}}{\text{Loan Realizable Amount}} \times 100$$

$$09. \text{ Secured Portfolio: } \frac{\text{Active member's savings}}{\text{Average Outstanding}} \times 100$$

Note: Active member's savings = All GM's Savings – Savings of GM not received loan

$$10. \text{ Portfolio at Risk: } \frac{\text{Total overdue}}{\text{Total Outstanding}} \times 100$$

5. Points to be followed before expenditure

5.1 Expenditure within and out of budget

Only the confirmed staff can make expenses as per the annual budget. Any expenses out of budget can not be acceptable. For special consideration only after getting the approval from Executive Director/Deputy Director. If any office wants to make reasonable expense then that office has to mention that how to adjust the extra expenses with the annual income or within other heads of the existing budget. Any expenses out of budget can not be done with verbal approval. In fact all the colleagues are discouraged not to approach for extra budget.

5.2 Definition of Received by, Paid by, Checked by and Approved by

i. Received by

For any expenses when somebody will be given money then that will be called Received by. The Received by signature and date will be needed for the preparation of bills.

ii. Paid by

- a. The person who is responsible for purchasing goods will be treated as Paid by
- b. The concern person will pay the money and do signature and seal in to the voucher as Paid by.
- c. The purchaser all time will be Paid by and nobody can make other for Paid by who is not involved with the purchase.

iii. Checked by

The checked by person will follow the under mentioned instructions during checking the bill/vouchers and will ensure seal and signature in there.

- a. Procurement has been done as per the present market price
- b. The procured good's quality has to be ensured 100%.
- c. Bill/vouchers has been prepared as per the rules.
 - There is no any overwriting in the bill vouchers
 - The signature and date of seller has to be put in the bill voucher
 - The bill voucher has been prepared in invoice (Pacca/rubber stamp) of seller.
 - The purchased amount will have to be mentioned in word.
 - The purpose of expenses has been specified in the bill voucher.
 - The revenue stamp is affixed in the bill which is more than tk.500/-.
 - Whether Money receipt is attached with the bill.
 - Traveling and accommodation ticket/invoice (if crossed tk. 100/-) has to be affixed with the bill. It is noted here that the traveling and accommodation cost will not be reimbursed if the ticket/invoice is not attached with the bills

- iv. Approved by**
 During the approval of vouchers the following things have to be followed
- The expenses are within the budget.
 - Expenses have been done as per the policy.
 - In case of goods purchase the quality and price should be similar with market price.
 - Received by, Checked by and Paid by signature with seal has to be ensured.
 - If any particular expenses of Central or Regional office that crossed tk.15000/- and in field level if it crossed tk.2000/- then the physical verification should be needed before approval.

5.3 Accountability in different levels

The accountability of “Received by”, “Paid by”, “Checked by” and “Approved by” person should be ensured if the expenses are treated as misuse, misappropriation. Then the accountability will be distributed as per following ratio and they will have to refund the money accordingly.

- | | | |
|------|-------------|--------------------|
| i. | Paid by | 50% of total cost |
| ii. | Checked by | 25% of total cost |
| iii. | Approved by | 25% of total cost. |

If the above matter will be done 2nd time then the respective staff will be under disciplinary process.

5.4 Approval Authority

- 1st supervisor will approve the budgeted expenditure with written mandatory.
- The respective sector head will approve his/her sector colleagues’ bill vouchers under the budgetary expenses.
- The bill vouchers of all sectors heads and Sr.Coordinators will be approved by Deputy Director.
- The bill vouchers of Executive Director will be approved by Chairperson of Board of Trustee where check by will be Head-BFC or Head-CAIA.

5.5 The persons who can not be Checked by and Paid by

- Executive Director and Deputy Director can not be Paid by and Checked by person but they can be Paid by only their own expenses.
- The Paid by, the Checked by and Approved by persons should be a separate person.

5.6 Demand note of budgeted expenditure.

- At first demand note or purchase requisition has to be submitted before made any expenses. Secondly, the accounts section will verify the requisition whether it is within the budget or not. Finally the sector head will approve the requisition subject to available of sector budget.
- If budget not available, than in terms of MF field management, Head (in)-Core Operation can be approved maximum tk.4,000/- that out of budget. But before that he has to be discussed with Sr.Coordinator-BFC. On the other hand, with a recommendation of SC-BFC, the Deputy Director can be approved maximum tk.20,000/- and from above it will be by Executive Director.
- Approved by person will have to be justify the expenses before providing the approval.
- Any staff are allowed to communicate directly with Deputy Director if he found that his bill has been making delay for approval.
- Post facto approvals are strongly prohibited.

Expense requisition format:

SL No	Particulars	Quantity demand	Present stock Qty	Unit price	Total Demand (tk)	Approved budget	Remarks

Applied by : _____ Checked by (Acc. section) _____ Approved by : _____
 (If budget not available than following riles has to be followed)

- | | |
|-------------------------------|----------------------------------|
| i. Comments of SC-BFC : ----- | ii. Comments of Head-HRM : ----- |
| iii. Comments of DD : ----- | iv. Comments of ED : ----- |

6. Processing of Bills and Responsibilities

6.1 Using of Seal, Signature, Revenue stamp, VAT and Tax :

- i. Respective seal, signatures, Revenue stamp (If necessary) vat and tax deduction as per rules.
- ii. Every bill should be final for the payments with the following signatures, seals
 - a. Received by
 - b. Paid by
 - c. Checked by
 - d. Approved by
 - e. PAID (the seal after payment made)
- iii. Every staff of the organization has to be ensured their signature, seal in to the voucher.
- iv. The bills more than tk. 500/- will be affix the four tk revenue stamp. The price of stamp will be beard by the recipient. Inclusion of stamp will be followed as per the Government rules. The stamp will be crossed after affix.
- v. As per the government rules the tax and vat will be submitted. In this case the bank challan will be preserved in the file and the photocopy will be attached with the bills.

6.2 Responsibilities of Regional Program Coordinator, Sector Heads, Team Leader and Project Head/Project Coordinator.

- i. Whether the bills have been prepared as per the financial manual.
- ii. Whether the expenses is within the budget.
- iii. Whether advance has been paid and adjusting as per policy.
- iv. Whether assets have been procuring and keeping as per policy.
- v. Whether expenses Code and Cost centres have been mentioned accurately.

If any problem will be found then those will be rectified or if any misappropriation will be found then the disciplinary actions will be ensured against respective persons. S/he will give the Reviewed by seal and signature and after preparing the report the bill vouchers will be preserved in the right place.

6.3 Audit of Voucher(s)

As per the reporting schedule the central accounts section will send the bill vouchers of each month to audit section. Audit section will complete the full audit of all the bill vouchers and will use the seal with signature (“**Audited by**” seal from audit section and “**Monitored by**” seal from Accounts section). Then the section will send the bill voucher to the central account section. Central audit section has the right to see all kind of documents including personal file any time of auditing purpose. Ha can also provide the show cause letter to any staff subject to violation of accounts policy on behalf of Executive Director. The audit note will be included the following things.

- i. For any normal mistakes they can recommend for the investigation and the extra expended money can be deducted from the respective staff as per policy.
- ii. Warning letter can be issued in order to do unintentional mistake.
- iii. Recommendation can be drawn for changing of the policy.
- iv. As per the management policy the disciplinary action can be recommended.

These issues should be implemented by the central finance section. At any next audit it should be checked about the solution of previous audit findings.

