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Revised on April 2018

COAST Financial Policy



Coastal Associational for Social Transformation (COAST) Trust

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Rezaul Karim Chowdhury
Executive Director
COAST Trust

Next Revision : April 2023

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Chairperson-Board of Trustee
COAST Trust

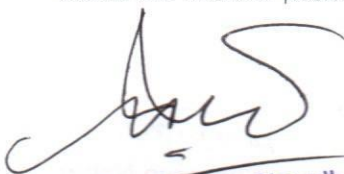
1. Philosophy of creating Accounts Keeping and Audit policy


- 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 cannot be engaged in operating bank account as well as any procurement. Otherwise 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 come for the poor, so this organization is the public organization and we all are accountable to the poor.
- vi. Conducting audit is not only confirm the calculation 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 of 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 any senior staff and the sector heads of the organization 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 any financial loss due to neglect 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

Accounts keeping is the process of recordkeeping of all financial transaction of the organization in order to assess the financial position of the organization.


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2.2 Characteristics of transaction

- Change of finance position : Decrease/Increase/Transfer of money
- Measurable in terms of money : No transaction if no measuring by money
- Double entry/Two parties : Should have receiver and payers
- Self-sufficiency and individuality : Every transaction will express separate location
- Visibility : The event must result in transfer of property or service

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

- Cheque and its 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

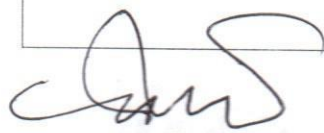
- Tour program, - Travel voucher, - Miscellaneous voucher

Accounting voucher


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

2.4 Charts of Accounts (For field level)

In terms of Asset item	
1) Fixed Asset	Land and land development Building Furniture and Fixture Vehicle Electric equipment Office equipment
2) Intangible Asset	An intangible asset is an asset that is not physical in nature, such as a patent, brand, trademark, or copyright and computer software etc.
3) Loan balance at field level	RMC/MFTS/UMC ME (GOB) Ultra-poor SHAHOS Rescue IFRAF MOUSHIMI Others
4) Loan and Advance Account	Advance Account (staff) Advance account (Office) Mobile loan account Bi-cycle loan account Motor cycle account Revenue account
5) Receivable Account	Central office account Solar program account Suspense account Grant (MFTS/Others)
6) Investment Account	Savings FDR LLP DMF DRF
7) Closing Balance	Cash in hand Cash at bank
In terms of capital and liability	
1) Fund account	
2) Accumulation Account	LLP DMF DRF



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3) Mother loan Account	RMC/MFTS/UMC ME (GOB) Ultra-poor SHAHOS Rescue IFRAF MOUSHIMI Others
4) Savings Account	RMC/AFTS/USTC ME(GOB) Ultra- Poor UMOKTO Terms Savings
5) Payable Account	Central Office account Solar Program Account PF Fund account Gratuity Fund account Interest on savings Salary and benefit account Fuel cost Electricity bill account Service charge - mother loan account Interest on Bank loan account
In terms of expenditure	
1) Service charge – Mother loan account	RMC/MFTS/UMC ME (GOB) Ultra-poor SHAHOS Rescue IFRAF MOUSHIMI Others
2) Administrative expenditure	Salary and benefits Staff training Office rent Traveling and food allowance Stationary and printing Refreshment Fuel and oil Electricity bill Phone/fax Office maintenance Refreshment Mail/e-mail/postage Repair and maintenance Beneficiary training / Stakeholder training Money misappropriation

	Stakeholder meeting Day Observation Service charge to Mother A/C Legal Expenses Welfare fund expenses Vaccine purchase Chick/Duck rearing Overhead expenses
3) Financial Cost	Interest on savings account Interest on terms loan account LLP expenditure DMF expenditure DFR expenditure
In terms of Income	
1) Realization service charge on loan	RMC/MFTS/UMC ME (GOB) Ultra-poor SHAHOS Rescue IFRAF MOUSHIMI Others
2) Income from salary	Punishment Seat rent Bag/Diary/T-shirt sale

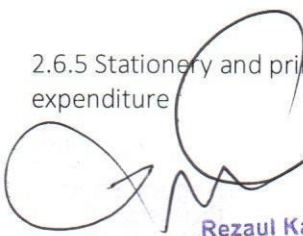
2.5.2 In terms of expenditure: Sector/Principal Office :

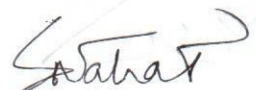
1) Expenditure	Salary and benefits Staff training Office rent Traveling and food allowance Stationary and printing Refreshment Fuel and oil Electricity bill Phone/fax Office maintenance Refreshment Mail/e-mail/postage Repair and maintenance Beneficiary training / Stakeholder training Money misappropriation Stakeholder meeting Day Observation Service charge to Mother A/C Legal Expenses Networking
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	Social contribution Welfare fund expenses Vaccine purchase Chick/Duck rearing Overhead expenses Mother loan service charge Bank charge on FDR Others bank charges
2) Income	Service charge on loan Grant/Donation A/C Membership admission fees Sale of Pass book Sale of regulation khata Format A/C Chick/Duck rearing income A/C Vaccine and medicine sale A/C Bag/Rain Cot/Dairy/Cap/T-shirt sale A/C Seat rent A/C Punishment A/C Bank interest Forfeited amount

2.6 Sub line items/heads accounts of main accounts

Main heads of accounts	Sub heads of account
2.6.1 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. Guard salary
2.6.2 Utilities	ix. Picnic subsidy i. Electric bill ii. Electric line repairing iii. Bulb and wire purchase
2.6.3 Office maintenance	i. Repairing of furniture ii. Kerosene purchase iii. Tax iv. Cookeries purchase v. Office cleaning
2.6.4 Refreshment	i. Refreshment (Staff) ii. Guest entertainment iii. Off day refreshment
2.6.5 Stationery and printing expenditure	i. Office stationary ii. Printing


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2.6.6 Cases expenditure

- iii. Photocopy
- i. Case expenses (staff/beneficiaries/others)
- ii. Advocate fee
- iii. Court fee
- iv. Expenditure in Police station

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. Cheque/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 A/C 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)

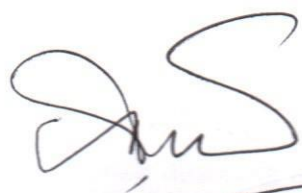
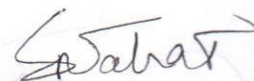
Mother loan A/C Dr
Mother loan service charge A/C Dr
Bank A/C Cr


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- 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)
- X office entry
- | | |
|----------------------------|----|
| Project office account | Dr |
| Staff vehicle loan account | Cr |
- Y office entry
- | | |
|----------------------------|----|
| 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 cheaque
 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

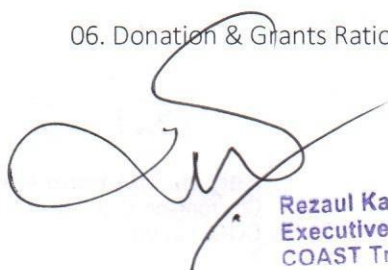
Fixed asset account	Dr
Creditor account	Cr
- v. If any revenue expenditure made in credit

Expenses A/C	Dr
Creditor account	Cr
- vi. Asset purchased for donor supported project where organization has contribution

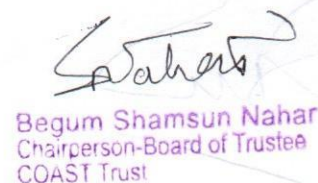
Donor contribution account	Dr
Central office account	Cr

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



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07. Portfolio / Staff: $\frac{\text{Total Loan outstanding}}{\text{Number of staff}}$
08. Repayment Rate: $\frac{\text{Loan Realized Amount}}{\text{Loan Realizable Amount}} \times 100$
09. 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. 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 approved budget. Any expenses out of budget cannot be acceptable. In special cases non-budgetary expenses can be incurred upon getting prior approval from the Executive Director/Director/Deputy Director-F & C but before getting the approval of a non-budgetary expenses but reasonable, the concern office/Branch has to mention in written that how they adjust the extra expenses with the annual income or within other heads of the existing budget. Any expenses out of budget cannot 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

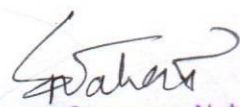
He who will receive the money to make expenses or procure any item/product/service will be treated as received by. Received by signature and receiving date is must be needed in preparation of any kind of bill.

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.

a. Paid by

- The person who is responsible for purchasing goods will be treated as Paid by
- The concern person will pay the money and put his signature and seal into the voucher as Paid by.
- The purchaser all time will be paid by and nobody can make other for Paid by who is not involved with the purchase.


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b. **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 according to the policy and guideline; Like
 - There is no 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.
 - Revenue stamp is affixed in the bill, if the bill amount is more than tk.400/-
 - Whether Money receipt is attached with the bill.
 - Traveling and accommodation ticket/invoice (if crossed tk. 200/-) 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.

c. **Approved by**

During the approval of vouchers the following things have to be followed

- a. The expenses are within the budget.
- b. Expenses have been done as per the policy.
- c. In case of goods purchase the quality and price should be similar with present market price.
- d. Received by, Checked by and Paid by signature with seal has to be ensured.
- e. If any particular purchases of Central or Regional office crossed tk.15,000/- and in field level if it crossed tk.2,000/- then the physical verification should be needed before approval.
 - Whether the expenses are within the budget or not?
 - Whether the expenses are accurate and actual?

5.3 **Accountability in different levels**

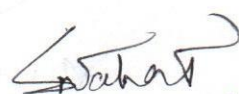
The responsibility of "Received by", "Paid by", "Checked by" and "Approved by" has been segregated to make them accountable specifically.

- 5.3.1 Meaning of the above four responsibility has described previously, if any financial misappropriation legally proved in an approved voucher, then the accountability will be distributed as per following ratio and they will have to refund the money accordingly.

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


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5.3.2 If the above matter will be done second time then the respective staff will be under disciplinary process.

5.4 Approval Authority

5.4.1 It is mandatory that 1st supervisor will approved all budgeted expenditure.

5.4.2 The respective sector head will approve his/her sector colleagues' bill vouchers under the budgetary expenses.

5.4.3 All bill voucher of Assistant Director/Deputy Director will approved by Director and bill voucher of Director will be approved by Executive Director.

5.4.4 The bill vouchers of Executive Director will be approved by Chairperson of Board of Trustees.

5.4.5 Bill voucher of Assistant Director/Deputy Director/Director and Executive Director will be checked by Deputy Director – FC& A.

