Chapter – I: Overview of WASSAN

WASSAN Vision

Entrench participatory processes through network approach that strengthen Natural Resources Management (NRM) practices to secure livelihoods of deprived communities in drought prone areas.

Participatory processes include Capacity building, Institutional development, Networking and Advocacy.

WASSAN Core Values

- **Equity**
  
  Being sensitive and committed to reduce all forms of discrimination with focus on poor, dalit, adivasi and women

- **Participation**
  
  Having faith in people’s knowledge, capacities and their institutions

- **Collaboration**
  
  Developing synergies through networking

- **Team work**
  
  Striving for quality, innovation and diversity

- **Accountability**
  
  With transparency
Organization Details

Name of the Organization : Watershed Support Services and Activities Network (WASSAN), a Registered Public Charitable Trust

Full Address : 12-13-452, Street No. 1, Tarnaka Secunderabad – 500 017, Andhra Pradesh

PAN No. : AAATW 0306 P
TAN No. : HYD W000137 E
I.T. 12A Registration No. : 187/2000-01

FCRA

Date : 22.01.2003
Regd. No. : 010230551

TRUST

Date : 22.12.1999
Regd. No. : 143 / 99 IV

PF Registration No. : AP / 43809

Founder Trustees of WASSAN Trust

1. Shri. Bukkapuram Nadendla Yugandhar
   s/o Late B.N. Narayaba Swamy
   Managing Trustee
   8-2-269/27A, Sagar Society Apartments, Road No. 2
   BanjaraHills, Hyderabad – 500 034.

2. Shri. Malladi Viswanadha Sastri
   s/o Late M. Ramamurthy Sastry
   Trustee
   H.No. 12-13-624, Nagarjuna Nagar, Street No. 20,
   Tarnaka, Secunderabad – 500 017

3. Smt. Rupa Mukerji
   w/o K. Rama Krishna.
   Trustee
   Address: H.No. 1071, 1st Floor, Road No. 56,
   Jubilee Hills, Hyderabad – 500 033
### WASSAN Board of Trust Members as on February 2014

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name Of the Trustee</th>
<th>Board member’s occupation</th>
<th>Address</th>
<th>Phone Numbers</th>
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<tr>
<td>1</td>
<td>Mr. Malla Reddy Y.V.</td>
<td>Chairperson Ecology and HRD, Accion Fratema</td>
<td>C/o Accion Fratern, RDT-Ecology Centre, Upparapalle Road, Bangalore Highway Ananthapur-515002-India</td>
<td>9849056555</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Gagan Sethi</td>
<td>Trustee-WASSAN Director, Jan vikas</td>
<td>C-105, Royal chinmaya, Nr. Simandhar Towers, Off: Judges Bungalows Road, Bodakdev, Vastrapur Ahmedabad-380015</td>
<td>09824023209</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Uday Shankar C</td>
<td>Trustee-WASSAN Advisor, NRM centre for world solidarity</td>
<td>Plot no. 50, 17-21/1, Dharma puri colony, Uppal, Hyderabad-500039 India.</td>
<td>9849638920</td>
</tr>
<tr>
<td>4</td>
<td>Dr. Rukmini Rao V</td>
<td>Trustee-WASSAN President- Gramya,</td>
<td>12-13-440, st.no.1, Tarnaka, Secunderabad-500 017- India</td>
<td>9440860271</td>
</tr>
<tr>
<td>5</td>
<td>Dr. Kalyani Menon Sen</td>
<td>Trustee-WASSAN</td>
<td>B-114, Shivalik, Malvya nagar, New Delhi – 100 070, India</td>
<td>09910306382</td>
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<tr>
<td>6</td>
<td>Mr. Manohar Prasad Velamati</td>
<td>Trustee-WASSAN</td>
<td>12, Madhuvan Enclave, Rd, 4 Habsiguda, Hyderabad-500 007</td>
<td>9490224847</td>
</tr>
<tr>
<td>7</td>
<td>Mr. Balaram Pitta</td>
<td>Trustee-WASSAN, Executive Director Jana Jagruthi</td>
<td>Near Weekly Market, (post) Tanakal Ananthapur Dist (mail) <a href="mailto:balramjjkdr@rediffmail.com">balramjjkdr@rediffmail.com</a></td>
<td>9440224274</td>
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WASSAN Institutional Framework

Node of Change

1. Foot on the Ground;
2. Project Delivery;
3. Cutting Edge

Node of Knowledge

4. Thematic Resource Centers;
5. Action Research; Policy Advocacy and Networking;
6. Designing and Strengthening of Support Systems;
7. Knowledge Management and Media Engagement;
8. Training
Node of HID