At the regional level the Regional Program Coordinator will arrange a meeting for the review of the bill vouchers. Through this types of meeting the financial discipline and accountability at all level will be improved.

6.4 Restrictions (Things not to do) :

It is restricted for not using pencil writing or any erasing or use of any artificial ink in to any accounts related papers, like cash book, ledger etc.

6.5 Voucher Preservation, Returning and Damaging

The bill vouchers will have to be preserved at least five years if no any instruction. After five years, taking approval from Executive Director and with the presence of two managers the bill vouchers can be damaged. But the bills of electricity, tax, vat, telephone, water, gas, e-mail and house rent will never be damaged and those will be preserved very properly. On the other hand any bill of donor project will be preserved as per the direction and policy. The vouchers will be preserved in the respective office. All the monthly vouchers of the branch offices will be brought to regional office and after checking by the regional staff these will be returned to the branches for it's preservation every 20th of next month.

7. Advance Receiving and it's adjustment :

7.1 Policy of advance receiving :

- i. The advance can be received for program implementation, goods purchase and official traveling.
- ii. No body is allowed to receive advance from other base station or office.
- iii. One staff can not spend the advance of others and he will not be **"Paid by person"**.
- iv. In the advance requisition papers it will need to give the detailed break up of advance purpose. The date of adjustment will be mentioned in the requisition paper.
- v. The respective 1st Supervisor will approve the advance requisition. No body will be allowed for 2nd advance and the accounts section will certify that there is no any advance of that staff.
- vi. For the group based expenditure the team leader and senior staff will take the advance and s/he will submit the bill vouchers to the accounts section after completion of the work.
- vii. Daily based advance list will be written down in the display board.
- viii. The respective person who will take the advance should arrange the approval from his/her 1st supervisor one day before of receiving and will submit to the accounts section.
- ix. At the time of advance receive and adjustment the concern staff will put his signature with seal in to advance register as well as in requisition.
- x. 2nd advance can not be taken prior to adjustment of 1st advance. But due to non availability of the concern supervisor, than 2nd advance can be taken subject to submission of all vouchers of 1st advance.
- xi. After submission of bill vouchers to the accounts section if the account section will give him/her the receipt of bill vouchers then s/he can be allowed for another advance.
- xii. By 28th of every month every accountant and the team leader will have to submit the advance list to the SC-BFC and than he will submit it to Deputy Director by 29th of each month.
- xiii. 80% advance is allowed only for travel, but program purpose 100% advance can be taken.

7.2 Limit of advance and approval authority in field level.

- i. Advance approval and receive according to staff level.

Recipient in the field level	Approval authority	Approval limit (Tk)
Program Organizer, Livestock Technical Assistant, Paramedics	Branch Manager	2500/-
Branch Manager	Area Manager	3500/-
Area Manager	Regional Program Coordinator	4000/-
Project staff	Branch Manager or 1 st supervisor of project staff if he stay in respective region.	4000/-

- ii. One staff can not get advance from other offices but in case of training this can be considered. As per the approval of Deputy Director any staff can get the advance from other offices but SC-BFC will ensure the adjustment process.
- iii. For advance receive or adjustment the signature of respective staff will be required.
- iv. Advance is not allowed in case of staff transfer. The staff will go to the new office with own cost and then s/he will submit the bill voucher and the actual amount will be reimbursed. The staff who stays along with family, he will get the material carrying cost too. But no staff will get any transfer cost it happened within the Upazilla.

7.3 Policy of Advance adjustment.

- i. The advance will have to be adjusted within 48 hours after completion of work (like- travel, program cost, procurement). But for abroad travel it's adjustment limit is 7(seven) days.
- ii. If the advance will not be adjusted within 48 hours then the office may stop the payment against the expenditure.
- iii. No advance will be due at the end of any month. And also every end of June and December no advance will be outstanding with staff. It will have to be adjusted and if do not do so than the sector head or team leader will be responsible for that.
- iv. Previous year advance can not be adjusted or balance forward to the next year.
- v. No salary will be paid if any advance will be in hand of any staff.
- vi. At the time of advance receive and adjustment, the accountant has to be ensure the receiver's signature in all sectors.
- vii. After completion of the work then the bill vouchers will be submitted to the accounts section and the account section will give prescribed receipt against submission of bill vouchers. Unspent money will have to be deposited along with bill vouchers.
- viii. After submission all vouchers, the accounts section will be checked it and will process for the approval. In terms of 2nd advance if the 1st supervisor do not stay a base office than with a written approval from Deputy Director the 2nd advance can be provided.
- ix. Specimen Receipts of Advance adjustment.

<u>COAST Trust, Bill receipts against Advance</u>	
1. Name of Advance/Bill submit -----	Designation -----
2. Reason of advance receive -----	
3. Received amount Tk.-----	Date of receive -----
4. Date of work completion -----	
5. Bill amount Tk-----	Date of bill submission-----
6. Receive of excess money Tk-----	
----- Signature, Seal & Date of Bill Receiver	----- Signature, Seal & Date of Bill Submitter

7.4 Limitations and Approval of Advance receive

- i. Advance can only be paid if the budget is available.
- ii. From the level of logistic organizer to coordinator and project coordinator, regional program coordinator can be taken maximum tk.5000/- for travel, tk.30,000/- for program and tk.50,000/- for procurement with an approval from Team Leader. If it crossed then SC-BFC will take measure for approval. In the same way the Teal Leader will take approval from his supervisor.
- iii. In Principal Office : The sector heads can approve maximum tk.5000/- for travel, tk.30,000/- for program and tk.10,000/- for procurement for their subordinates.
- iv. Head and Head (in) can be taken advance with an approval from Deputy Director, where Deputy Director from Executive Director.
- v. In terms of Executive Director, his advance requisition and bill will be approved by the Chairperson of BoT. Advance requisition can be taken approval through Email.

7.5 Monthly advance report presentation and Sending

- i. Every office chief will prepare an advance report by 3rd of each month and will send to respective 1st Supervisor and another copy will be attached in the office notice board.
- ii. In this report the name of staff who has advance in his/her hand after ending of month, purpose of advance and date of advance receiving will be mentioned.
- iii. Every day end an updated advance list will be explored in to the projection board.

8. Transaction system, bank account open/close, cash in hand during office closing

8.1 Transaction limit of Management & Training Central (Except Dhaka Office)

- i. These office can keep cash in hand daily not more than tk. 5000/-
- ii. The bill will have to be paid to 3rd party through account payee cheque above tk. 3000/- and in case of staff the bills more than tk. 5000/ will have to be paid through account payee cheque. But any amount of staff advance can be paid in open cheque.
- iii. Without approval, the bill amount can not be paid.
- iv. The respective person will have to receive the cheque to whom the cheque will be issued. An authorized person can receive the cheque but in this case the authorization letter will have to be certified by the Coordinator or above position.
- v. In all cases for 3rd party, the money receipt must be from the respective person.
- vi. After completion of the transaction the accounts will have to be closed in the same day and the next transaction will not be starting before the closing of previous day accounts.

8.2 Transaction limit in the field level

- i. At least tk. 2000/- can be cash in hand. But units which distance from bank is more than 3 (three) k.m can keep cash in hand up to the limit of tk. 5000/-. In case of outreach island units the cash in hand limit will be not more than tk. 8000/-
- ii. After closing the transaction the accounts will have to be closed where branch accountant and branch manager will put their signatures, date and seals.
- iii. After cash closing the volt register will be signed jointly by branch manager, Accountant and one senior program organizer.
- iv. Account will have to be closed after completion of transaction and next transaction will not be allowed without closing the accounts.