5.5 The persons who will be checked by and who cannot be checked by and paid by

5.5.1 Executive Director and Deputy Director cannot be paid by and Checked by person but all designated staff can be paid by of their own expenses, mentioned that Executive Director/Director/Deputy Director can be approved any departmental/Sectoral bill voucher of any colleague.

5.5.2 Accountant will be the Checked by of respective Branch/MTCs/Sector and projects related bill voucher. In terms of Principal office Head- Accounts will be the checked by of all bill vouchers.

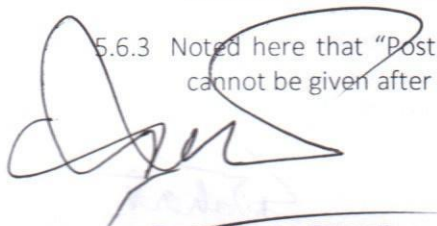
5.5.3 The Paid by, the Checked by and Approved by persons should be a separate person.

5.6 Demand note of budgeted expenditure.

5.6.1 Firstly, Demand note or purchase requisition has to be submitted to Accounts Department before made any expenses then respective staff of accounts Department will verify the requisition whether it is within the budget or not and will give his signature with the seal "Budget available-Expenses can be done". If sector head will approve the requisition then expenditure can be made otherwise not. Head of the Department/Sector can be approve any expenditure which is within the budget and related to his Department/Sector.

5.6.2 If budget not available, than Assistant Director – Core Program can be approved maximum 10% extra budget of total approved budget only to operate field program (MF) but before this he has to discuss with Head- Accounts department also with the recommendation of Accounts- Department Director can be approve 10% extra budget and beyond 10% Executive Director will approve the extra budget. Mention here that if the organization has deficit income then Head- Accounts can be reconsider his recommendation.

5.6.3 Noted here that "Post Facto Approval" cannot be given in any way that means approval cannot be given after doing the expenditure.



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Indent letter for approval to do budgeted expenditure (Month basis)

Serial No.	Details	Quantity	Present stock	Estimated unit price	Total estimated price	Total approved budget	Comments
1	2	3	4	5	6	7	8
Applied by Checked by (Acc. Department) Checked by (Store Manager) Approved By							

If there has no approved budget then the following process has to be followed:

01. Comments of – Head- BFM
02. Comments of – Assistant Director – HRM
03. Comments of – Director
04. Comments of – Executive Director

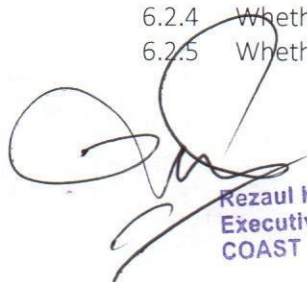
6. Processing of Bills and its Responsibilities

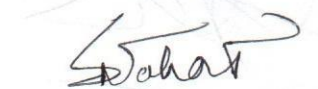
6.1 Using Seal, Signature, Revenue stamp, VAT and Tax:

- 6.1.1 Every bill/business voucher should be finalized for the payments with the following signatures and seals
 - a. Received by
 - b. Paid by
 - c. Checked by
 - d. Approved by
 - e. PAID (the seal after payment made)
- 6.1.2 Every staff of the organization has to be ensured their signature and seal in to the voucher. Date/Month/year has to be ensured with every signature. In this case, any exception will be considered as irregularity and the respective bill voucher can be rejected.
- 6.1.3 The bills more than tk.400/- 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, so that it cannot be reused.
- 6.1.4 VAT & Tax has to be deposited according to the government rules. 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.

- 6.2.1 Whether the bills have been prepared as per the financial manual.
- 6.2.2 Whether the expenses is within the budget.
- 6.2.3 Whether advance has been paid and adjusting as per policy.
- 6.2.4 Whether assets have been procuring and keeping as per policy
- 6.2.5 Whether expenses Code and Cost centers have been mentioned accurately.


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If any unintentional mistake will be found then those will be rectified and if any misappropriation will be found then disciplinary actions will be taken against respective persons and according to the audit report bill voucher will be sent to respective office after putting **Reviewed by** seal and signature of the auditor.

6.3 Audit of Voucher(s)

As per the reporting schedule the central accounts section will send the bill vouchers to audit section fortnightly. Audit section will complete the full audit of all the bill vouchers within 07 days 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 for auditing purpose. He can also issue the show cause letter to any staff subject to violation of accounts policy on behalf of Executive Director.

After that audit department will prepare an audit report and with the permission of Executive Director it will send to Accounts Department for taking action. The audit note will be included the following things.

- 6.3.1 For any intentional mistakes they can recommend for further investigation and the extra expended money can be deducted from the respective staff as per policy.
- 6.3.2 Warning letter can be issued in order to do unintentional mistake.
- 6.3.3 Recommendation can be drawn for changing of the policy.
- 6.3.4 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 can 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, overwriting or any erasing or use of any artificial ink in to any accounts related papers and register. This type of irregularities will be considered as punishable offense.

6.5 Voucher Preservation, Returning and Damaging

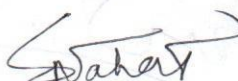
Unless there is no instruction then all bill vouchers will have to be preserved at least five years. After five years, by taking approval and instruction from budget and finance controller the bill vouchers have to be burned but in that case a minutes have to be prepared but electricity bill, Water, Gas and telephone bill, Challan of tax and vat, municipality tax, e-mail correspondence and all agreement any kind of legal documents and electronic data cannot be destroyed and must be preserved properly in soft/hard version which one is convenient. On the other hand all bill voucher of donor project will be preserved as per the instruction and according to the agreement of the donor agency. The vouchers will be preserved in the respective office. Monthly bill vouchers of the branch offices have to be checked by the regional coordinator and area manager by 20th of next month and will return to the respective branch office with in the same time.

7.00 Advance Receiving and adjustment:

Policy of advance receiving:

- 7.1.1 Advance can be received only for program implementation, goods purchase and official traveling purpose.
- 7.1.2 Nobody is allowed to receive advance from other base station or office.
- 7.1.3 One staff cannot receive and spend the advance of other staff and he will not be "Paid by person". Mentioned that the person he who is authorized by the management for meeting/seminar/ workshop purpose he will take advance and will adjust by himself. He cannot spend the money withdrawn by another person.
- 7.1.4 In the advance requisition form detailed break down and purpose of advance have to be written clearly (like Travel, food, date, month etc.) Date of adjustment must be specified in the requisition form.
- 7.1.5 First Supervisor of respective staff will approve his advance requisition. Advance requisition of departmental head shall be approved by the Team leader of that office. But before taking advance the requisitioned will be ensured the comments "No Advance" and signature of the Accountant from respective accounts department.
- 7.1.6 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.
- 7.1.7 Daily based advance list will be written down in the display board.
- 7.1.8 The respective staff who will take the advance should take the approval from his/her 1st supervisor one day before of receiving the advance and will submit to the accounts section.
- 7.1.9 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.
- 7.1.10 2nd advance cannot be taken without adjusting the 1st advance. But if 1st supervisor of the respective staff will not available due to any reason, than 2nd advance can be taken subject to submission of all vouchers of 1st advance.
- 7.1.11 An advance will be treated as adjusted when all submitted bill vouchers against an advance will be checked and signed by an accounts officer and after that approved by the 01st supervisor.
- 7.1.12 If a staff submit his all bill voucher in accounts department to adjust his advance but advance cant not adjusted for any special cases and in the meantime he needed 2nd advance for official purposes, in that cases every staff should take written approval from the Director. In cases of Bhola/Nowakhali/cox's bazar/ Chittagong region and project, approval can be taken through e-mail.
- 7.1.13 In terms of inter-district travel and food allowance 80% advance of total demand can be taken, but 100% advance can be taken to implement program activities.


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7.2 Limit of advance and approval authority in field level.

7.2.1 Advance approval and receive according to staff level.

Recipient in the field level	Approval authority	Approval limit for Travel (Tk)	Approval limit for program (Tk)
Credit Development Officer, Livestock Technical Assistant, Paramedics	Branch Manager	3,000/-	30,000/-
Branch Manager	Area Manager	3,500/-	30,000/-
Area Manager/BA	Regional Program Coordinator	4,000/-	30,000/-
Regional Program Coordinator /PM/PC	Team Leader/PC/PM	5,000/-	30,000/-
Team Leader	First supervisor of that staff	5,000/-	30,000/-
Project staff	Branch Manager or 1 st supervisor of project staff if he stay in respective region.	5,000/-	30,000/-
Pr. Office staff	1 st supervisor	15,000/-	30,000/-

7.2.2 One staff cannot get advance from other offices but in case of training this can be considered. But with the written approval of Director any staff can get the advance from other offices, in that case Head of finance department will ensure the adjustment process.

7.2.3 For advance receive or adjustment the signature of respective staff will be required.

7.2.4 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. In that case up to Area Manager Level will get maximum 5,000 taka, up to program coordinator level will get maximum 8,000 taka, up to head level will get maximum 12,000 taka and up to executive director will get maximum 15,000 taka as material carrying cost.

7.3 Advance Adjustment Policy :

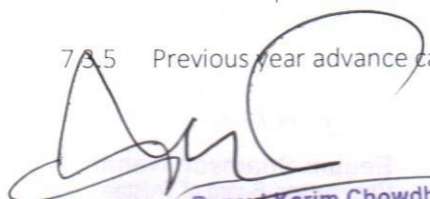
7.3.1 If advance taken for doing expenses (like- Travel, program or procurement) within the working area then advance will have to adjusted within 48 hours after completion of work.

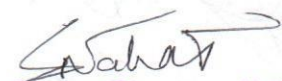
7.3.2 Employees who will visit outside of working area for official purpose they will have to adjust their advance within 48 hours after returning to working place.

7.3.3 Noted that, if the advance will not be adjusted within 48 hours then the respective office will not bound to pay the expenditure against advance.

7.3.4 Every office must be adjusted all advance with in 30th June and 31st December. Any exception will be treated as punishable offense.

