

OPERATIONAL MANUAL AND FINANCIAL POLICY FOR ASM

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Purpose of This Manual

This manual is meant for transparency and good governance of “Assembly of Social Mobilization” (ASM). This manual is part of the contractual agreement, and explains in detail the contractual responsibilities of the organization. This manual is a living document, to be reviewed regularly and revised as and when needed, based on changing needs and priorities. .

Introduction to ASM

We want to make a pragmatic change in
The lives of many people
From discrimination to determination
From poverty to prosperity
From Isolation to social integration

There, west and as a team for changing lives

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ASM Sri Lanka is a nonprofit organization committed to protecting and using our assets for our nonprofit mission. Proper financial practices are very important in doing this, since proper practices with transparency and trust help to prevent and detect errors and fraud. Good Governance and stringent financial practices also assure our donors that we use their gifts for the purposes for which they were intended

There are two major revenue sources 1).Donation and 2). Fund Raising. Further there are identified major projects which the organization tries to accomplish either from one or by both the above revenue sources. These major projects are

- Education
- Advocacy & Lobbying
- Women Empowerment
- Disaster Management

Each project will have independent cash flow statements and it is desirable to have a master cash flow statement that consolidates the individual cash flow statements.

Purpose and Categories of Personnel

Purpose

The purpose of the Personnel Policy is to set down the policies, conditions, rights and obligations of employees subject to their performing of the duties and responsibilities in their respective job descriptions.

From the time of hiring, each employee will have access to this policy, so that he/she can adhere to it with full knowledge and information.

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The policies described below may at any time be subject to modification if the Board deems it necessary. In such cases, employees will be fully informed of the changes made.

Categories of Personnel

All personnel working for ASM are classified into following types

Employees

Employees designate salaried individuals who, after a probationary period, are given ongoing assignments, either part-time or full-time, and are paid on monthly basis. They will be contracted on long-term basis subject to periodic evaluations and performance assessments. They will have the responsibility towards the day to day functioning and/or in any one of more ongoing/prospective projects of the organization.

All the employees of the organization are classified into categories. These categories are as follows:

Management Category	Executive Category	Other Operational staff
Executive Director	Program Manager Research & Officer HR Manager Finance Officer	Administrative Assistant Office Aide

Consultants

Consultants are professional experts hired by ASM on short-term basis only for the completion of specific tasks and assignments related to ASM or one or more of its projects. Separate and limited contracts, defining their job description, timeline, deliverables, reporting procedures and payment details will be issued to consultants. They will be paid on daily/monthly/weekly basis depending upon the nature of their assignment. They will not be considered as full-time or part-time employees of the organization.

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Field Staff for Projects

Field staff could be recruited as per requirement of the projects

Personnel Recruitment

ASM believes in equal employment opportunity to each individual, regardless of race, color, gender, religion, age, sexual orientation, national or ethnic origin, disability, marital status, veteran status, or any other occupationally irrelevant condition. This policy applies to recruitment and advertising; hiring and job assignment; promotion, demotion and transfer; layoff or termination; rates of pay and benefits; selection for training; and the provision of any other human resources service.

Notice of Vacant or New Position

It is the responsibility of the Board to fill vacant positions as well as new regular positions and new temporary positions of a duration exceeding more than six months. The Board must make sure that the positions can be filled under the organizational budget.

For all new positions, a job description shall be established and include the following elements:

- position summary
- description of duties and responsibilities
- conditions of work
- qualifications

Notice of a new or vacant position must be approved by the Board before it is released publicly.

Recruitment for a new or vacant position can be opened to internal and external competition. For external recruitment, positions in the professional category can be advertised publicly through newspapers if they are regular positions, or if there is a limited tendering process for consultation.

Interview and selection

As a general rule, a selection committee comprising of, at least two members shall be assembled for filling all positions. The committee will go through the applications received, retaining those that show the best qualifications. It will evaluate each candidate's application with the help of an evaluation form created beforehand, containing well-defined criteria.

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A list of the candidates chosen to be interviewed will be shortlisted by the Selection Committee. The interviews will serve to make a final choice and also to establish a database of potential future candidates.