8.3 Transaction day in all Management and Training center

Accounts section will make transaction from 11am to 3pm any three days of a week. Team Leader or office chief will be settled the transaction days. If the above days will be any government holiday then on next/previous day can be the transaction days.

8.4 Transaction limit at Dhaka Management and Training Center

- i. Maximum tk.10,000/- can be kept as cash in hand. On the other hand extra tk.10,000/- will be kept in order to arrest emergency situation.
- ii. Any bill can not be made payment without approval.
- iii. After closing the accounts the signatures, date and seal of respective staff and office chief will be put in to the denomination sheet.
- iv. Accounts will have to be closed after completion of transaction and next transaction will not be started before closing the accounts. Concern accountant and SC-BFC will have to put their signature in the cash book.

8.5 New bank account opening and existing bank account closing

- i. As per the written instruction of Executive Director any new bank account can be opened for the official purpose.
- ii. In the same way the existing any bank account can be closed after getting the signed closing letter by Executive Director.
- iii. The mother account of the organization will be opened by the written instruction of Chairperson of the Board of Trustee and that account will be operated through the signatures of Chairperson/Treasurer of Board of Trustee and Executive Director.
- iv. As per the requirement of donor a new bank account can be opened and that account will be operated as per the rules and regulations of respective donor.

8.6 Bill payment to external organization/institutes/vendors

- i. At all the offices a separate file will be maintained for each party.
- ii. As per the rules all the purchase process document will be kept in the file. A note paper will also be kept in the file for taking notes, approval process etc.

- iii. A separate bill register will be maintained in all office for all the parties. Speciman has been given below.

Bill challan no.	Reference no.	Description of bill	Total amount	Bill preparation date	Bill receipt date	Received by	Responsible person for work	Work order issued or not and date	Goods are stored or not, date and place
1	2	3	4	5	6	7	8	9	10

This format will be left page of the register.

Cheaque/DD issuing approval and signature	Cheaque/DD issue date	Cheaque/DD no.	Account no.	Amount of money	Prepared by	Co-Signatory	Prin. Signatory	Cheaque/DD transfer date	Money receipt no.	Amount given against total bill	Rest amount	Completed all procedure of bill payment
11	12	13	14	15	16	17	18	19	20	21	22	23

This format will be right page of the register.

- iv. Without receiving any grant from other organization any expenditure related to the programs of that organization will not be made.
- v. After getting the grant the SC-BFC will settled who will be the Paid by, Checked by and Approved by persons.
- vi. All the vouchers will be submitted to Coordinator-Finance & Accounts. After checking, the bills will be signed by SC-BFC, Deputy Director and Executive Director the entire bill will be sent to the respective organization.
- vii. Without the written approval from the Executive Director any staff will not be allowed for financial dealing with the external organization.
- viii. In respect of receivable bill, a prescribed format for that register will be maintained. Receivable money from other organization has to be made entry properly in the accounts. And in the same time after getting the part or full amount of receivable bill then again a Journal Voucher will have to be maintained in order to adjust receivable. The following format will be maintained for the register.

Date	Nature of expense	Amount expended	Sending date of bills	Bill prepared by	Entry in the accounts or not	Received date of cheque/DD	Cheaque/DD No.	Amount of money	Adjustment to the cash book	Rest payable amount
1	2	3	4	5	6	7	8	9	10	11

8.7 Cash in hand during the office vacation

- i. During the time of declared office vacation, the office chief will ensure depositing all cash to the bank and the cash in hand will be nil.
- ii. Before deposition of money to the bank the office chief can not leave the office.
- iii. If any incident does happen during the vacation period, then all liabilities will have to be taken by the office chief.

8.8 Accounts Payee cheque

- i. Any 3rd party or vendor or institution or organization will be made payment through account payee cheque if the amount will be more then tk.3000/-.
- ii. The account payee seal will be used in both part of the cheque, i.e. one in counterfoil and other one in main cheque.
- iii. If any office will break this rule then the office chief will be under disciplinary action.
- iv. If any office chief will give the open cheque then this will be treated as misconduct.

9. Procurement policy of Goods / Materials

9.1 Mandatory rules for procurement of goods

1. Executive Director, Deputy Director, Assistant Director, Sector Heads and Accounts and Audit department can not be involved directly for the procurement process.
2. Purchase requisition has to be ensured in proper way before any purchase and it should be within the budget.
3. Material can not be purchased from those vendors who have the relative relationship with any staff of the organization.
4. Executive Director/Deputy Director will form a procurement committee (consist three persons) through a circular.
5. The committee will conduct a meeting and a minutes will be prepared. That will be first meeting minutes. Then they will invite the quotations where signatures of bidders will be ensured. The committee will also collect at least 3 quotations.
6. Every vendor should have separate shop or company with different addresses, government license, tax/vat paying recent certificate. These documents should be acceptable to the committee.
7. The committee member will open the tender in front of all bidders and will have to ensure the signature of then in comparative analysis. If the committee member feels that, the quoted price is not satisfactory then the committee can terminate the tender process.
8. Each purchase should have at least three quotations. In terms of spot quotations, at least two member will have to collect quotation in physically. Quotations and committee formation will not be required for the purchased amount maximum tk.5,000/-.
9. The committee will prepare a comparative analysis and will recommend about the lowest bidder and that will be the 2nd minutes.
10. Regional Program Coordinator (RPC)/Sector Heads/Project Coordinator/Program Coordinator are allowed to issue work order for maximum tk.50,000/-. But before that the concern Team Leader will have to check and put signature in there.
11. In terms of social justice program the Head/Head (in)-SJ can be issued maximum tk.2,00,000/- as work order subject to prior check by from Head-CAIA on behalf of ED.
12. Deputy Director are allowed to issue maximum of tk.3,00,000/- as work order subject to prior check by from Head-CAIA.
13. The Team Leader are allowed to issue maximum of tk.1,00,000/- as work order in terms of Management and Training Center. But for Dhaka office, it will be by Head-HRM. Before that, all the process will have to be checked by Head-SAPM.
14. In terms of brand product and if it has the show room then no quotations are required for that. But justification has to be recorded for purchasing a particular brand product. Advance payment can be made with an approval of ED.
15. The committee has the right to terminate the bidding process without mentioning any reason. In relation to this the bidder can not be made any case file or legal action against the organization. This condition will have to be mentioned in to the tender paper.
16. The payment will have to make through A/C Payee cheque in to the name of business institution. But those vendors, who has no any business institution then as per the proper application of vendor, the ED/DD can be approved the mode of payment, that will be mentioned in application.
17. Based on the application from vendor, maximum 80% of work order value can be provide as advance and after successful completion of rest work the accounts section will be paid the rest amount/bill.
18. VAT and Tax will be deducted as per Government rules. The vendor has to be ensured the Money Receipts with revenue stamp.
19. Before the bill payment, the committee member will have to provide the No objection Certificate (NOC) on procurement. Assets ID no and recording in register has to be ensured by accountant.

9.2 Selection of supplier

- i. Supplier can be selected at the Upazila, District and Divisional levels.
- ii. In presence of 3 suppliers the tender will be opened and lowest price holder will be selected as the supplier.
- iii. The supplier will be changed every end of year. But the previous supplier may also be selected again through proper bidding process.