7.3.5 Previous year advance cannot be adjusted or balance forward to the next year.


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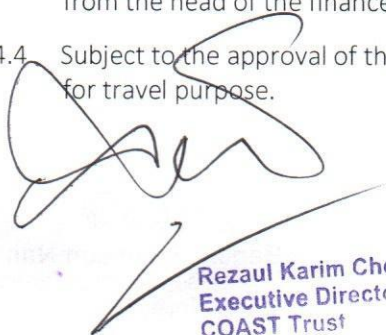
- 7.3.6 If advance of any employee will remain unadjusted till last working day of month then his/her salary of that month will be suspended.
- 7.3.7 At the time of advance receive and adjustment, the accountant has to be ensure the receiver's signature in all sectors of Advance register.
- 7.3.8 After completion of the work then the bill vouchers will be submitted to the accounts section and the account section will ensure a seal of "Advance Information Seal" on the submitted bill/invoice. Specimen of the Seal:

Advance Information	
Advance Receive Dt....., Tk.....	
Work Completion Dt.....	
Bill Submit Dt....., Amount.....	
Received by Account Tk.....	Sign & Dt.....

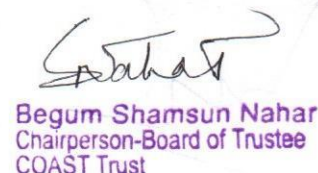
- 7.3.9 After submission all vouchers, the accounts section will be checked it and will process for the approval. If the 1st supervisor of the respective staff do not stay a base office than with a written approval of Director the 2nd advance can be provided to the same staff.
- 7.3.10 If an employee do not receive advance but he spend his own money for the purpose of official activities in that case full amount will be reimburse to the him after submission of reimbursement request to finance department along with recommendation of respective supervisor and getting approval from DED/ED. This expense include local travel, Field visit, Accommodation, Fooding, Donor and stakeholder entertainment/hospitality, any emergency procurement, staff transfer cost and medical bill. But reimbursement cannot be done for unauthorized travel and unapproved budget also the expenditure that not match with the policy of the organization it will not be reimbursed.

7.4 Limitations and Approval of Advance receive:

- 7.4.1 Advance can only be given against the approved budgetary expenses. Advance cannot be given for non-budgetary expenses.
- 7.4.2 From the level of Logistic organizer to Regional program coordinator can be taken maximum advance taka 15,000 for travel purpose, taka 40,000 for implementing program activities and taka 50,000 for procurement purpose the approval of this advance will be given by respective Team leader of this area. If advance requisition exceed the mentioned limit then approval should be taken from head of finance department. In the same way the Teal Leader will take approval from his supervisor.
- 7.4.3 All sector head of principal office can be approve maximum advance taka 15,000/- for travel, taka 30,000/- for budgetary program expenditure and taka 20,000/- for purchase material of their subordinate. If the advance amount exceeds the limit, then the recommendation should be taken from the head of the finance department and approval from the Director.
- 7.4.4 Subject to the approval of the Director, Assistant Director and Deputy Director can be taken advance for travel purpose.



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7.4.5 Subject to approval of the Executive Director, Director can be taken advance but in that case DD- FC A will be checked by the requisition.

7.4.6 Advance requisition and all adjusted bills of the Executive Director shall be approved by the Chairman of the BOT.

7.5 Preparation and Sending of monthly advance report

7.5.1 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 hanged in office notice board.

7.5.2 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.

7.5.3 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

Transaction limit of Management & Training Centre (Except Principal Office)

8.1.1 Closing balance of petty cash will be maximum tk.5000 at the end of daily transaction. Vendor payment above tk.3000 will have to be paid though account payee cheque and in case of payment made to the staff, more than tk. 5000/ will have to be paid through account payee cheque except staff advance, advance can be paid in open cheque.

8.1.2 No bill can be paid without approval of proper authority.

- 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.
- If any vendor or third party will delegate any person in written to collect the cheque/DD in favor of him then the receiving acknowledgement of the delegated person will be treated as vendors receiving.
- After completion of the transaction the accounts will have to be closed in the same day and the next transaction will not be started before the closing of previous day accounts.

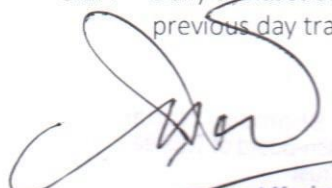
8.2 Transaction limit in the field level

8.2.1 Closing balance of petty cash will be maximum tk.2, 000 at the end of daily transaction. If the distance of the branch will more than 3 Km from the bank than the respective branch 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/-.


8.2.2 After end of the daily transaction, cash book of the respective branch will have to be closed where branch accountant and branch manager will put their signatures with date and seal.

8.2.3 After closing the cash book, respective branch manager, Accountant and one senior program organizer will jointly sign in the volt register.

8.2.4 Daily transaction have to be completed in same date, No transaction can be done before closing the previous day transaction.



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8.3 Transaction day in all Management and Training center

Accounts section will make transaction and adjustment of expenses from 11am to 3pm any three days of a week. Chief of the office will fix the transaction days. If the above date will be any holiday then on next/previous day can be the transaction day.

8.4 Transaction limit at Principal Office

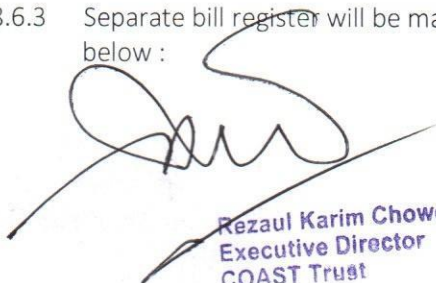
- 8.4.1 Maximum tk.15, 000/- can be kept as cash in hand and out of this tk.15, 000/- will be kept in order to meet the emergency situation. Balance of this emergency fund will remain taka 15,000 fixed, out of this taka 10,000 must be kept in hand and the rest of the amount taka 5000 can be used for emergency procurement and travel expenses for service staff. In case of payment made to the staff, more than tk.20,000/ will have to be paid through account payee cheque except staff advance, advance can be paid in open cheque.
- 8.4.2 No bill can be paid without approval of proper authority.
- 8.4.3 After closing the daily transactions, the assigned staff will put their signature in the volt register with date and seal.
- 8.4.4 Daily transaction have to be completed in same date, No transaction can be done before closing the previous day transaction. In that case the concern staff and chief of the office will have to put their signature (with date and seal) in the cash book.
- 8.4.5 Cash in hand cannot be used for purchase of material or any emergency procurement.

8.5 Open a new bank account and close the existing bank account


- 8.5.1 As per the written instruction of Executive Director new bank account can be opened in favor of the Organization. Without signature of the Executive Director or Director no Bank account can be opened or closed.
- 8.5.2 In the same way to close an existing bank account the Executive Director or Director will sign in bank account closing letter.
- 8.5.3 The mother account of the organization will be opened by the written instruction of Chairperson of the Board of Trustee and this account will be closed through the signature of the Chairperson. Mother account will be operated with the joint signature of the member of Board of Trustees.
- 8.5.4 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 Procedure to payment and sending bill to third party, other organization and vendor

- 8.6.1 In every offices a separate file will be maintained for individual vendor and organization.
- 8.6.2 As per the rules all related documents must be kept in the file. There should also some paper that will be used to write down special instruction, decision and approval process.
- 8.6.3 Separate bill register will be maintained in all office for all the parties. Specimen has been given below :



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Challan no.	Reference no.	Description	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:

Cheque/DD issuing approval and signature	Cheque/DD issue date	Cheque/DD no.	Account no.	Amount of money	Prepared by	Co-Signatory	Prin. Signatory	Cheque/DD transfer date	Money receipt no.	Amount given against total bill	Rest amount	Completion all process 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.

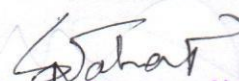
- 8.6.4 Without receiving grant from other organization any expenditure related to the programs of that organization will not be made.
- 8.6.5 After getting the grant the head of finance department will settled who will be the Paid by, Checked by and Approved by persons
- 8.6.6 All the vouchers will be submitted to Coordinator-Finance & Accounts. After checking, the bills will be signed by head of accounts, Director and Executive Director and all bill will be sent to the respective organization.
- 8.6.7 Noted that without written approval of Executive Director, no staff will be allowed for financial dealing with an external organization.
- 8.6.8 A formatted register should be maintained to record all receivable and the amount has to be recorded in the ledger book according to the head, the balance of receivable amount has to be adjusted after getting full or partial amount from respective organization. The following format will be maintained for the register.

Date	Cause of expenditure	Amount expended	Sending date of bills	Signature of bill prepared by	Recorded in the books of accounts or not	Receiving date of cheque/DD	Cheque/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 vacation time

- 8.7.1 If the management has declared date of vacation then all office in-charge will ensure depositing all cash to the bank in last working day and the balance of the cash in hand will be nil.
- 8.7.2 The office chief cannot leave the office for vacation before depositing the cash in hand to the bank.


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8.7.3 If any incident will happen during the vacation period, then all liabilities will have to be taken by the office chief, in that case the organization will not take any liability.

8.8 Accounts Payee cheque

8.8.1 Cash payment are strongly discourage and for Principal office if payment exceeding taka 5,000 must be paid through account payee cheque and for filed office it will be Tk.3,000/- for supplier / vendor / 3rd party.

8.8.2 The account payee seal will be used in both part of the cheque, i.e. one in counterfoil and other one in the main part of cheque.

8.8.3 If any office will void this rule then the office chief will be under disciplinary action.

8.8.4 If any office chief will issue open cheque by using account payee seal in the counterfoil then this will be treated as misconduct.

9. Procurement policy of Goods / Materials

Guideline for procurement of materials, service, construction, maintenance and development work

9.1.1 Any staff from Accounts (Directly involve in financial transaction) and Internal audit department will not procure any kind of service/goods even will not join in purchase committee. In country, Executive Director, Director, Deputy Director, Assistant Director and Head of Department will not procure any goods/service for their own department.