Appointment Letter and Staff Orientation

Appointment Letter

Any personnel employed with ASM will be issued an appointment letter prior to his/her employment. The appointment letter will officially announce his/her position within the organization, the place of assignment and the effective date of employment. The appointment letter will carry annexures, specifying the employee's job description, terms of reference, salary and benefits and other relevant terms of employment

Probationary Period

A probation period of six months shall apply to all new employees from the date of hire. Exceptionally, the probation period may be extended for a further period of three months. Confirmation letter will be issued only if the management is satisfied with the performance of the employee.

Staff orientation

All new employees will get an orientation about the organization's mission and strategies, its structure and the staff within it, the policies and conditions of employment, the internal rules and regulations, etc.

Remuneration

ASM believes in attracting and retaining a qualified and effective workforce through a system of payment that is both appealing and fair. All employees are entitled to a basic salary, depending upon their skills, qualification and experience. The basic salary will be mentioned in the appointment letter.

Salary Increment

Salary increment will be based upon an employee's position and performance. Increment will be provided to employees on annual basis after their performance evaluation. Salary increment is calculated on the basis of basic salary of the staff.

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Employee Salary Benefits

Salary Benefits

(a) Provident Fund

All regular employees are expected to set aside 8% of monthly pay to his/her provident fund. ASM will contribute 12% monthly basis. Both the employee's and ASM contributions are remitted to the EPF department on or before 30th day of the subsequent month. The "B card" will be under custody of the HRM and will be handed over to the respective employee, upon the resignation/termination from ASM.

Compensation against Accident of the staff during Service

In the event that the staff succumbs to an accident while working for ASM, i.e. during the office hours or during field trips, he/she is entitled to receive compensation amounting to a maximum of two-month salary of the individual to cover the medical expenses.

Working Days and Hours

Working Days

ASM will follow a 5 days a week working schedule from Monday to Friday. Saturdays and Sundays are considered non-working days.

Unless otherwise specified, ASM will observe the same public holidays as those prescribed by the Government. The Executive Director will prepare a calendar of public holidays at the beginning of each fiscal year and circulate it to all staff.

Office Hours

The office shall open from 09.00 am in the morning till 05.00 in the evening. All employees are expected to complete 8 working hours daily. There will be one hour lunch-break.

Travel Rules & Regulations

Travel & Accommodation

Staff members may be asked to travel away from their usual workplaces on authorized missions. The policy on payment of travel allowances applies to all employees regardless of job category or status. It also applies to the consultants, when mentioned in their agreement.

After reimbursable expenses are made, the person making an expense claim shall use the appropriate forms available.

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Claim will be reimbursed upon submission of bills/receipts authorized by the head of the department and the expenses will not be reimbursed if proper justifying documents (original receipts) are not attached except for Per Diem. Eligible expenses include:

Per Diem

All employees and volunteers are provided Per Diem of LKR_____ to cover the cost of food per day out of station as approved by ASM.

Mode of Transport

ASM will pay only surface transport as far as possible, i.e. bus. If any individual is using personal vehicle for ASM related work, they will be paid on a predetermined rate per Km.

Leave and Holidays

Leave

All employees are entitled to the following leave with pay.

(1) Annual Leave

All employees are entitled to 14 working days off as paid leave per year.

(2) Sick Leave

Employees are entitled to 07 working days of sick leave with pay per calendar year. Employees have to present a medical certificate to substantiate claims for sick leave with pay for absences exceeding two successive days.

(3) Maternity Leave

All female employees are entitled to maternity leave of 4 months.

Holidays

All employees are entitled for paid leave due to public holidays. Public holidays are specified in advance by the Executive Director in consultation with staff members.

Employees who are required to work on public holidays are entitled to compensatory day off. ASM will keep records of number of hours/days worked by its employees on public holidays. Request for compensatory leave shall be substantiated with this record and approved in advance by the Executive Director.

In the event that a public holiday is declared by the Government on a certain day without prior notice, ASM staff cannot consider it a holiday until and unless notified by the Executive

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Director or the Board. All public holidays are subject to the approval of the Executive Director or the Board.

Absences

(1) An employee who is unable to come to the office is required to notify the office of the reason for his/her absence.

(2) Unauthorized absences are grounds for disciplinary action. The following procedures shall apply:

i. An employee who has been absent for two consecutive working days without notice no explanation shall be called by the Executive Director. He/she shall be asked to put in writing the reason(s) for his/her absence.

ii. If, after seven consecutive days of absence, the employee continues to fail to give any explanation of the cause of his/her absence, the employee will be considered to have resigned from his/her position.

iii. In cases where the employee cannot give any satisfactory answer to the cause of his/her absences, in the judgment of the Executive Director, the employee may be subjected to disciplinary action.