- iv. The organization can cancel any supplier by seven days notice and this will be mentioned in the invitation of tender.
- v. An agreement will be performed with the selected supplier with some specific terms and conditions.

9.3 VAT/Tax deduction and deposit to bank

- i. As per the government rate the vat/tax from the supplier will be deducted and the amount will be deposited to the Bangladesh Bank/Sonali Bank through tragery challan.
- ii. During the invitation of the tender the vat/tax issues will be mentioned.
- iii. During issuing the purchase order the vat/tax issue will also be mentioned.
- iv. The deducted VAT and Tax will have to be deposited to respective bank by next seven days from deducting date and the receipt will be preserved in the tax/vat file properly.
- v. The deducted VAT and Tax can be deposited to bank in cash.
- vi. Every year the SC-BFC will have to circulate the updated VAT and Tax rules to all offices.

10. Fixed Assets Management Policy

10.1 Fixed Assets and their classification

The assets can be defined as fixed asset from which the service can be received at least 5 years. The fixed assets can be classified as per following way in the organization

- i. Land and Land Development.
- ii. Building and other constructions
- iii. Furniture and Fixture
- iv. Vehicle and motorcycle
- v. Electric equipment
- vi. Tools and Equipment

Code wise break-up of different assets:

Land & Land development	:	Land, Land development
Building & Construction	:	Building, Construction
Furniture & Fixtures	:	Board stand, Display board, Chair, Table, Book self, Cane chair, Cane table, White board, Cocks board, Rack, Wooden self, Computer table, Partex board, Almirah, Alna, File cabinet, Low bench, Tool / Small Bench, Coat etc.
Vehicle & Motorcycle	:	Motorcycle, Four wheel car, Van, Bicycle, Boat etc.
Electrical Equipments	:	Freeze, Television, DVD/VCD/VCP/VCR, IPS, Overhead Projector, Multimedia, Voltage stabilizer, Fan, UPS, Cassette player, Radio (wireless), Photocopier, Printer, Scanner, CPU, Franking Machine, , Hand mike, Monitor, Intercom, Battery, Camera, Video camera, Satellite Receiver, Telephone, Fax Machine, Solar Panel, Intercom, Battery, Laminating machine etc.
Tools and Equipments:	:	Spiral binder, Music instruments (Harmonium, Keyboard, Drum etc), Water Tank, Gas cylinder, Fire Extinguisher, Digital Multi Meter, Photo Electric Calorimeter, Microscope, Auto Lab Rotator, Micro Pipette, Water Heater, Generator, Engine (Boat), Water Motor, Balance with Weight, DC Counter and all kinds of pathology machine and equipments.

10.2 Calculation of Asset's Depreciation

- i. A separate asset register will be maintained at all the offices.
- ii. The calculation of depreciation will be followed through Straight Line Method. The way of calculation is : $\text{Depreciation} = \text{Cost of asset} / \text{Service life in year}$.
- iii. The depreciation will be calculated in every six months.
- iv. If the life time will be ended but the asset can be used then the price of the asset will be one taka.

- iii. The rate of depreciation of the assets will be as follows

SI	Name of the asset	Rate of Depreciation
1	Land & Land Development	No
2	Building & Others construction	5%
3	Furniture & Fixture	10%
4	Vehicle & Motorcycle	20%
5	Electric Equipment	20%
6	Tools & Other equipment	20%

- iv. Depreciated amount will have to be transferred to a separate bank account on half yearly basis in the name of “Depreciation Reserve Fund (DRF)”.
- v. As per budget, the assets should be procured. Before using the asset, the asset identity number, posting in the asset register will have to be completed and after than it will be useable.

10.3 Fixed Assets Management

A) Assets purchase and ID No :

- ii. Assets have to be purchased as per Procurement policy (Clause : 9.1) and the bill will be paid after getting certificate from the user. In terms of electrical material purchase then Coordinator-Web & Multimedia will provide the NOC. On the other hand for other purchase, the concerned committee member will have to provide the NOC. NOC is one kind of certificate where the member will ensure the quality of product that has been supplied according to work order.
- iii. After purchasing of assets, the accountant will have to make entry in to the assets register and then will ensure the ID no on it. After then accounting entry will have to be made for accounted for.
- iv. Before purchasing any assets and bill payment, the whole formalities will be pre-informed by Head-SAPM. If the purchase cost crossed tk.1,00,000/- then the whole process will have to be reviewed by Head-CAIA.
- v. The model of ID no will be “COAST/JB/02-07” (here, JB means Janata Bazar branch, 02 means the page no of assets register and 07 means the serial no of assets). In terms of donor funded assets, then donor’s code name will be replaced with JB.
- vi. The width of assets ID no will be ½ inch and it has to be drawn by a professional artist.

B) Using, Maintenance and Inventory of Fixed Assets

- i. Each office or sector head will have to maintain their office assets. An assets list has to be hanged in to the front door of each room and room chief will be responsible to keep in order the assets.
- ii. With a permission of ED, the office assets can be used personally from the position of Head to above. But this rule will not be applicable for laptop computer. The existence of assets will has to be complying with register.
- iii. Before using the assets, the user will has to be submit the demand letter towards Head-SAPM/Team Leader/Regional Program Coordinator. Accounts section will issue the assets as per the demand latter.
- iv. Before using the assets, the Head-SAPM/Team Leader/Regional Program Coordinator will has to be ensured an agreement with the user. A copy of agreement paper will be kept in user’s personal file.
- v. In branch office, at the time of balancing audit the assets inventory will have to be conducted by the balancing audit team and it will be quarterly basis. For other office it will have to on half yearly basis and the accounts section will be maintained the “Format-04” in this regard. With a signature of office head, the report will have to be submitter to Head-SAPM. Carbon copy will be kept at concern office.

C) Assets Purchase and Sales and Journals

- i. Assets have to be purchased as per procurement policy where ED/DD’s approval is must. Demand letter has to be submitted to H-SAPM before one week of assets purchase and “Form-5” has to be maintained for assets purchase. Bill can not be paid without recording assets in assets register. Without informing H-SAPM, the assets bill can not be reimbursed.

- ii. Delivery invoice has to be maintained in terms of assets delivery from DMTC to other Management and Training Center and HRM section will be ensured it. In the same way the asset receiver will have to send back a receiving copy with NOC (No Objection Certificate) in favor of HRM and Finance control section.
- iii. The bill of assets has to be paid from respective office. If any other office paid the bill then the payable has to be cleaned as soon as possible.
- iv. Assets can not be transferred from one office to other office other than sales and purchase between the offices. This transaction will be made with a written permission of H-SAPM and a "Format-1" has to be sent to H-SAPM on quarterly basis. Here the asset's value will be settled after deducting the depreciated value.
- v. After sales and purchasing formalities, the both office will have to make entry in to the ledger as well as in assets register with mentioning the reference offices.
- vi. Head-SAMP will have to maintain a control register for assets management where all kind of assets information will be kept. He will be made crosschecked with other office register in order to find out any inconsistency and will take necessary measure like reconciliation.
- vii. At the time of field visit from HRM section a physical verification report has to be submitted to Head-HRM with a copy to Head-SAPM.
- viii. If needs any repair of assets then in field level the requisition has to be submitted to RPC/Team Leader/H-SAPM. After getting the requisition the will verify/review it and then will provide approval for it and if the proposed assets found out of order then the concern person will certify for "Not for repairable". This copy will have to send to Head-SAPM for further verification and after getting his comments then the assets will be adjusted from accounts and from asset register.
- ix. The scrap asset will be kept in order till to further instruction from H-SAPM. Here instruction means either asset transfer or auction.
- x. If any asset need to send to Dhaka for repair than it should be to H-SAPM with a detailed. And if repairable in concern area than it has to be addressed to the concerned Team Leader. The both person will have to ensure the return of assets to the respective places after repair and from them a performance report of repaired assets has to be given to RPC/Team leader/H-SAPM.
- xi. Coordinator-W&MM is responsible for the repair of electrical material like computer, mobile, camera etc and for solar materials, Coordinator-Social Business will be responsible for this.
- xii. In terms of donor funded assets, then the organizational policy will have to be followed if the concern donor has no any particular policy or instruction.
- xiii. Till to end of donor project, the particular assets value will be reflected in to the global financial statements in the name of concern donor. When the donor will hand over the assets to the organization, then it will be treated as organization's own assets and will be recorded in to the organization's fixed assets register. A minute will be kept by H-SAPM in this regard.
- xiv. A separate asset register will have to be maintained for donor project and none of asset can be sold or transferred to other place without written permission from ED.
- xv. The following journal has to be maintained for procurement of assets and charging depreciation.