9.1.2 Purchase requisition and budget approval:

- Purchase requisition and sufficient budget is needed for every procurement. Recommendation should be taken from Head of IT department for purchasing of IT related products and services.
- Purchase requisition should be sent to Budget Holder of Accounts department and later on the budget holder will send this requisition along with the recommendation to the concern approval authority. The budget applicant will take recommendation from his/her 1st supervisor if the approved by person and the 1st supervisor is not same person.
- If the purchase requisition is within the approved budget then the approval person will directly approved this requisition for its purchase or expense. If the requisition is not with in the budget then additional budget approval has to be taken from Director and Executive Director, COAST.
- In case of out of budget, the Director will give approval up to Tk2.00 lac and if it is exceed then approval has be taken from Executive Director.
- In respect of purchase, the user's name (person or office or sector or office) should be written down clearly in purchase requisition.
- Requisition Approval Authority :

Designation	Approval Limit
Regional Program Coordinator /Others Sector Head/Project or Program coordinator.	50,000 (Fifty thousand) Taka
Regional Team Leader	100,000 (One Lac) Taka
Director	500,000 (Five Lac) Taka
Executive Director	Above 500,000 (Five lac) Taka


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- 9.1.3 No procurement will be made from any vendor/supplier who are the relatives (Mother, Father, Brother, Sister, Uncle, Aunt, Cousin, Nephew, Brother in law, Sister in law, Father in law, mother in law) and neighbors of any COAST Staff.
- 9.1.4 If the purchase requisition is above 15,000/- then requisition approval person will form a purchase committee consisting three members.
- 9.1.5 Purchase committee will conduct a meeting and then will prepare a meeting minutes in this regard.
- 9.1.6 Tender call and receive :
- Committee will call quotation to different vendor and suppliers. Signature with date, seal and mobile number will be taken from the vendor/suppliers at the time of distribution of tender.
 - Those who will participate in the tender process, shall have the existence and individual address of business shop/company.
 - The supplier/Vendor must need government approved license and a valid bank account with a schedule bank in the name of business/company which will be acceptable by the purchase committee. Vendor/supplier must be registered with VAT and TAX authority. If any vendor/supplier would not have any business license at Upazilla level, then prior approval has to be taken from Director, COAST for their participation at Procurement process.
 - Price quotation in white paper will not be acceptable and the quotation must be submitted in business/company official pad. Vendor will submit final bill adding VAT and TAX with the actual price.
 - Format for tender calling :

Serial Number	Details about product	Total quantity of product	Unit Price (Tk)	Total price (Tk)
01	02	03	04	05

- 9.2 Purchase committee will open the tender box on schedule date and will select the lower bidder after its verification. If purchase committee assume that quoted price is not satisfactory then committee may cancel the tender. In that case bidder will not file or submit any complain. (This condition must include in tender during tender calling).
- 9.3 In case of goods purchase two quotation is mandatory for purchasing above Tk.15,000/- and at minimum three quotation is needed for purchase above 30,000/-. If necessary Head/Teal Leader of purchase committee and a member can collect spot quotation. If goods purchase value is above Tk.400,000/- then tender notice has to be published in a national daily newspaper (in case of Dhaka) or in local level newspaper (other than Dhaka). The newspapers should be well-known and highly published and prior approval has to be taken from Director, COASAT for its publish.
- 9.4 Committee will review all documents and analyze all quoted price then prepare a comparative statement, after that committee will recommend the name of vendor/ supplier for issuing work/purchase order.

- 9.5 Format of comparative statement.

SL No	Goods/Service Details	Name of the Vendor			
		Vendor-1 (Name)	Vendor-2 (Name)	Vendor-3 (Name)	Comments

9.6 Goods can purchase up to Tk.15,000/- without quotation and in that case any two staff have to go jointly for its purchase.

9.7 Purchase Process/Issue work order/Approval Power

Designation	Approval Limit	Purchase Process checked by
Regional Program Coordinator/Others sector Head /Project Coordinator/Program Coordinator	Up to Tk.50,000	Regional Team Leader - RTL
Regional Team Leader – RTL	Up to Tk.100,000	Head of Accounts Department
Director	Up to Tk.500,000	Head of Audit Department
Executive Director	Above Tk.500,000	Head of Audit Department

9.8 In case of purchase branded product from own showroom of that product, no quotation is needed but purchase committee and work order is must. Justification must be mentioned in requisition letter and meeting minutes for purchasing and selecting that particular brand product.

9.9 The authority reserves the right to cancel any work order without showing any reason. For that reason no compline and objection will be acceptable and no any legal case would be sue in this regard. This condition will be mentioned in every tender invitation letter.

1) Pre- procedure for bill payment :

2.1 In this case the procurement process will be completed by a proceeding sheet. In to that proceeding sheet the concern Purchase committee, Estate Affairs (In case of asset purchase), Accounts department (for below Tk.50,000/-) and , Internal audit department (for above Tk.50,000/-) will put their comments and recommendations for its process. After making the payment the Accounts department will put information of deducted VAT and Tax and net payment in to the proceeding sheet.

2.2) after completion of Purchase procedures:


- Purchase committee will confirm bill, challan and work order accordingly.
- After receiving the product purchase committee will ensure the quality of the product and will give certificate.
- Mentioned that Supplier/Vendor has to be submitted bill, challan along with main copy of work order (yellow copy) to COAST within thirty days after completion of the work , otherwise coast has preserve the right to cancel the bill. (This clause must be mentioned in work order).

2.3) Purchase committee will provide their comments and put signature in proceeding sheet with mentioning the above producers.

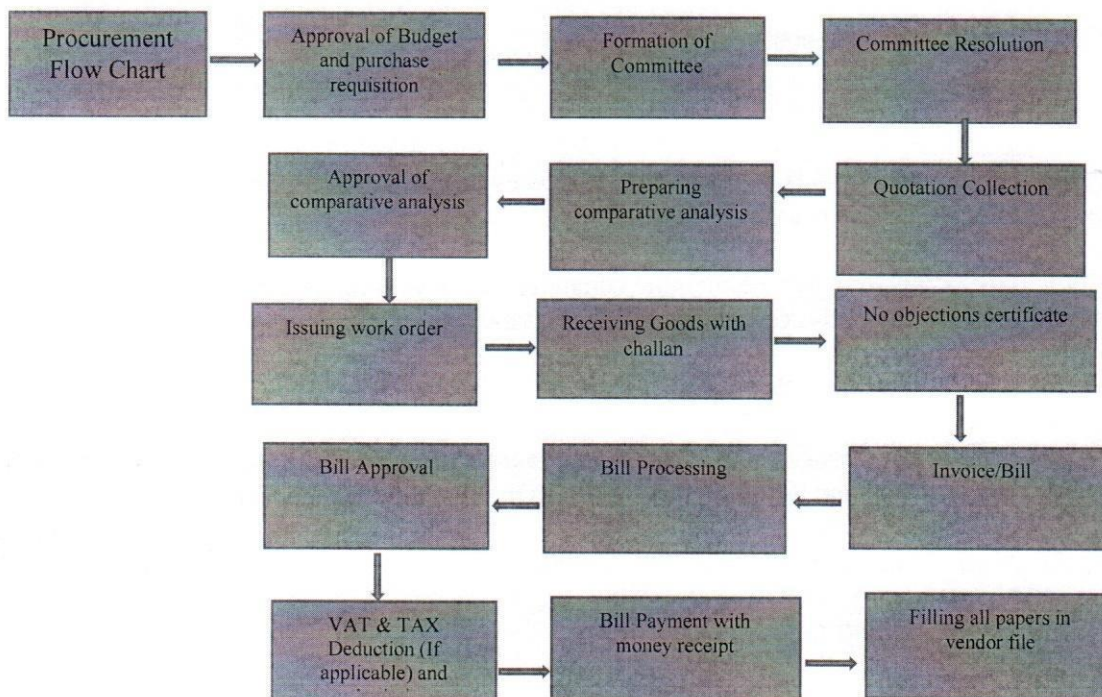
2.4) Accounts department will verify that whether the activities of purchase committee are in accordance with the policy and will check that whether the same bill has been repeated or not finally will provide their comments and put signature in bill proceeding sheet.

2.5) If the purchase is related to property then is that correct? Is it recorded to Asset Register? What will be the identification number of the Asset? Estate Affairs department will recorded all above information in proceeding sheet and will write their comments and put signature.


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Chairperson-Board of Trustee
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- 2.6) Bill approval will be started after getting no objection certificate from the person for whom/Which goods/service has been procured. In case of IT product certificate has to be collected form Head of IT department.
- 2.7) After checking all below mentioned steps the approval authority will write his comments on the bill proceeding sheet, he may give approval to pay the bill or may cancel the bill.



- 2.8) The following documents should be confirm before make payment of bill:
- i) Procurement Requisition ii) Committee Formation iii) Committee Resolution iv) Required Quotations v) Approved Comparative Analysis, vi) Work/Purchase Order, vii) Goods receiving Notes vii) No Objection Certificate ix) Invoice/Challan x) Bill Processing and approval xi) VAT and TAX etc.
- The above mentioned steps must be completed respectively.
- 2.9) All bill must be paid through Account Payee (in the name of business or related person) cheque.
- 2.10) In context of the application of supplier and according recommendation of purchase committee and subject to the approval of Director, 50% advance can be given to the supplier. In case of bill payment, Accounts Department will pay full bill after completion of 100% work by the supplier.
- 2.11) after receiving goods, it must be recorded in store/asset register, in case of asset it can be use subject to insert asset identification number.
- 2.12) Accounts department will end all process after make the payment and recorded cheque number, payment date, amount of VAT and Tax in bill proceeding sheet.

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Chairperson-Board of Trustee
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3) Vendor/ Supplier file management

- individual file to be maintain accordingly to the vendor
- After paying the bill, photocopy of bill, money receipt, cheque and one copy of bill proceeding sheet will be kept in vendor file. All original copy will be upkeep with the accounting voucher.
- 3.4) Vendor will have a top sheet.

4) Select annual supplier (for retail product):

4.1) Suppliers can be select in Division/District and Upazila level.

4.2) Retail product means – Fuel, photocopy, Stationary item, IT Product (like cartage, keyboard, CD/DVD, mouse, pen drive, Laptop charger and battery etc.)

4.3) The director will form a three-member committee those who will select supplier in case of purchase retail product, validity of this committee will be one year.

4.4) The Supplier must have three years' experience, own trade license and own business organization.

4.5) This committee will evaluate the supplier on the basis of verifying the market price and quality of the product twice in a year and will submit the report to the concerned office head.

4.6) On behalf of the organization this committee can cancel the contract by giving seven-day notice.

5) VAT & TAX deduction and deposit to Bank

5.1) VAT & TAX should be deducted as per the government law. Money receipt and revenue stamp must be confirmed at the time of bill payment. If any supplier will give VAT challan (MUSAK -11) or VAT exemption certificate or if the supplier will deposit VAT/TAX In advance and include the challan with the bill then no need to deduct VAT from the bill but challan must be preserve with the bill.