Staff Movement

(1) Assignments and Transfers

According to project needs, any employee can be transferred temporarily or permanently to any location where ASM conducts its activities. The transfer may be the result of a promotion, a change in role due to service requirements or other reasons.

A permanent transfer to a new place of work that includes a new job mandate shall result in a contract renewal. In addition, the employee concerned shall be notified one month in advance of his change in situation.

(2) Interim positions and promotions

An employee may be called on to temporarily perform a job in a higher category. That does not automatically give him the right to the salary and benefits of this position. However, after a reasonable amount of time, ASM shall reclassify the employee in the category of the new job or return him/her to his/her former duties.

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Prohibition on Outside Employment and/or Engagement

Full-time regular employees of NGO are not allowed to undertake outside employment.

Termination of Employment

Employees shall lose their jobs under any of the following conditions:

(1) Voluntary Resignation

i. Personnel wishing to resign from post may do so by giving a resignation letter to the Executive Director stating the reasons for resignation and effective date of the same. One month of prior notice is required for such resignations.

ii. The date in which the resignation letter is received at the ASM office is considered the date on which notice of resignation is given.

(2) Redundancy of the Position

Depending on the nature and volume of its operation, ASM may declare certain positions redundant. Persons occupying those positions will therefore be forced to be separated from ASM with proper notice. While doing so, ASM will give at least 2 months' notice in advance.

(3) Termination with Cause Grounds for employee:

- i. Inefficiency and gross negligence of duty.
- ii. Fund embezzlement.
- iii. Misuse of office equipment, and other properties.
- iv. Repeated unauthorized absences and leaves
- v. Intoxication while on official business or within office premises
- vi. Unauthorized disclosure of official information

Procedures for Termination and/or Disciplinary Action

i. ASM will request the employee for a written explanation on the offense deemed committed by the employee concerned, identifying the charges against him/her and the particulars of the facts relied upon to support it.

ii. The employee is given 3 working days to submit his/her explanations.

iii. Based on the written explanations submitted by the employee concerned and the strength of evidence presented, ASM may choose to decide on the charges or pursue further investigation of the case.

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iv. ASM can, shall it feel necessary to, suspend the employee in question from duty during the period of investigation subject to the following conditions:

a). should the employee be in a position to tamper with the evidence against him/her.

b). should the employee's continuing presence in the organization be deemed inimical to the interest of the organization.

(4) Death

When an employee dies, his/her salary and benefits will automatically be paid to his/her legal heirs.

Conflict Management

Conflict Resolution

Whenever a dispute arises among the ASM staff, it shall be resolved in a constructive manner, i.e. the solutions shall lead to positive changes. Employees who feel unfairly treated or who have complaints about a situation or about working conditions should notify the Executive Director immediately.

Staff Behavior

ASM expects its employees to adopt attitudes and behavior that maintain the good image of the organization. ASM employees shall display an exemplary level of professionalism and integrity.

Furthermore, besides the usual rules every good employee needs to follow (respect, courtesy, punctuality), there are particular procedures of conduct for members of the organization which must be observed.

(1) Political Activities

Since ASM is a non-political organization, employees shall not participate in activities of a purely political nature on work premises or during working hours. It is also prohibited to use the organization's materials for these purposes.

(2) Discrimination and Harassment

Under the principles established by ASM, no employee has the right to put pressure on another, make intimate advances, give preferential treatment or show sexual favoritism at work.

(3) Conflict of Interest

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To avoid putting themselves in a conflict of interest with the objectives and operations pursued by ASM, employees shall respect the following guidelines:

- It is prohibited to use ASM property for illegal or unauthorized purposes.
- It is prohibited for any ASM employee having confidential information to disclose it without express authorization beforehand.
- Employees cannot at any time accept a job from another employer if this job interferes with their work schedule and their duties and responsibilities.
- Employees shall avoid putting themselves in situations where they may gain profit or derive direct or indirect interest by influencing a contract award.
- Employees cannot solicit or accept tips, gifts, favors or other forms of gratuities for services rendered or required to be rendered in performing their duties within the organization.