a) If the purchased assets treated as direct expenses,

Capital Expenditure A/C	Dr
Bank A/C	Cr

b) If the purchased asset not treated as expenses and charged depreciation on yearly basis,

1 st stage :	Capital Expenditure A/C	Dr
	Bank A/C	Cr
2 nd Stage :	Donor/Unutilized Fund A/C	Dr
	Fixed Assets Acquisition Fund	Cr

c) When Depreciation has been charged,

1 st Stage :	Depreciation Expenses A/C	Dr
	Capital/Assets Expenses A/C	Cr

2 nd Stage :	Fixed Assets Acquisition Fund A/C	Dr
	Income & Expenditure A/C	Cr

D) Asset's Report Preparation :

- i. Every 6th of each month, asset's report will have to be sent to H-SAPM according to "Format-2". Purchasing of current month asset will also be mentioned in Format-2. This format is applicable for the assets of Land, Building, Laptop computer, Monitor, CPU, UPS, Motorcycle, Vehicle, Overhead projector, Photocopy machine, Multimedia, Camera and Mobile phone.
- ii. After getting the report, H-SAPM will be reviewed the report. As per Format-2, he will have to summarize the report by following the Format-3 and will submit it to Deputy Director every 15th of month. After reviewing the report, the DD will be submitted it to Executive Director.

11 Auction Process

11.1 When and which category of asset could be auctioned :

All the assets which have no book value and the central accounts and administration section will certify that the asset can not be used can be treated for auction.

11.2 Steps of auction

- i. Before the auction made, a list of disorder assets will have to be submitted to H-SAPM for his verification. The assets value will be after deducting the depreciation.
- ii. Before starting the auction process a committee consisting 3 members will be formed through the letter from Team Leader for branch offices and other office it will be by Executive Director/Deputy Director. As per their written approval the member will have to announce through mike at least for two days before starting the auction.
- iii. No staff will not be allowed for the purchase of goods from auction process. At least 3 participants will have to be present in the auction other wise it process can be cancelled.
- iv. An advertisement will be published in national or local daily papers if the possible asset value stand tk.15,000/-.
- v. The money received from the auction will be deposited to the accounts section in the same day or next day and the accounts section will be provided the Money Receipts for it.
- vi. Before starting the auction a sum non refundable money will have to be deposited by participants. The amount of caution money will be declared by Deputy Director after getting the recommendation from the auction committee.
- vii. In terms of donor project, the assets can not be made auction without getting clearance from donor.

11.3 Resolution of Auction, approval and responsibilities

Every auction minutes will be sent to central accounts of DMTC by 7 days of auction completion. Accounts section will check the whole documents and will place to Executive Director for final approval. The auction the committee will be responsible, accountable and liable for any irregularities.

12. Operation of Bank Account

1. All the bank accounts of the Dhaka and other all offices will be operated by the signature of Executive Director and his designated 3 senior staffs. Where one is principal and other two will be co-signatory. Money can not be withdrawn with one signature where it will be required two joint signature. Among the two signatories one principal signatory is must.
2. The person who has the engagement with financial dealings can not be the signatory of bank account.
3. In branch level office, the Branch Manager and another two senior program organizer (designated by RPC), total three persons will be the signatory of bank account. Money will be withdrawn with two signatories, where principal signatory is must. The deposition of money to bank will be done by the regular staff of the organization.
4. The signatory can be verified the justification of CQ payment, even the have the right to stop signing though the bill is approved.
5. The CQ books and cash in hand will be kept in one locker operating by three keys, where one key will with branch manager, one with asst branch manager and the rest one will be with accountant.

13. Salary Payment Policy

13.1 Policy of salary disbursement

All the staff salary except support staff will be disbursed through respective staff accounts. Salary of support staff less than taka 1500/- per month will be paid through cash and taka 1500/- to 2000/- will be paid through open cheque and more than taka 2000/- then the salary will be given through personal bank account. If the salary will be given through cash and the amount will be taka 501/- and above then the revenue stamp will be affix with the payment voucher. Revenue stamp is not required if salary is being paid to staff salary account through bank transfer.

13.2 Punishment and fine for mistakes

At any level if the staff will do mistake and do wrong calculation for the salary distribution then

- i. In first time verbal warning and deduction of mistaken money
- ii. In second time written warning and deduction of mistaken money
- iii. In third time fine taka 100/- and deduction of mistaken money
- iv. In Fourth time disciplinary action taken and two times deduction of mistaken money.

13.3 Date of Salary Payment

In the beginning of the year the SC-BFC of DMTC will be declared the salary dates through a circular which will be followed in all offices. To change any date it has to be taken approval from SC-BFC.

13.4 Salary Approval

At branch level after getting the approval from Area Manager the salary can be paid. In the sector the respective 1st Supervisor will approve the salary sheet and for Dhaka office, it will be by Deputy Director.

13.5 Salary deduction system

- i. Any kind of salary deduction will be informed through a letter to the respective staff by the branch manager before disbursement of salary. If the salary deduction will be done from the accounts section of DMTC then the written letter will be sent to the respective staff and his/her supervisor as well as office before the salary disbursement. All the deduction letters will be sent to the respective personnel file and also to HRM section.
- ii. Salary held up related to target can be done by respective supervisor but except it, other deduction can not be done without the approval from Deputy Director.
- iii. If the salary of any staff will be disbursed less than or more than the accurate figure then it will be adjusted in the next month.

13.6 Approval of Pay-roll and Provident Fund

- i. Staff salary of field level will be paid through pay roll which will be approved by Area Manager where his/her salary will be approved by Regional Program Coordinator.
- ii. After deduction of 6% provident fund (In case of confirmed staff) from the salary the net amount will be shown in the salary sheet. In terms of provisioned staff, the PF will be deducted @ of 10%. But the Program Organizer will not be entitled here.
- iii. If any staff received the loan from provident fund then the installment will be deducted from the monthly salary. The manager-provident fund will send the loan schedule to the respective office.

13.7 Salary file

At all the offices the salary file will be opened where the salary increment, deduction salary sheet will be preserved.

13.8 Restriction on Salary Payment

- i. No advance salary will be paid to the staff even application can not be accepted.
- ii. No salary will be paid without appointment letter of respective staff but in some cases the DD can approved it with a discussion of ED.