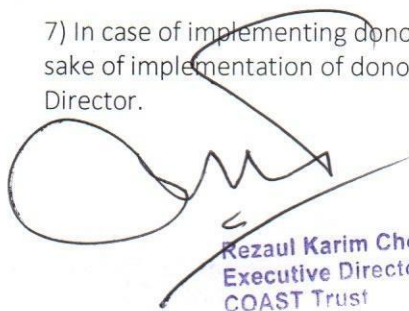
5.2) After deduction of VAT/TAX from the supplier, VAT have to deposit within 15 days and TAX have to deposit with 30 days to Bangladesh bank/Sonali Bank through treasury challan. Main copy of challan will preserve in VAT/TAX file and photocopy with attach with the accounting voucher.

5.3) Though VAT and TAX have to deposit in cash, so Accounts department will withdraw cash and will deposit VAT/TAX accordingly.


5.4) Head of Accounts Department will circulate all amendment VAT/TAX rate, and will notify the deduction rate to all office head.

6) This policy will be effective immediately in all offices of the organization.

7) In case of implementing donor project , procurement policy of respective donor will be follow, But for the sake of implementation of donor project any part of this policy can be change with the approval of the Director.



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8) If any employee of the organization or any member of purchase committee will violate this policy then action will be taken against him/them as per human resources policy.

9) If the government or organization proclaim any area as disaster area then with the approval of Director there may be exception in any part of this policy.

10) For any addition or deletion of any part of this policy all are requested to directly communicate with the Director through any media.

10. Fixed Assets Management Policy

10.1 Fixed Assets and their classification

Fixed Assets normally refer to property, plant, and equipment that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and they are expected to be used with more than one year accounting period.

Those assets included land, building, machinery, cars, computers, and other similar kinds of assets defined by law, the accounting standard and company policies. (IAS 16)

Fixed assets of the organization can be classified as per following way:

- 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

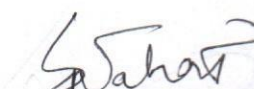
Furniture & Fixtures : Board stand, Display board, Chair, Table, Book self, Cane chair, Cane table, White board, Cocks board, Rack, Wooden self, Computer table, Partex board, Almirah, Alna, File cabinet, Low bench, Tool / Small Bench, Coat etc.

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, Fire extinguisher, Harmonium, Water Tank, etc



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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

Depreciation is define as the systematic allocation of the depreciable amount of an asset over its useful life

- i. A separate Fixed 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:

$$\text{Depreciation} = (\text{Cost of asset} - \text{Salvage value}) / \text{Service life in year.}$$
- 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.
- v. The rate of depreciation of the assets will be as follows:


Sl	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%

- vi. Depreciated amount will have to be transferred to "Depreciation Reserve Fund (DRF)" on half yearly basis.

10.3 Fixed Assets Management

- 10.3.1 Bill approval process will be started after completion of the procurement of asset and getting certificate from the user for whom/which the asset has been procured. In terms of purchasing electrical material "No Objection certificate" has to be collected from Head of Central IT section and also the concerned committee member will have to provide the NOC for each procurement. NOC is one kind of certificate where the member will ensure the quality of product that has been supplied according to work order.
- 10.3.2 Asset Department will record the asset in the Asset Register and will put an ID no on it. Before putting signature in the cheque the signatories will check whether all formalities have followed or not. After make the payment, accounts department will record the total value of the asset in the books of accounts of the Organization.
- 10.3.3 Before putting signature in cheque, the signatories will have to check whether the above two procedure has followed or not, otherwise they will be liable for it.


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- 10.3.4 He, who will intent to use the asset, he will submit a demand letter to the chief of the HRM department/Central team Leader to use the asset. After getting approval from the chief of the HRM department/Central team Leader, this letter have to be send to Asset Department. According to the approval, Asset Department will record it in the register, after that the applicant can use it.
- 10.3.5 The asset Department/Central Team Leader will make an agreement with the user before he started using the asset (Like- Mobile Phone, Desktop and Laptop Computer, Camera etc) and one copy of the this agreement will be preserved in the personal file of the respective user.
- 10.3.6 Physical verification of asset has to be carried out by internal audit department in every six (06) month, all office/sector head will prepare an asset list of his respective office in quarterly basis and will send it to Internal Audit Department.
- 10.3.7 Delivery challan has to be maintained in terms of assets delivery from Principal Office 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, Where details of the asset has to be mentioned like – Name of the asset, Model, Body number, Color etc.
- 10.3.8 The Regional Program Coordinator (RPC) can be transferred only furniture and fixture one branch to another branch through written office order under his working area. In that case both branch has to be maintained the delivery challan. The Regional Program Coordinator (RPC) cannot transfer any asset except furniture (like- Motorcycle, computer etc). No asset can be transferred through verbal instruction, for any exception the respective RPC will be liable. One copy of office order has to be send to Internal Audit Department.
- 10.3.9 In the same way, without written approval of Asset management Department/ Internal Audit Section no asset cannot be transferred from one center to another center. Mentioned that if any asset transferred from one center to another center than both the center must maintain delivery challan. No asset can be transferred through verbal instruction, for any exception the respective RPC will be liable. One copy of office order has to be send to Internal Audit Department.
- 10.3.10 After completion of the transfer process it must be recorded in the Asset register of both respective office. For example :

With the instruction of RPC a fixed asset has transferred from X branch to Y branch

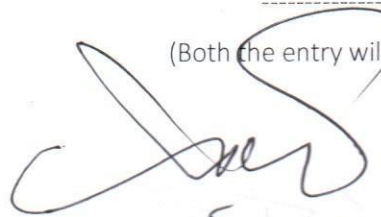
X- Branch will make the entry

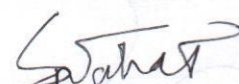
----- Center office account	Dr
Fixed Asset account	Cr

Y- Branch will make the entry

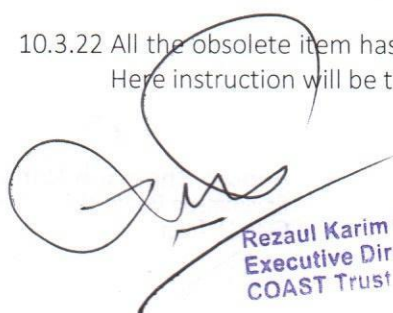
Fixed Asset Acoount	Dr.
----- Center office account	Cr.

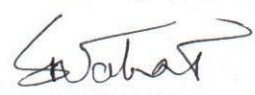
(Both the entry will be recorded through journal voucher)


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- 10.3.11 Internal Audit Section will be maintained an Asset control Register, where there will be an asset list of all branches and centers with location and it will be office wise. After receiving the transfer order of asset from different offices, it must be recorded in the register and the register must be updated. Internal Audit section will cross check all Assets with their register in every three month, if any discrepancy found then they will do the reconciliation.
- 10.3.12 At the time of field visit Asset Management Department/Internal Audit Section will do physical verification of Asset with register and the report will be send to Central Audit Department.
- 10.3.13 All Donor project Asset has to be maintained according to their policy and Asset Id have to be affixed in every asse ID will be started with the name of organization and donor name. For example a computer will be procured under Stromme Foundation funded project, in that case asset ID will be: COAST/SF/COM-number. If the asset will procure from own fund of the organization, ID will be : COAST/Branch/Centre name/Com-number
- 10.3.14 If any asset will procure for the organization or donor funded project (any center/Branch/Sector/donor funded project) then respective Centre/Branch/ Project in charge will collect the ID number from Central Finance Department.
- 10.3.15 All asset of Donor funded projects has to be shown in the Consolidated Accounts of the Organization in the name of the respective Donor until completion of the project and asset handover process. If the Donor agency will hand over the asset to the organization then according to the policy those asset has to be included with other assets of the organization.
- 10.3.16 An individual Asset Register has to be maintained for Donor Funded Project.
- 10.3.17 For any reason if an asset will damage or need repair then the user of the asset has to be submitted a requisition to the Team Leader/H-SAPM through respective branch or office, after getting the requisition they will verify/review it whether it repairable or not and if they approved it to repair then the asset will be send for repair.
- 10.3.18 If any asset will send for repair then a detail list has to be send to Audit Department and he will monitor that after completion of the repair and maintenance whether the asset has returned to right place in right time or not. In case of branch RPC will send the list and in case of other office Team Leader will send the list.
- 10.3.19 Noted that, if any electrical item (Computer, Mobile, Camera, Printer etc.) will damage then Head of central ICT section will confirm the repairing work and return it to right place in right time.
- 10.3.20 If any Asset will damage then immediately it will inform to Team leader/RPC/Audit Department in written and it will be treated obsolete if they certify it as "not in working condition".
- 10.3.21 After getting certificate it will be recorded in the Register and according to the instruction of audit Department it will be adjusted from the main accounts.
- 10.3.22 All the obsolete item has to be preserved until getting any instruction from the Audit department. Here instruction will be treated as asset transfer or auction.


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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 cannot be used can be treated for auction.

11.2 Steps of auction:

11.2.1 Before starting the auction process a committee consisting 3 members will be formed through the letter from Executive Director/Director/Assistant Director HRM.

11.2.2 An advertisement will be published in a local or national newspaper. Where the management and Accounts Department has given the certificate that the sell price of the auctioned item will not cross taka 50,000 in that case, publicity can be done through distribution of leaflet and miking instead of paper advertisement and the costing can be maximum taka 3,000. But if the sell price will go more than 50,001 taka then paper advertisement is mandatory.

11.2.3 No staff of the organization can be participated in the auction. If more than 5 participant will not participated in the auction then the auction will be treated as canceled. Every auction will have a written minutes and it will be prepared within 24 hours after completion of the auction process.

11.2.4 The money received from the auction will be deposited to Accounts section within next two days and Accounts will provide a money receipt to auction committee as receiving acknowledgement.

11.2.5 Before starting the auction an amount of earnest/caution money (no refundable) will have to be collected from those who are participated in the auction process, otherwise the auction cannot be started. The amount of caution money will be fixed by the Director after getting the recommendation from the auction committee.

11.3 Resolution of Auction, approval and responsibilities:

Minutes of every auction will be sent to central accounts section by 7 days after completion of the auction. Accounts section will check the related documents and will place to Executive Director/Director/Assistant Director – HRM & DRR for final approval. The auction the committee will be responsible, accountable and liable for any irregularities.

12. Operation of Bank Account

12.1 All the bank accounts of the Dhaka and other all offices will be operated by the signature of Executive or his designated 3 senior staffs, where one will be principal signatory and other two will be co-signatory. Money cannot be withdrawn with signature of one signatory, joint signature of two signatory is mandatory to withdrawn any amount of money where principal signatory is must. But in case of principal office, bank account will be operated with signature of any two signatories. Only the staff of accounts department will deposit money in bank account.