Grievances

If an employee feels unfairly treated by circumstances that infringe on his/her rights or change his/her employment conditions, he/she should discuss the situation with his/her immediate supervisor. If, after the matter has been discussed and corrective measures taken, an employee feels it has not been satisfactorily settled, he/she can submit a grievance to the Executive Director, who will discuss and provide appropriate solution. All grievances shall be handled internally because there is no recourse to external mediation or arbitration.

Performance Evaluation and Skill Training

Performance Evaluation System

The performance evaluation system is a means by which ASM can increase its efficiency and that of its employees. The purpose of the system is for the organization to fulfill its mission by attaining its objectives and for employees to grow and feel fulfilled through proactive performance supervision.

The system enables, among other things, the harmonizing of individual employee objectives with those of the organization, the measuring of employee potential and work performance and the support of employee improvement by working with them on their development needs.

The annual performance evaluation seeks specifically to:

- promote communication between employees and their supervisors

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- clarify expectations concerning objectives and performance
- improve employee performance through on-going monitoring and feedback
- assess and reward individual performance
- allow employees to express their career aspirations.

The performance evaluation focuses on the individual employee in relation to the tasks and responsibilities assigned to him. It is not necessarily a comparison of one employee's performance with that of another. Thus, the employee's work performance is to be assessed in relation to absolute procedures, that is, according to the evaluator's performance criteria and not according to relative procedures.

The performance evaluation also allows ASM to assess the quality of human resources in their department or organization, note important information concerning expectations and needs and clarify decisions concerning transfers or work assignments.

Performance Evaluation System

A performance evaluation system is composed of three main stages that generally take place over a period of a year:

(1) Performance planning

The performance planning stage enables employees and supervisors to come to an agreement on what is to be accomplished during the year and how it will be carried out. The following procedures and tools are used to facilitate this stage:

a) Job description or list of duties

Each employee must have an up-to-date job description defining the purpose of the work and the responsibilities involved.

b) Setting of objectives

For each key responsibility associated with a position, at least one objective should be established for a particular period. The objectives should be clear and quantifiable, and the assessment criteria should be mentioned.

c) Individual action plan

The individual action plan is a planning tool used to specify the steps to be taken to achieve the objectives set beforehand. The action plan should be prepared jointly with the

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immediate supervisor. It may also involve new initiatives facilitating improved productivity or personal capacity development.

(2) Performance Monitoring and Management

Staff performance and productivity should be managed on an on-going basis throughout the year. The following elements, among others, are involved:

a) On-going Supervision

This means taking the time to observe, examine sources of difficulty and seek solutions.

b) Regular Communication

This involves regular exchanges so that employees can receive feedback about their performance and receive the necessary supervision.

c) Periodic Evaluation

This involves formal, scheduled meetings between an employee and supervisor to discuss activities carried out, end results and the adjustment of the action plan and objectives, if necessary. A minimum of one meeting every six months is suggested to ensure satisfactory results.

(3) Annual Performance Evaluation

The annual performance evaluation is the analysis, based on documentation from previous stages of the process, of an employee's work record. The evaluation addresses two fundamental questions. The first relates to the past and involves verifying what was accomplished qualitatively and quantitatively during the year. The second relates to the future and consists of identifying means to be considered to ensure the employee continues to grow and develop.

The performance evaluation form should include all the sections needed for the evaluation. This includes a section relating to performance evaluation in relation to the objectives established at the outset and in relation to the responsibilities of the position, a section that specifies or targets what is needed for the employee's development and finally a section allowing the employee and the evaluator to express their comments and affix their respective signatures. The form should also include a performance level classification and a definition of each of these levels.

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The annual performance evaluation does not have any financial impact on salaries. It is first and foremost a tool to evaluate the employee's performance and take remedial action if necessary.

Skill Training and Professional Development

Depending on available funds, ASM should foster the professional development of its employees in order to be as effective as possible in its activities. The training programs chosen should address the actual needs identified and expressed during performance evaluation sessions.

Communications Policy

Purpose

The purpose of this policy is to control and reduce the communication cost in an effective way. Telephones are the most convenient and fastest mode of communication but for long distance communication, they are expensive.

There are other modes for fast communication such as courier, fax or e-mail. And out of these, e-mail is fast and more affordable. ASM prefers to use e-mail for out of station correspondence to reduce the communication costs. Telephones can be used for local calls and in emergency for national & international long distance calls.

Internet service at the office can be used to download and send email and to conduct work-related research.

Guidelines

ASM provides the following guidelines to its staff to control telephone use.