13.9 Salary of suspended staff

During the suspension period 50% salary will be paid. Later on if the staff will not be accused then the deducted 50% salary will be paid with the next monthly salary. During suspension period the staff will not be entitled any other benefits.

13.10 Put remarks in to salary sheet

In the salary sheet the notes/remarks will be mentioned in case of staff transfer, bonus, any other facilities, increment arrear.

13.11 Calculation of one day salary

Total amount of salary will be divided by the total days of respective month for the calculation of one day salary.

14. Provident fund and gratuity

- i. After joining of any staff if there has mentioned about the provident fund deduction then as per the instruction the provident fund will be deducted from the monthly salary.
- ii. After confirmation of the position the provident fund will be deducted as per the organizational rule.
- iii. The gratuity equivalent to one month gross salary (year end) will be transferred to gratuity fund after end of the year of respective staff from the base office.
- iv. If any staff joins during the middle of year then his/her calculation will be based on the job days with the organization.
- v. The staff provident fund amount will be transferred to provident fund account in every 3 months afterward and the gratuity calculation will be on half yearly basis and will be transferred to respective bank account through A/C payee CQ or bank transfer.
- vi. The gratuity fund and the provident fund will be controlled and kept the accounts by the central accounts at DMTC.
- vii. The provident fund trustee will inform all the staff through letter about the last audited PF balance to the respective staff.
- viii. The gratuity and organizational contributory staff provident fund will not be entitled less than 3 years of job period in to the organization.
- ix. In terms of confirmed staff the 6% PF will be deducted from his salary as staff contribution and 4% PF will be the organization contribution. For provisioned staff, 10% PF will be deducted from salary but no organization contribution will be entitled for him/her.

15. Salary during maternity and education leave

- i. Before one year of job the female staff will get 3 months maternity leave without pay and during 2nd year the leave will be with pay. The contract staff will also enjoy the maternity leave without pay. But before the approval of medical leave, an application and medical certificate will be required.
- ii. During the one year job the staff will not be entitled any education leave. After one year the leave will be without pay and after two years the leave will be with pay with maximum 30 days leave. The leave will be approved after adjustment of earned annual leave. For getting this leave the staff will have to sign an agreement with the organization and the staff has to be submitted the admit card, exam routine etc.
- iii. A female staff maximum three times and a male staff maximum two times will be entitled for the education leave.
- iv. During the leave vacation, the nominee of concerned staff can be received the salary with a permission of RPC if it paid in cash or A/C payee CQ.

16. Different Allowances (Travel, Food, Child care and other allowances)

16.1 Travel and Food Allowance inside the working area.

A) Travel Allowance

For branch level staff, the travel allowance will not be allowed inside his working area. Branch level staff will be used bi-cycle but management can take any special arrangement for disable staff. Those staff who rides motorcycle will also not get any travel allowance.

B) Traveling and daily allowance

Except the field staff if other staff visit any field office then office will arrange the food and he will not produce any bill for that. In terms of non-MF staff and if he/she take food in that office, than the office will create receivable to Donor Project and it will be adjusted on quarterly basis. In terms of Management and Training Center, if any staff goes outside the office for official purpose and return after 8.30pm then he will get Dinner allowance and if the staff goes out side before 7.00am then he/she will get breakfast allowance.

16.2 Travel and Food Allowance outside the working area.

A) Inside the country

Office will pay the actual travel cost if any staff does travel the outside office officially. If any staff does any official work during the period of his/her leave then one way travel bill will be entitled for it. Te transport should be general and if any staff like to use airplane or micro reserve than ED's approval needs to be taken. In terms of using office jeep or micro than vehicle policy has to be followed.

Daily Allowance :

If any staff do travel out side his/her base office then during the travel period he/she will get tk.50/- for breakfast, tk.75/- for lunch and dinner respectively. On the other hand, if any food has been supplied in a workshop then office will not pay the allowance of that particular time.

Lodging Allowance during travel:

In terms of official night stay during travel time then office will pay maximum tk.750/- as hotel rent and if it required for excess rent then approval needs to be taken from ED/DD. The staff has to be submitted the original supporting papers against transport and others. If any staff do night stay by his own arrangement then office will not pay the bill for that.

B) Outside of the country (In the Asian Continent)

- i. Under the Asia Pacific country, in India during the period of journey by train or bus the daily allowance will be entitled US\$10 (US\$ 2 for morning, US\$4 for noon and night respectively). Allowance will not be provided in case of air journey. For other country of Asia this allowance will be US\$ 20 (US\$ 4 for morning, US\$ 8 for noon and night respectively)
- ii. In terms of non residential training accommodation charge will be applicable US\$ 10 for India and US\$ 30 for other country. If the food cost will not be beard by the organizer then the allowance will be USD 15 (morning USD 3, noon and night USD 6 respectively).
- iii. If the organizer do arrange the training cost then actual cost will be approved by the organization subjects to submission of actual bill from the organizer. If all the cost will be beard by the organizer then per day USD 5 will be allowed as pocket allowance.
- iv. In India local travel will be maximum USD 10 and for other Asian country it will be USD 20, but actual travel bill has to be submitted.
- v. Organization will bear the Visa, travel tax and other travel related expenditure
- vi. Office will pay 5 minutes telephonic bill with the family and with office in each week.
- vii. If any staff will want to purchase any development books or learning materials then it will need prior approval from the 1st Supervisor and this actual cost will be beard by the organization.
- viii. For contingency purpose, USD 100 for one week travel, USD 200 for two to three week travel and USD 400 for one month or more than one month travel will be allowed as advance. This advance will be used in case of treatment, luggage lost or for staying extra day in there. Otherwise the entire advance amount will be refunded to the office.
- ix. All the bill vouchers of the expenditure will be submitted to the office except pocket allowance.
- x. Organization will not bear any cost if other organization arrange the all cost as scholarship.
- xi. Within seven days after completion of travel then all the bill/vouchers will have to be submitted. After then the organization may not reimbursed the expenses.

16.3 Staff Transfer Expenses

Organization will bear the transfer cost of travel and carrying cost from one office to other office. The actual bill will be paid from the new office and general transport will have to be maintained. In case of transfer along with family then the furniture and other material transportation cost will be allowed.

16.4 Child Caring and Housing Allowance for Women staff

- i. This allowance will be entitled only for female or widow staff so that they could take care of their children. Tk. 200/- per month will be allowed for each children. At least two children from the age of 3 months to 3years 3months the allowance will be entitled. The children must be under immunization program and a photocopy of it will be required for getting this allowance..
- ii. Office will pay the actual travel, food and accommodation cost for the baby caretaker at the time of travel for under the age of 3years baby subject to official travel. But the original bill/voucher will have to be submitted.
- iii. Housing allowance will be followed as per HR policy.