The person who has the engagement with financial dealings cannot be the signatory of bank account.

12.2.1 In branch level, Bank account will be operated by three person in that case the respective branch manager and two senior program organizer (designated by RPC) will the signatories. Money will be withdrawn with two signatories, where principal signatory is must. Money cannot be withdrawn with signature of one signatory, joint signature of two signatory is mandatory to withdrawn any amount of money where principal signatory is must. The deposition of money to bank will be done by the regular staff of the organization and always two staff will go together to deposit the money in the bank account.

12.2.2 Before putting signature in the cheque, the signatory will verify the justification of the payment, he has the right not to sign in the cheque even though the bill is approved.

13. Salary Payment Policy

13.1 Policy of salary disbursement

Salary will be paid through bank account. Only the support staff whose monthly salary is less than 3,000 their salary will be paid through cash cheque, In that case, if salary will more than taka 401/- than a revenue staff should affixed.

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

13.2.1 For first time, verbal warning will be given and take deduction of mistaken money.

13.2.2 For second time written warning will be given and deduction of mistaken money.

13.2.3 For third time fine taka 100 (one hundred) and deduction of mistaken money.

13.2.4 And for fourth time disciplinary action will be taken and fine will be two times of mistaken amount.

13.3 Date of Salary Payment

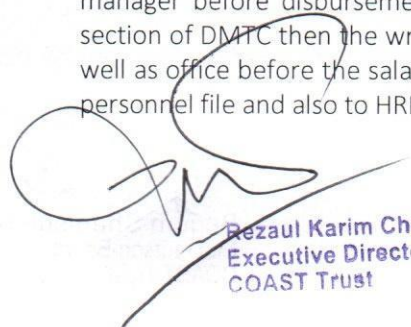
Salary will be disbursed according to the schedule date that give by Accounts Department of Principal Office. In the beginning of the year Head of the Accounts Department will circulate the date of the monthly salary disbursement over the year. For any reason if the date need to change then written approval of Head of Accounts Department will be needed.

13.4 Salary Approval

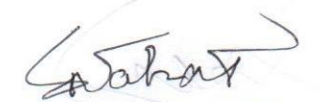
Branch level salary will be approved by the respective area manager and in other cases 1st supervisor of respective sector head/ Project Coordinator will approve the salary sheet.

13.5 Salary deduction system

13.5.1 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.



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13.5.2 Salary held up related to achieving target can be done by respective supervisor but except it, other deduction can not be done without the approval from Deputy Director.

13.5.3 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

13.6.1 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. Copy of approved Pay roll will be preserved in a separate file in branch/BMTC/CMTC/Project office.

13.6.2 In case of provident fund, an employee will contribute 10% of his basic salary and COAST will contribute the equal amount in every month, total 20% of an employee's basic salary will be deposited in his PF account in every month.

13.6.3 Present pay roll is given below :

Category	Basic	House Rent	Conveyance	Entertainment	Communication	Take at Home
City Corporation	As actual	50% of Basic	20% of Basic	20% of Basic	10% of Basic	As per calculation
Other than city Corporation	As actual	40% of basic	15% of Basic	15% of Basic	10% of Basic	As per calculation

13.6.4 Provident fund contribution will be deducted from every designated staff and will contribute to every Designated staff from the joining month but if any staff will leave the organization before completion of three years' service with the organization then he will get only his contribution part not organizations' contribution.

13.6.5 If any staff will take loan from Provident Fund then his monthly salary will be paid after deduction of PF loan installment. Manager – Pf, will calculate the installment and prepare a schedule to collect the loan after that he will send it to Branch office.

13.7 Salary file

One salary file will be maintained in all offices, where monthly salary sheet, salary suspension, deduction, increment and salary related others letter will be preserved.

13.8 Restriction on Salary Payment

13.8.1 No advance salary will be paid to the staff even any application cannot be accepted.

13.8.2 In case of newly recruited staff, no salary can be paid without appointment letter.

13.9 Salary of a suspended staff

13.9.1 During the suspension period 50% salary basic salary and other benefit will be paid.

13.9.2 Subject to the further investigation if he is found not guilty then the deducted 50% salary will be adjusted with his next monthly salary.

13.9.3 Subject to the further investigation if the suspended staff found guilty then the deducted amount cannot be refunded and it will be paid with the final payment.

13.10 Putting note in the salary sheet

Salary deduction, Payment of bonus and arrears salary, staff transfer from one office to another office related note has to be clearly mention in salary sheet or opposite side of salary sheet.

13.11 Calculation of one day salary

Salary of a newly recruited staff will be calculated on the basis of his of his total working day, one day salary will be calculated by the below formula :

= (Take at home salary /total day of the respective month) X total working day in the respective month.

For an example, if joining day of a staff is 5th march and his take at home salary is taka 30,000 then his one day salary will be (30,000/31)= 968 taka and monthly salary will be (one day salary X total working day) ; that means (968X27)=26,129 taka.

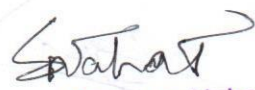
14. Provident fund

- a. Provident fund is an independent contributory fund. This fund will be led by a Board of Trustee. This trustee board will be sole responsible for taking all the decision related to fund.
- b. All the regular and confirmed staff will be considered as the member of Provident and from them 10% of basic salary will be deducted for depositing in provident fund and on the other hand organization will contribute same amount of money to PF fund in favor of respective staff.
- c. If any staff will leave the organization or will be separated then, he will get his own and organizational contribution portion. In this case job duration of the respective staff must be three years with the organization.
- d. If any staff will dismiss or will leave the organization before three years then he will be entitled to take only his own contribution. The time duration will be counted based on the date of confirmation.
- e. If any staff will breach the agreement with the organization then the organizational contribution will be forfeited.
- f. There will be a separate provident fund policy
- g. After end of the year net profit of this fund will be distributed proportionately to all the members of the fund.
- h. Loan from Provident Fund :
Any member of the fund may apply in prescribed format to the board for getting loan for the purpose of medical cost, land purchase, house building or repairing, education support for children and marriage of daughter. The member can be able to entitle for loan the amount of 50% as per the balance of the last month. For getting more than 50% it will be taken approval from the Executive Director. For giving the loan to Executive Director, approval will be taken from the Chairperson of Board of Trustee.

15.0 Gratuity Fund

- a. Every regular staff will get gratuity equivalent to three month basic salary after completion of every twelve months. The gratuity will be calculated on the basis of salary of June of every year. This amount will be deposited to Bank account of gratuity fund by Accounts Department of principal office and will maintain the gratuity accounts.


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- b. Gratuity amount of every staff will be included with their monthly salary in every office level.
- c. Gratuity fund amount will be transferred from field/MTC/Project level to Gratuity fund bank account through bank transfer, cheque or DD and it will be done twice in a year. Central Accounts Department will ensure it and they will maintain the accounts accordingly.
- d. If an employee join with the organization in the middle of the year, then his gratuity amount will be calculated based on his joining date.
- e. An employee will be entitled to get gratuity after completion of three years' service with the organization otherwise he will not entitle to get gratuity fund.

16.0 Festival Bonus calculation

- a. Every regular and contractual staff will be entitled to get two festival bonus (each equivalent to one month basic salary) in a year.
- b. In case of Muslim staff, every staff will get one festival allowance in every 'Eid festival and other religious staff will get two festival allowance at a time at their main religion festival.
- c. During the provision period and the staff who will be reattached with organization as regular staff, their festival bonus will calculated on the basis of total working days. In that case bonus will be calculated considering six month and base on his/her total working days.
- d. Bonus calculation for a provisionary staff will be (Basic salary /180XTotal working days), here total working will be calculated according to the eid circular.

17. Salary during maternity and leave period

17.1 For a regular female staff when the job duration will be one year then maternity leave for 180 days and maximum two times will be approved with pay. If job duration is less than one year than maternity leave will be without pay. The following conditions will be applicable:

- a. Maternity leave will be six months. During the Maternity leave one female staff will get full salary in first three month and in next three month she will get only basic salary and house rent.
- b. If any female staff will join in work after enjoying first three month maternity leave then from the date of joining she will get full salary. But in that case she must submit application in favor of to Assistant Director - HRM along with the medical fitness certificate.
- c. As an example, if a credit development officer will go for maternity leave then her first three month salary and last three month salary will be :

First three month

Grade/Step	Basic	House Rent	Conveyance	Entertainment	Communication	Take home amount
iii-1	3,000	1,200	450	450	300	5,400

Second three month

Grade/Step	Basic	House Rent	Conveyance	Entertainment	Communication	Take home amount
iii-1	3,000	1,200				4,200

- d) If any staff will enjoy leave with salary then his/her salary will be transferred to his salary account accordingly. Salary cannot be paid in cash or to third party.

18.00 Travel allowance, Food allowance, Child care allowance and International travel allowance

18.1 Staff transfer expenses

The transfer allowance will be beard by the organization. In that case the vehicle will be normal public transport. In case of transfer along with family then the furniture and other material transportation cost will be allowed. In case of transfer in own upzilla the allowance will not be entitled

18.2 Travel and Food

At the time of official journey if any staff directly went his residence instead his main working office after leaving his/her visiting working area and he/she will be entailed one way travel and food allowance. Mention that if any staff will join or start work in another office after enjoying his vacation or leaving his fast working office in that case same rules will be applicable.

18.3 Child Care Taking Allowance

18.3.1 This allowance will entailed only for a female and widower staff, so that he can manage a caretaker by this allowance to care his/her child.

18.3.2 Per month Taka 300 will be given as child care taking allowance for each child and this allowance will be given for maximum two child from 3 month age to maximum 3 years of age.

18.3.3 But in this case, the children must be under immunization program and a photocopy of vaccine will be required for getting this allowance.

18.3.4 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.

18.3.5 In case of official visit, if a female employee takes a caregiver with her to take care of a child under 3 years of age, office will cover the cost of her actual travel and meals. But this cost will not more than the respective female employee's cost, in that case original bill/ voucher have to be submitted.


18.3.6 In filed level RTL will approve the child care taking allowance, in absence of RTL, RPC will approve the child care taking allowance.