- a) Telephone users are requested to keep their conversations short in order to keep the cost down and to keep the lines open for other people in and outside the office that need to use the telephone.
- b) In general, employees should avoid using phones for non-official calls. However, the non-official calls will be billed to employees at prevailing rates. To keep track of such calls, a record sheet is provided to each employee working in the office in order to make it easier to remember to record the long distance calls. All long distance calls should be

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recorded on this sheet along with all required information and submit to the finance division each month.

- c) In order to minimize communication costs as much as possible, email should be used rather than fax or direct long distance calls.
- d) Copies of all in-coming and out-going official communications (fax, letters sent or received) should be filed. The employees sending / receiving important e-mails should be responsible to print and file such e-mails. A copy should go in the central file system.
- e) Efforts should also be made to keep fax messages short and to send long documents by fax only in urgent cases.
- f) Regarding international phone calls, the need for the official call should be discussed verbally with the Executive Director, unless exceptional circumstances make this impractical.

Computer Policy

Purpose

ASM seeks to effectively manage the computer system for guiding the use, maintenance and security of the computer equipment. Employees are responsible for ensuring that the procedures and policies suggested here are followed.

Use

Using computer equipment requires particular care because of its fragility and high cost. Access to the equipment should thus be strictly reserved to ASM employees only. Those employees who are unable to handle commonly-used software will be given an orientation by the senior staff on request. At least one ASM employee will be trained in handling minor maintenance of computers and accessories at the office.

Security

- a) In order to safeguard the computers against viruses, the external drives (CDs/DVDs/floppies/pen drives) that are at ASM office are permitted to be used. In the same way, no external drive from any source other than from sealed packets shall be used in the computers, unless it is first scanned with latest anti-virus software.

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- b) In order to safeguard computers from viruses, antivirus software has been installed in the computers. The virus list for this program should be updated on a regular basis. It is the duty of the employee who has been assigned a computer to update the virus list on her / his computer.
- c) There should be at least two backups of all important documents. One copy should be on the hard disk of the computer assigned to the concerned employee and a second copy on a CD/DVD kept in the office.
- d) The computers of the ASM should normally be used by its employees. Consultants and volunteers should seek prior permission to use ASM computers

Saving documents in the Computers

In order to streamline the procedure to save documents in the computers and to make it easier for people to find documents and make back-ups of important documents, each employee should have a c:/my documents directory in his/her computer. This directory should be broken down into sub-directories to facilitate retrieval of important documents. Each employee will include a copy of all their important documents to be backed up on a directory entitled backup.

Back-ups of Documents

In order to safeguard important documents and other work done by the staff, the back-up directory of the employee shall be backed up on CD/DVD once every week (every Friday) and the CD/DVD stored by the employee.

Procurement Policy

Purpose

The purchase of goods and services is necessary for the smooth operation of the organization. The aim of the internal control system for the supplying of goods and services is to ensure orders are handled by individuals having skills in evaluating what purchases are required from suppliers offering the best deals, to ensure purchases made do not exceed the budget provided and to ensure purchased goods and services conform with the quantity and price specified in the order.

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Methodology

ASM shall follow certain methods in purchasing goods, equipment and services required for the needs of the organization or its projects. Use of competitive bidding shall be a priority practice. The first criterion in choosing a supplier shall be the lowest bid. However, if a supplier does not provide the required level of service or an adequate guarantee, then other criteria shall also be considered. ASM shall specify in the purchase file the reasons the lowest bid was not chosen.

- For purchases under LKR _____, a price survey by telephone of two suppliers will be sufficient for determining the supplier.
- For purchases above LKR _____, minimum of three up to five quotation shall be obtained from the local suppliers.

All sealed quotations will be opened by the tender board and decided upon the awarding of the tender. The purchase file shall contain all the documents pertaining to each transaction, i.e. the purchase requisition, quotations, contact information of suppliers purchase contracts or orders, invoices, delivery slips and any other pertinent documents.

Purchases

Employees making purchases as part of the project activity or organizational work shall follow these mechanisms:

- i. Requisition form – the employee requesting a purchase fills this form, has it approved by the Executive Director and sends it to finance division
- ii. Order form – the finance division issues the order form, after it is signed by the Executive Director. The concerned employee or the finance division will make the purchase successful on the basis of the order form.
- iii. Goods Receipt Note – After the purchase has been made, the finance department will issue a GRN and file a copy of the same.