16.5 Medical and Accidental allowance

Position wise medical and accidental allowance will be entitled as per following table :

Sl	Position	Yearly Medical Facility (Tk).		Total
		For the staff	Son / Daughter / Spouce	
1	Support staff	2500	1700	4200
2	Program Organizer	3000	1800	4800
3	Branch Manager	3500	1900	5400
4	Assistant Manager/Manager	3500	2000	5500
5	Assistant Coordinator	4000	2500	6500
6	Coordinator/Coordinator In charge/Project Coordinator	6000	5000	11000
7	Senior Coordinator	7500	6500	13000
8	Head	12000	10000	22000
9	Assistant Director	13000	10000	23000
10	Deputy Director/ Director	15000	13000	28000
10	Executive Director	15000	15000	30000

- i. Temporary staff will not be entitled for this medical facility. But if the job duration of contract staff exceeds three years then the medical facilities will be entitled.
- ii. Treatment expenditure will be reimbursed and no advance will be paid. Reimburse will be made after submission of authentic voucher.
- iii. In terms of job duration for five years or more than that then his/her son/daughter/spouse will be entitled for medical allowances. Later on if the bill/vouchers got false then two times of received bill will have to be refunded by the staff and in connection to this the checked by and approved by personnel also have to return 50% of paid bill.
- iv. During the time of duty if any staff fall in accident then 75% of total treatment cost will be reimbursed in yearly and if the job duration goes five years or more than that then 100% cost will be reimbursed.
- v. During the time of bill check and approve the concerned person will be mentioned the total expensed amount for the current year inside the top sheet of bill. Hear fiscal year means Jan-Dec.
- vi. Deputy Director will approve the all staff bill, where his bill will be approved by Executive Director. The bill of Executive Director will be by the Chairperson or Treasurer of BoT.
- vii. After occupied this benefit if any staff leaves the organization or be dismissed then the amount will be refunded as per following.
 - a. 100% amount for 1 year
 - b. Two thirds part for 2 years
 - c. One third for 3 years and
 - d. After three years no amount will be refunded.

- viii. If any staff got disable through an accident during duty time then that staff will get 4 years basic salary along with other benefits during the time of separation.
- ix. If any staff got die through an accident during duty time then that staff will get 5 years basic salary along with other benefits during the time of separation.
- x. If any staff got die naturally then that staff will get 3 years basic salary along with other benefits during the time of separation.
- xi. A note will be preserved in the personnel file of concerned staff by mentioning of total occupied medical bill support.

16.6 Housing allowance

COAST will provide housing facility to all staff. If the Program Organizers and Branch Manager in field level avails the official housing facility inside the office then per month per person tk. 50/- will be deducted from the salary. It will be applicable for regular/confirmed staff.

Position wise entitled housing allowance :

Sl	Position	Monthly housing allowance (Tk)			
		Union level	Upazila level	District Level	Capital/Other Divisional city
1	Program Organizer	300	500	700	Not Applicable
2	Branch Manger/Equal level	500	800	1000	Do
3	Assistant Manger/ Manager	700	1000	1250	2000
4	Assistant Coordinator	800	1500	2500	6500
5	Coordinator/Coordinator In charge/Project Coordinator	1000	2500	3500	
6	Senior Coordinator	Not Applicable	3500	4500	7000
8	Head/Head In Charge	Do	4000	5000	8000
9	Assistant Director	Do	Do	6000	10000
9	Deputy Director/ Director	Do	Do	7000	11000
10	Executive Director	Do	Do	9000	13000

- i. Housing allowance will not be entitled for those staff whose job office in own union.
- ii. Electric, water, gas, dish bill, home security bill will not be under this housing allowance. The staff will be beard this cost.
- iii. If the rented house is minimal than the entitlement then he/she will get the actual house allowance. On the other hand, if the rented house is more than the entitlement then office will not provide the excess rent.
- iv. This housing allowance will be applicable if the staff stay along with his/her family and if not do so, then has to be stayed in office own management. From the position of Head to above if any staff wants to avail a separate hose than office will pay the half of entitlement than as house rent. Even the actual bill will be applicable if the rented house is less than the half of entitlement.
- v. Housing allowance will be provided with monthly salary. Office will not pay any advance to the house owner that will be treated as security money. But office can paid maximum six months advance which will be adjusted on monthly basis.
- vi. An agreement will have to make with the house owner and the 1st Supervisor will approve the housing allowance based on this agreement..
- vii. Advance will not be allowed for the house owner for official purpose. But Executive Director can take decision in terms of special cases. Here an agreement will also be made with the house owner. The draft of agreement will be made by Regional Program Coordinator and the Head-HRM will edit it. The advance amount will be adjusted on monthly basis.

16.7 Allowance and other benefits from other organization.

- i. If any staff participate in a meeting/workshop/seminar/training on behalf of organization and if provides technical or consultation and for this reason the if that staff get any financial benefit than he/she has to be informed the organization regarding benefited amount.
- ii. After getting the written statement than organization will take decision how much amount he will get and how much to organization's general fund.
- iii. If any staff do not disclose this benefit and if the organization get inform about this then two times amount of the hidden amount will punished to that staff and in the same time disciplinary action will be taken.

17. Accounts calculation of suspended and other than suspended staff

17.1 Accounts responsibility of Suspended staff

Any suspended staff will not be involved with any accounts responsibility.

17.2 Final calculation of Separated staff

The salary will be stopped after submitting the resignation letter of that staff whose notice period. The final payment formalities of resigned/terminated/separated staff will have to be completed within the 30 working days from the date of separation and payment will be made from concerned office. Before taking the final payment, the concerned staff will have to communicate with HRM section in order to settle the date of receive. After receiving the final payment nobody can claim any due from the organization.

17.3 Audit conduction on separated staff before final payment

In field level if any staff goes for resign/terminate/separation then his/her all groups will have to be audited by nominated person by BM/ RPC/ Team Leader and audit will be completed within 15 days of separated date and the report will be sent to HRM section. From the position of Area Manager to above position, this formalities will be completed by Central Accounts section.

17.4 Final Payment Paid

Central accounts section will be responsible for paying any final payment. Final payment can also be made from respective region if the central accounts send the final payment sheet to that region. After preparation of final payment sheet if any staff will not receive the payment within two months then administration section will send a registered letter to his/her permanent address via post office. After sending the letter if the staff will not come to receive the payment then it will be forfeited through the approval of Executive Director.

17.5 Gratuity Calculation

Gratuity will be entitled at time of joining of any staff. Gratuity calculation will be made on monthly/yearly basis. If any staff leaves the organization within period of 3 years, then he/she will not get any gratuity money. Gratuity will be calculated from the time of joining. Gratuity will be calculated and transferred to gratuity account based on the last month salary of the year. Suspension period will not come under gratuity calculation.

18. Cash closing, Cash and bank book, ledger and report preparation

18.1 Daily cash closing, ledger posting and reporting list

- i. Accounting and business voucher will have to be maintained for individual transaction.
- ii. All accountant will have to close the cash on daily basis.
- iii. Transaction can not be made without closing transaction of previous day.
- iv. Daily transaction will be posted in ledger on daily basis.
- v. Corresponding page numbers will have to be written in cash book and in ledger.
- vi. Separate cash book and ledger (if required) will be maintained for individual donor.