18.4 Travel and Food Allowance inside the working area.

Conditions				
Working area	Name of the office	Breakfast	Lunch	Dinner
	Branch	45/	70/	70/
	Regional Office/ BMTC/ CMTC/ Principal Office/PIU	60/	85/	85/

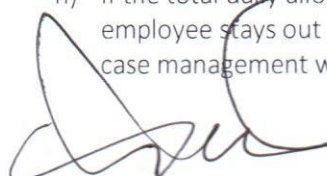
Working area	Morning	Lunch	Dinner	Conditions
Inter district or out of working area	200/	350/	350/	<ul style="list-style-type: none">If any staff leaves the office after 8.30 a.m. return the office before 7.00 a.m. then/he will not be entitlement for

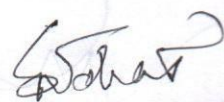

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				breakfast allowance • If any staff leaves the office after 2.00 p.m. return the office before 1.00 p.m. then/he will not be entitlement for lunch allowance. • If any staff leaves the office after 9.00 p.m. return the office before 8.00 p.m. then/he will not be entitlement for dinner allowance.
Any office of the Organization	Any staff must take food during staying in the office	Office will bear food cost for guest as following rate	Any office of the Organization	Any staff must take food during staying in the office

- a) In case of project employee, respective employee will pay cash amount against the food coast to respective office and he will take amount from his/her base office through submitting food allowance (green copy) bill and proper approval.
- b) If senior staff (senior coordinator to Executive Director) of the Organization entertain with another gust (like donor representative/MRA/NGOAB/CDF/ other organization's officers), s/he will submit all original bill/vouchers including gust entertainment cost. In that case s/he will not be entitled to charge breakfast/lunch/Dinner allowance.
- c) Food allowance will not be entailed if organizer bears food cost for seminar/meeting/workshop/training.
- d) Executive Director and Director may take food along with branch staff during branch visit. Then the cost of food will bear from the respective branch.
- b) Employee of branch will not be entitled travel allowance with in their base station. Branch's staff must use bi-cycle. In special cases, management can take special arrangement and who are entitled for motor cycle, they will not get travel allowance in the base station.
- c) During traveling accommodation cost will be maximum BDT. 750 as hotel rent. If hotel rent above BDT. 750 then approval must be taken from Director. Employee will submit original voucher in all time. If any staff takes self-opportunity during traveling, then s/he will not under this facilities.
- d) IN case of women staff, if she travel along with her baby (under 3 years) and caregiver, she will get, food and accommodation cost and also cost of caregiver. In this case she will submit original bill/vouchers.
- e) If women member of Trustee Board travels (member of group of the Organization) travel along with her husband/son for the official purpose, she will get all travelling and other allowance with her husband/son's expenditure.
- f) If any staff go to out of base station for duty from leave or enjoy after duty then he/she will get one way facilities.
- g) Approval must be taken from Executive Director for using air or micro bus. This policy will also applicable for using jeep or micro bus of the organization.
- h) If the total daily allowance of an employee is equal to or more than his / her monthly salary or if an employee stays out of his/her work station for more than 20 days in a month for office work, in that case management will re-fix his/her daily allowance or management will re-define his work station.


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18.5 Allowance – Out side of the country:

18.5.1 Food Allowance (If the organizer does not bear)

- a) For India and Nepal during the journey the daily food allowance will be USD \$ 25 (Breakfast USD \$ 5, Lunch and Dinner USD \$ 10 respectively).
- b) Other country of south and East Asian, daily food allowance will be USD \$ 35 (Breakfast USD \$ 5, Lunch and Dinner USD \$ 15 respectively).
- c) For European and American during the journey daily food allowance will be USD \$ 50 (Breakfast USD \$ 10, Lunch and Dinner USD \$ 20).

18.5.2 Hotel/lodging Charge- Outside of the country:

If the training or seminar will not residential and the organizer dose not bear the cost then the participant will be entitled to charge daily hotel/lodging charge as follows but in that case original bill must be submitted:

- a) In south and East Asian country hotel/lodging allowance will be maximum USD \$ 60 for every night.
- b) In European and American country hotel/Lodging allowance will be maximum USD \$ 200 for every night.

18.5.3 Pocket allowance/ Transit allowance :

If the Organizer will bears all the expenditure of the training / seminar/ workshop along with food and lodging , in that case COAST will not bear any cost that related to the training / seminar/ workshop but the participant will get daily pocket allowance as follows :

- a) In south and East Asian country, daily pocket allowance will be USD \$ 10 per day.
- b) In European and American country, daily pocket allowance will be USD \$ 15 per day.

18.5.4 Local travel conveyance :

Daily local travel allowance can be charged for visiting networking organizations office subject to submission of original invoice.

- a) For south and East Asian country , daily local travel allowance will be maximum \$ 20 USD per day for each traveler where daily allowance for Executive Director will be \$ 50 USD per day.
- b) For European and American country, daily local travel allowance will be maximum \$ 40 USD per day for each traveler where daily allowance for Executive Director will be \$ 80 USD per day.

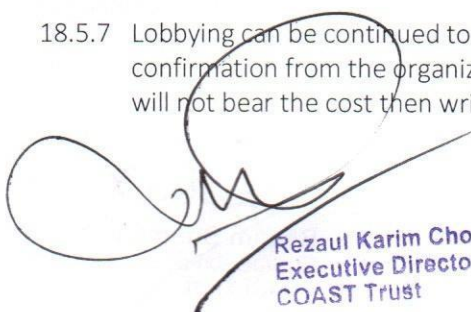
18.5.5 Communication :

Subject to submission of original invoice, mobile and internet bill can be charged according to the following rules.


- a) In south and East Asian country, if the travel period will one week or less than one week longer then maximum limit will be USD \$ 10.
- b) In European and American country, if the travel period will one week or less than one week longer then maximum limit will be USD \$ 20.

18.5.6 Organization will bear the telephone (roaming) bill of Executive Director.

18.5.7 Lobbying can be continued to bear the cost of Visa, travel tax etc. from the organizer. Until getting confirmation from the organizer the travel can take advance from the organization. If the organizer will not bear the cost then written confirmation will be required.



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- 18.5.8 If the Organizer will not bear the cost of the participant then Organization will bear the cost of the participant but in that case original bill/ voucher must be submitted to the office.
- 18.5.9 Dinner or refreshment cost can be spent for network/relation development. Organization will bear the relevant expenditure by submitting original bill/vouchers.
- 18.5.10 Taking approval from Executive Director is mandatory if any staff have any abroad visit for official purpose. Chairperson of Trustee board will approve for the overseas visit of Executive Director.
- 18.5.11 A report must be submitted within 4 days after coming from abroad. Bill will not be adjusted without report.

16.6 Medical and Accidental allowance:

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

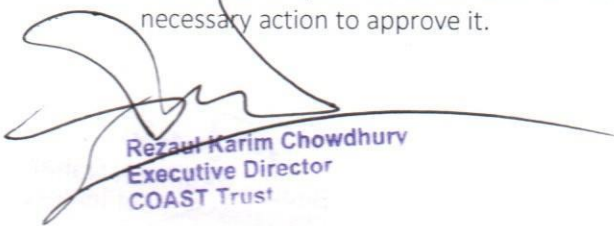
Sl	Position	Medical facilities per year (Tk.)
1	Support staff/Common Service Organizer	5,000/-
2	Program Organizer/Credit development Officer	6,000/
3	Assistant Manager /Br Acc	6,500/
4	Manager /Branch Manager	8,000/
5	Assistant Coordinator/Area Manager	10,000/
6	Coordinator/ Project Coordinator/RPC/Program Coordinator	15,000/
7	Senior Coordinator	20,000/
8	Head	25,000/
9	Assistant Director	30,000/
10	Deputy Director	35,000/-
11	Director	40,000/
12	Executive Director	50,000/

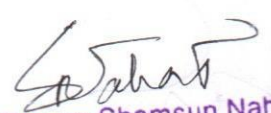
- b) If service life of a regular staff is three or more than three years with the organization then he/she will be entitled to get medical facilities. Temporary/ contractual staff will not be entitled for this medical facility. But if the job duration of Temporary/contractual staff exceeds three years with the organization then the medical facilities will be entitled for them. The maximum rate of annual medical allowance is given according to the tenure of service life :

1) For Service Staff to CDO:

- Up to 6months ----- 0%
- 6 months to 12 months ----- 75% of allocation
- For exceed 12month ----- 100% of allocation

- c) Executive Director will form a committee from central office and the committee will consist three members. Respective committee will verify and evaluate the demanding medical bill and to take necessary action to approve it.


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- d) During the verification of medical bill if the committee suspect any bill and the respective staff have failed to provide proper justification. In that case committee can approve less than aforesaid rate.
- e) Medical allowance will be entitled for kind of treatment or operation other than beautification of the body, mouth and teeth.
- f) Executive Director will approve the medical bill of Director and Chairperson/Treasurer of board will approve the medical bill of the Executive Director.
- g) Advance will not be allowed for medical allowance, it will be reimbursed after submission of authentic bill/voucher. In the special case, advance can be given for medical support by taking approval from Director.
- h) Subject to the post verification if it is proved that any staff has taken medical allowance by submitting fake bill voucher then the beneficiary will be fined double amount of his receiving amount and those who are involved with recommended by, checked by and approved by of medical bill, will pay 25% as fine separately.
- i) In principal office a register will be maintained for all medical bills and committee will settle all medical bills at the end of the every month.
- j) If an employee got accident at work (on duty) and will seriously injured, organization will bear all the medical expenses. In that case advance can be given as per demand and approval.
- k) If any staff will dismiss for violating any policy of the organization within 3/6 months, after receiving medical support, he/she has to be returned 100% money in the same year.
- l) If an employee got an accident during duty time and permanently lost his/her capacity of work , then that staff will get 4 years basic salary along with other benefits as separation allowance. But incapacity of the concerned staff must be declared by COAST nominated doctor.
- m) If any staff will die by accident while on duty, then he/she will get 5years basic salary along with other benefits as separation allowance.
- n) If any staff got natural death then that staff will get 3 years basic salary along with other benefits as separation allowance.
- o) A note will be preserved in the personnel file of concerned staff by mentioning of total occupied medical bill support.

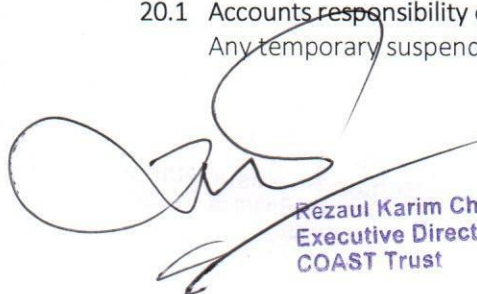
19.00 Allowance and other benefits from other organization.