Fixed Assets Policy

Purpose

To carry out its activities, ASM needs material resources. The quality of these resources is dependent upon how they are used. Material resources are in large part durable goods, which

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need to be well-managed to be maintained in good condition. These goods include stationary, tables, chairs, shelves, computers and related accessories. The Fixed Assets Policy will aim for:

- Precise identification of goods that are part of the asset base
- Sensible use of goods
- Periodic taking of physical inventory
- Effective maintenance of goods
- Replenishment of goods when required.

Procedures

The management of material resources is the responsibility of the finance staff. The procedures involved in managing these resources are:

- receiving and recording goods
- using goods properly
- maintaining goods
- taking inventory of goods
- Disposing of goods.

Material resources are managed by means of records or files.

Asset inventory

The purpose of the inventory is the physical monitoring of the items belonging to a project. The inventory makes it possible to detect differences between information about goods in the records and the actual state of goods.

Inventory is usually done once a year and is the responsibility of the finance division.

Procedures

The inventory procedure is composed of the following steps:

- Creation of record cards on which is found:
 - type of item
 - description of item
 - identification code
 - service user or name of manager
 - assigned location

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- previous placement of item
 - notes on condition of item
 - record updates
 - minutes of physical inventory
- Final removal of an item
 - Replacement of an item
 - List of annual needs

Removal of items

The inventory procedure described above permits the identification of dilapidated or defective goods whose presence in office presents more inconveniences than advantages, for various reasons:

- steep rise in operating or maintenance expenses
- excessive cost of repair
- any other objective reason.

The Executive Director should give the authorization to take out of service, transfer or dispose of any items, and that should be noted in the book of assets.

Finance Policy

Fund Receipt

Sources of Funds

ASM receives funds from the following sources:

- i. Donation
- ii. Fund Raising

Core Fund

The following are identified as NGO's core programme:

Administrative expenses (house rent, utilities, salaries administration staff, etc.,).

Any programme coming to ASM must allocate some funds to support this core programme

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Signatories to Cheque Books

The Finance Officer and the Executive Director will be the signatories to cheques.

Types of Accounts

The following three types of accounts will be maintained by ASM

(1) General Bank Account

All income accrued to ASM will be deposited in the Bank Account. The Finance Officer and the Executive Director to operate the bank account.

(2) Savings Account

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

(3) Petty Cash Fund

A petty cash fund of LKR_____ is kept to cover payments not exceeding LKR_____. The Finance Assistant will handle this account and is to be liquidated every two weeks.

The Finance Officer will ensure proper handling of petty cash fund through surprise checks from time to time.

Payment Procedures

Fund Disbursement

All payments to be made either by cheque or cash.

Payment by Cheque

(1) Payment for Purchases

Payment against purchases exceeding LKR_____ shall be made by cheque.

(2) Payment for Services Rendered

a) Payments for Staff Salaries

i. Payment Calendar

Staff salaries are paid on the last date of the month. Salaries are paid by cheque or by cash.

ii. Staff payroll

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

iii. Tax Deduction at Source

ASM will deduct tax at source where applicable as per Government rules.

(3)Payment for Contractual Services

Payment for contractual services is done through cheque disbursements. The schedule of payment depends on the Terms of Reference (TOR) agreed upon by the personnel concerned and ASM. Payments are covered by a Request for Payment Form prepared by the Finance Officer and approved by the Executive Director.

Policy for Book Keeping and Record Maintenance

Procedures for Fund Disbursements

- All requests for payments are to be made using the appropriate forms.
- Requests for payments to be properly substantiated with bills/receipts and essential documents, authorized by ED.

Book Keeping and Recording

Book Keeping

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

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

Accounting

The following sets of financial reports time frame:

Quarter Report	Deadline
----------------	----------

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July to September	October 07
October to December	January 07
January to March	April 07
April to June	July 07

- Quarterly financial reports will be prepared for review by each individual project manager of the specific projects as well as of its core activities. This quarterly report will be reviewed by the Board. Financial reports to donors will be submitted as prescribed in the agreement between donors and ASM.
- Quarterly Financial Reports needs to be sent to board review. Submission is where possible electronic, plus a hard copy. These reports should be submitted no later than 07 days after the close of the reporting period.
- Annual Balance Sheet and Statement of Income and Expenditures will prepared for each fiscal year.

Auditing

Books of Accounts will be audited annually by a registered auditor appointed by the Board

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