- vii. After closing of cash it's breakup will be written in volt register where signature with seal of concern branch manager, branch account and one senior program organizer will be mandatory.
- viii. Except Dhaka office, the cash book of all other management and training center will be approved by the Team Leader. For branch office it will be by Branch Manager.
- ix. For Dhaka office the daily cash book will be approved by the SC-BFC or in charge of him.
- x. Any advance can not be included in cash and the cash in hand will have to be equal with volt register.
- xi. Office wise reporting list

Branch Office	Management and Training Center
i. Receipt and payment a/c	i. Receipt and payment a/c
ii. Income and expenditure report	ii. Income and expenditure a/c
iii. Balance sheet	iii. Balance sheet
iv. Trail balance	iv. Trail balance
v. Budget variance	v. Budget variance
vi. Advance list	vi. Advance list
vii. Bank reconciliation	vii. Bank reconciliation
viii. MIS	viii. MIS
ix. Savings and credit report	ix. Donor reporting

18.2 Reporting schedule in different level

Type of Report	Prepared by	Report checking and forwarding in deferent level				
		1 st Stage	2 nd Stage	3 rd Stage	4 th Stage	5 th Stage
FIS and RCF-MIS	Branch Manager	After preparation of report the unit manager will go to regional office.	As per the circular the sector head and regional program coordinator will send the report to Head in-CO. Report will contain eight parts. 1. RCF and MIS 2. Receipt payment 3. Trail Balance 4. Income & Exp A/C 5. Bank balance and bank reconciliation 6. Fund receipt and Transfer Report 7. Balance sheet 8. Budget variance	As per the circular all the report will be sent to Head-CAIA after checking of SC-BFC and then to Deputy Director. After completion of report the meeting will be conducted at all level and minutes will be sent through deputy Director	As per the circular Head-CFA will place the report to Executive Director and after signature the report will be submitted to donors by 10 th of each month. SC-BFC will submit the variance report to ED by 12 th of each month.	By 15 th of each month Deputy Director will submit the meeting resolution, FIS and MIS to Executive Director.
Fine for late submission and mistakes		For each day late unit manager will be fined taka 25/-.	Each day late the regional program coordinator will be fined taka 50/- and for each mistake s/he will be fined taka 25/-.	Each day late the sector heads or coordinator will be fined taka 75/- and for each mistake s/he will be fined taka 50/-.	Each day late the sector heads H in-CO will be fined taka 100/- and for each mistake he/she will be fined taka 75/-.	

- i. After closing the month the respective branch manager will prepare all the reports by next two days.
- ii. After completion of the report the branch manager will start for management & training center. In there the monthly coordination meeting will be held as well as the mistakes in reports, in ledger and bill vouchers will be checked and correct.
- iii. After that day the RPC and Area Manager will prepare the reports by next two days and will conduct a staff meeting in this regard.
- iv. All RPC will start for DMTC along with there consolidated reports and before that the concern RPC will be ensured the error free reports.
- v. In DMTC, the Head in-CO will be set with concern RPCs in order to review the RLF and branch expenses performance.
- vi. Head in-CO will be responsible for preparing consolidated RLF-MIS and SC-BFC will be for consolidated FIS at DMTC.
- vii. After than Head in-CO and SC-BFC will be submitted their respective report to Deputy Director.
- viii. Head-CAIA will be checked all the reports on behalf of Executive Director and after taking his signature it will be sent to concern donor.
- ix. The monthly variance reports will be prepared by Regional Program Coordinator by 8th of each month and will be submitted to SC-BFC. In relation to this by 15th of each month the Deputy Director will be set with Head in-CO and SC-BFC. After completion of all meeting then DD will submit the minutes and report to Executive Director by 20th of each month.
- x. In all sector like branch/region/project/sector/all MTC, the budget variance report will be discussed by the sector Heads. If found any excess expenses than budget, then they will have to adjust it.
- xi. The fiscal year will be followed (January to December) in terms of Budget.

18.3 Policy for the donor accounts

- i. All the donor grants will be deposited to the mother account of the organization. In case of donors instructions the process may be changed for the accounts keeping.
- ii. From that account the fund will be transferred to the respective project area.
- iii. In the donor account organizational money will not be kept.
- iv. Member's savings money will be kept under books of concern donor.
- v. Member's savings can be invested as FDR in any bank account in Bangladesh.
- vi. Donor's money can not be transferred to organization's other account.
- vii. LLP/DRF/DMF money will be transferred to respective bank account on monthly basis.
- viii. Every end of month the receivable and payable functions will be mitigated in between the Management and Training Centers.
- ix. Provident fund and overhead fund will be transferred to the respective accounts on monthly basis.
- x. Loan money (Pr & SC) will be refunded to donor as per their repayment schedule.
- xi. Receivable and Payable money can not be shown in Balance Sheet.
- xii. Cash book, ledger book and collection sheet will be kept separately.
- xiii. Aging schedule has to be prepared as per nature of loan.

19 Cost Centre, Code and Budget holder

19.1 Budget holder

In the field level the branch manager will be the budget holder and for other office the RPC, Team Leader, Project Coordinator, Senior Coordinator, Head (in), Head, Assistant Director, Deputy Director and Executive Director will be the budget holder for their respective sector.

19.2 Cost Centre and Code of Accounts

- i. With the signature of SC-BFC the budget and cost centre will be circulated before starting of the project expenditure. Without this circular any expenditure can not be started.
- ii. Some instance of the cost centre have been given below

Expenditure Code	Cost Centre
Coastal Association for Social Transformation Trust	CST
Action Aid Bangladesh	AAB
Stromme Foundation	SF
Manusher Jonno Foundation	MJF
CARE, SHOUHARDO	SHOUHARDO
Election Working Group	EWG

- iii. Cost centre will be mentioned in accounting voucher by the sector head when the expense will be made. In relation to this the he/s has to be followed the circular of SC-BFC. Every end of month, the vouchers will be sent to central accounts section and for multi expenditure under one head then one accounting voucher will be maintained and the related business vouchers will be enclosed with it.

20. Budget holder and cost centre of project expenditure

In terms of project expenditure, without the circular related to use cost centre from SC-BFC, no any expenditure could be started. The responsibility of budget holder is to ensure the expenditure as per approved budget.

21 The policy of Telephone, Mobile, Fax and E-mail using

Organization will be provided the mobile bill support to the staff as the per need and position base. The following policy will be followed for giving the telephone, mobile, fax, e-mail bill payment

- i. The password for using telephone and fax will be kept by Deputy Director and Executive Director for DMTC, the Team Leader for Management & Training Centre and the Branch Manager for branch offices. In relation to this, a log book will be maintained for this.
- ii. In terms of excess telephone bill paid than approved budget then the concern staff will be adjusted the excess bill by his/her own means.
- iii. Executive Director and Deputy Director will not get any excess mobile bill payment against their fixed bill. On the other hand, if the bill will be less than the entitlement then the actual bill will be paid by office. Office will keep a photocopy of that bills.
- iv. For other staff, the mobile support will be paid along with salary every end of month.
- v. Those who are entitled to get mobile support, can not be switched off within the network coverage.
- vi. If any staff do purchase any mobile phone taking loan from office and if he/she likes to leave the office then before claiming the set, he/she will be returned the remaining loan amount to the office.

22. General Fund Account

All kinds of non refundable income will be kept in general fund account.

- i. An STD account will be opened for this general fund account.
- ii. That account will be operated by the Deputy Director and Executive Director.
- iii. Without pre-approval from ED, no any expenditure could be made from this account.

23. Accounts related file maintain

The following table will be the list of the files of different offices

Branch Office	Management & Training Centre
i. Daily Voucher file	i. Cash and Bank receipt voucher file
ii. Financial Circular file	ii. Cash & Bank payment voucher
ii. Demand note file	iii. Journal voucher
iii. Delivery note file	iv. Money denomination sheet file
iv. Budget file	v. Financial Circular file
v. Budget variance file	vi. Demand note file
vi. Accounts report file	vii. Delivery Challan file
	viii. Inventory file
	x. Donor file
	xi. Bank signatory file
	xii. Budget file
	xiii. Budget variance file
	xiv. Vendor file