- a. If any staff participate in a meeting/workshop/seminar/training on behalf of organization and provides technical or consultation support and for this reason if that staff get any financial benefit then he/she has to be informed the organization regarding benefited amount.
- b. After getting the written statement organization will take decision how much amount he will get and how much will be deposited in organization's general fund.
- c. If any staff do not disclose about the financial benefit and if the organization get inform about this then he will be fined double amount of money as punishment also disciplinary action will be taken.

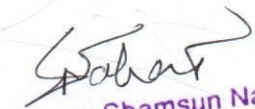
20.0 Accounts calculation of suspended and other than suspended staff

20.1 Accounts responsibility of temporary Suspended staff

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



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20.2 Calculation of financial benefit of Separated staff

If any employee submits his/her resignation letter then his/her monthly salary will be headed up. The final settlement of resigned/terminated/dismissed /separated staff will be completed upon getting clearance certificate from the respective offices and it will be done within the 30 working days from the date of separation. 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.

20.3 Audit conduction on separated staff before final payment

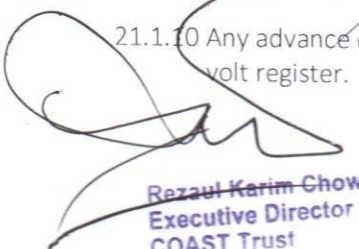
In field level, if any staff goes for resign/terminate/separation from job then his/her all groups will have to be audited by nominated person by BM/RPC/Team Leader and the audit report will have to be sent to HRM section within 20 days of separation.

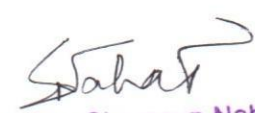
20.3.1 Final Payment Paid

Final settlement of all out going staff will be done by principal office. An outgoing staff can receive his/her final payment from central accounts department he/she can also be received payment from respective region if the central accounts send the copy of final payment sheet to that region. After preparation of final payment sheet if any staff will not receive the payment within two months then HRM section will send a registered letter to his/her permanent address via post office. After sending the letter if the staff will not come within 30 days to receive the payment then it will be forfeited through the approval of Executive Director.

21 Cash closing, Maintain Cash and bank book, ledger and report preparation


- 21.1.1 Daily cash closing, ledger posting and reporting list
- 21.1.2 Voucher have to be prepared all daily transaction. Approved accounting and business voucher will have to be maintained for individual transaction.
- 21.1.3 All branch manager will have to close the cash on daily basis with in a specified time.
- 21.1.4 Transaction cannot be made without closing cash of previous day.
- 21.1.5 Daily transaction must be posted in ledger on daily basis. Corresponding page numbers/folio number have to be written in both cash book and in ledger book.
- 21.1.6 If required separate cash book and ledger have to be maintained for individual donor.
- 21.1.7 After closing of cash book, daily cash in hand amount will be written in volt register according to denomination where signature with seal of concern branch manager, branch account and one senior program organizer will be mandatory. Area manager will approved the cash book at the time of his/her field visit.
- 21.1.8 Respective Team leader will sign in cash book and approved daily closing balance.
- 21.1.9 For Dhaka office the daily cash book will be checked by SC-BFC and approved by Director or in charge of him.
- 21.1.10 Any advance cannot be included with cash in hand and the cash in hand will have to be equal with volt register.

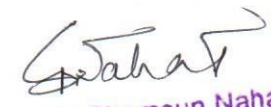

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21.1.11 Office wise monthly reporting list:

Branch Office	Management and Training Center and Donor project
<ol style="list-style-type: none"> 1. Receipts and payments Account 2. Income and expenditure Account 3. Balance sheet 4. Trail balance 5. Budget variance 6. Advance list 7. Bank reconciliation 8. MIS 9. Savings and credit report 10. VAT and Tax deposit report 	<ol style="list-style-type: none"> 1. Receipts and payments Account 2. Income and expenditure Account 3. Balance sheet 4. Trail balance 5. Budget variance 6. Advance list 7. Bank reconciliation 8. MIS 9. Donor reporting 10. Burn rate report 11. VAT and Tax deposit report


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21.2 : Monthly Reporting Schedule

Type of Report	Prepared by	Report submission date, to whom it will be forwarded, responsibility of sender and feedback				
		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 branch manager will go to regional office with all reports.	As per the circular the regional program coordinator/project coordinator will check all the report and after that he/she will send the report to coordinator-M & A. Report will contain eight parts. 1. RCF and MIS 2. Receipt payment Account 3. Trail Balance 4. Income & expenditure statement 5. Bank balance and bank reconciliation 6. Fund receipt and Transfer Report 7. Balance sheet 8. Budget variance report	As per the circular Coordinator – M & A will check all the report and will prepare individual report for central office and PKSF, after that he/she will send it to Head- M & A. All reports must be sent through the Director and after conducting the meeting.	As per the circular Deputy Director –F & CA will check all the report and place it to the Executive Director for his approval and after getting approval the report will be submitted to respective donors. Head-BFM will submit the variance report to Director by 20 th of each month.	By 20 th of each month, Director will submit FIS and MIS report to Executive Director along with the all meeting resolution.

Budget Variance Reporting format

A/c Code	Name of PO/MTC/Branch/Project	Total Approved Budget (yearly/as per MOU)	Up to last reporting month			Reporting month			Up to reporting month			Justifications for variance		Next Course of Actions	Comments
			Total Approved Budget	Total Expense	% of Burn (Budget	Actual Expense	% of Burn	Total budget	Total Expense	% of Burn (Cumulative)	For reporting month	For Cumulative		


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- 21.2.2 After closing the month the respective branch manager will prepare all the reports by next two days.
- 21.2.3 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 error in reports, in ledger and bill vouchers will be checked and corrected.
- 21.2.4 After that day the RPC and Area Manager will compile all the reports by next two days and will conduct a staff meeting in this regard.
- 21.2.5 All project coordinator will compile all the report of his project and after that he/she will send it to central accounts department and before sending the report the concern project coordinator will ensure that all the report are error free.
- 21.2.6 From principal office, the Head- Core Program will set with concern RPCs in order to review the RLF and branch expenses performance.
- 21.2.7 Coordinator – M & A will be responsible for preparing consolidated RLF-MIS and FIS of the organization.
- 21.2.8 RLF-MIS and FIS of the organization will be checked by the Assistant Director – CP and Head – BFM and after that they will submit all the report to Deputy Director – F & CA.
- 21.2.9 Deputy Director – F & CA will recheck all the report and will submit to Executive Director for his approval. After getting approval DD-OF CA will send the report to all respective donor and will give copy to project office and central office.
- 21.2.10 To track and control the monthly and periodical expenditure of the organization as well as the project expenditure, monthly Budget variance report must be prepared according to the **Budget Variance Reporting Format** and it must be send to respective supervisor by 5th of very month.
- 21.2.11 Monthly budget variance reports will be prepared by Regional Program Coordinator and Project coordinator by 5th of each month and the report will be submitted to Head-BFM. To review the budget variance report Director will do a meeting in presence of Assistant Director – CP, Head – BFM and Head- Core Program by 8th of each month. After completion of all meeting Director will submit all meeting minutes and report to Executive Director by 15th of each month.
- 21.2.12 All sector head/ office in charge will review and discuss the budget variance report in all sector like branch/region/project/sector and in all MTC. If any sector or project expended more than the approved budget then they have to take self-initiative to adjust the over expenditure, if they did not adjust it and the Central finance department found the variance then the over expended amount will be recovered from the respective office in charge/ sector head/ program coordinator.
- 21.2.13 The fiscal year (July to June) will be followed in terms of preparation Budget.

21.3 Financial Policy for the donor agency

- 21.3.1 All the donor grants will be received through the mother account of the organization. If the donor agency give any special instructions regarding the process of receiving fund in that case donor instruction can be followed.
- 21.3.2 Fund will be transferred from mother bank account to respective project bank account.
- 21.3.3 Organizational own fund cannot be kept in project bank account.


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- 21.3.4 Member savings of donor project will be kept in respective project bank account.
- 21.3.5 Member savings fund can be invested in FDR.
- 21.3.6 Donor's fund cannot be transferred to any bank account of the organization.
- 21.3.7 LLP/DRF/DMF money will be transferred to respective bank account on monthly basis.
- 21.3.8 Receivable and payable amount of Central office with other office cannot be increased, it must be adjusted in every month.
- 21.3.9 Amount of Provident fund, Gratuity fund and General fund will be transferred to the respective accounts on monthly basis.
- 21.3.10 Principal amount and service charge of loan will be refunded to donor according to the repayment schedule.
- 21.3.11 Cash book, ledger book and collection sheet will be kept separately.
- 21.3.12 Aging schedule has to be prepared as per nature of loan.

22.00 Cost Centre, Code and Budget holder

22.1 Budget holder

In field level 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.

22.2 Cost Centre and Code of Accounts

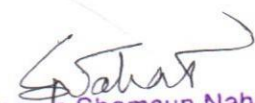
- Without prior approval of DD- F CA, no new accounts code can be created under any cost center and in case of donor project chart of accounts and accounts code will be maintained according to the approved budget.
- Some instance of the cost center have been given below:

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
Community legal service	CLS
School Feeding	SFP
Communication for Development	C4D
Value Chain Development Project	VCDP
Election Program (Asia Foundation)	EWG
Enhancing Capacities of Fishing Community for Resource Management	ECFC

- Cost center must be mentioned in all bill/voucher, in this regard the concern office will follow the instruction and direction of Central Accounts Department. 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.


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

Organization will be provided the mobile bill support to the staff as per need and position base.

The following policy will be followed for giving the telephone, mobile, fax, and 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, cannot 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.


23. Accounts related file maintain

In all office including principal office the following file must be maintained:

Branch Office	Management & Training Centre
a) Voucher file	i. Cash and Bank receipt voucher file
b) Salary file	ii. Cash & Bank payment voucher
c) Personnel file	iii. Journal voucher
d) Financial reporting file	iv. Money denomination sheet file
e) Bank statement and reconciliation file	v. Financial Circular file
f) Utility file	vi. Demand note file
g) Agreement file	vii. Delivery Challan file
h) Financial Circular file	viii. Inventory file
i) Demand note file	x. Donor file
j) Delivery note file	xi. Bank signatory file
k) Budget file	xii. Budget file
l) Budget variance file	xiii. Budget variance file
m) Audit	xiv. Vendor file
n) Accounts report file	

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