9. Human Resource and Organization Development;
10. Finance;
11. Administration;
12. Project Management and Management Information Systems
13. Strategic Leadership Team
14. Samata Group
15. Board of Trustees
16. WASSAN Foundation

NODE OF CHANGE

Purpose

• Creating evidences of change for improving quality of mainstream large scale programmes

• Providing leadership role in the NRM/RA sector by facilitating partnerships at all levels and convergence with relevant initiatives

Role and Core Mandate

• It animates, directs, elaborates, delivers large scale development programs through implementation; piloting and action research

• “Tangible gains to empower the poor”
  - Creates new models with evidence of change
  - Therefore contributing to new knowledge

Themes

• Rainfed Agriculture; Natural resource management and livelihoods with an integrated approach by addressing sectors and sub-sectors such as Water and Groundwater; Livestock/ Poultry/ Fisheries; Crops – Seeds and Soils; Institutions, Credit and Market

Nature and Projects under each Sub Node

This node has three Sub Nodes. The agenda under this node is organized into three sub-nodes.
Foot on Ground: (Zameen)

- **Nature of the Sub Node:**
  - These are the experimental ground for WASSAN (for all field programs that are directly implemented (responsible) by WASSAN.
  
  - Projects which are in directly implementing will fall in it i.e. IWMP, RRA Comprehensive Pilots and RRA-B
  
  - The location could be limited to Parigi (2 Mandals), Mahabubnagar (3 Mandals) & Anantapur (2 Mandals).

Project Delivery

- **Nature of the Sub Node:**
  - This sub node provides support services to large-scale development projects
  
  - Projects can be multi-locational
  
  - Project guidelines/ roles of WASSAN are well-defined and pre-determined.

  - Current Projects of the Sub Node:
    - Support Services to Watershed Development Fund Projects of NABARD
    - Support Services to Indo German Watershed Development Projects
    - Consortium of NGOs for Orissa Tribal Empowerment and Livelihoods Project+
Cutting Edge

- **Nature of the Sub Node**
  - These are larger programs implemented through partnerships with Government departments and field organizations.
  - These programs are generally designed and coordinated by WASSAN and there could be several other partners in such projects. WASSAN may also take responsibilities of implementing these projects on a scale.
  - Large scale programs but WASSAN may or may not get resources for its staff.
  - Some may be in the nature of consultancies
  - These are essentially thematic.

**NODE OF KNOWLEDGE**

**Purpose:**

- Develops (update, captures) new knowledge in the NRM sector across the county for the state, market and civil society so as to provide viable alternatives/choices.
- Creating enabling policy and programmatic environment for community centric development processes

**Roles and Core Mandate:**

- Provide Knowledge management services and policy engagement that contributes to core mandate of WASSAN.
  - Knowledge management: Generation, Pooling, updation, processing and dissemination of knowledge
  - Policy Engagement: Establishing linkages with various stakeholders (within/outside WASSAN) Develop policy engagement processes, Supportive material generation for policy engagement
Themes:

- Rainfed Agriculture; Natural resource management and livelihoods with an integrated approach by addressing sectors and sub-sectors such as Water and Groundwater; Livestock/ Poultry/ Fisheries; Crops – Seeds and Soils; Institutions, Credit and Market

Nature and Projects under each Sub Node

This node has four Sub Nodes. The agenda under this Sub Node is organized into four sub nodes.

- **Designing and Strengthening Support Systems:**
  - **Nature of Sub Node:**
    - Supporting large scale mainstream programmes by designing and developing support systems at state and district level for programs such as IWMP, NREGS, RKVY, etc.
    - Providing Planning, monitoring, learning and evaluation support services and strengthening systems.
    - Undertake independent/collaborative research, studies.
    - Establish state/ district level secretariat/ project management units for providing regular support to state/ district level teams.

- **Knowledge Management and Media Engagement:**
  - **Nature of the Sub Node:**
    - Strengthening development communications (capturing the knowledge/ experiences and convert the knowledge into communication products) for perspective building and practical action by communities and facilitators.
    - Design and operationalized appropriate communication strategies for creating/ reinforcing positive image of community based development processes (facilitated by CSOs) in media and society.
• Maintaining and updating WASSAN website and make it more relevant and useful to the public.

• Support other organizations in developing media and web management
  Engage with print/electronic media

• Training

  • Nature of the Sub Node:

    • Strengthening institutional arrangements and systems of delivery of training delivery of large scale development projects such as IWMP, MGNREGS, etc including consortia of resource organizations/persons.

    • Strengthening participatory training methodologies; resource material/persons/modules.

    • Enhances the quality of the mainstream programmes.

    • Conducting training programs.

• Thematic Resource Centers

  • Nature of the Sub Node:

    • Strengthening theme specific policy advocacy and capacities of public and community systems such as fisheries; livestock; groundwater; employment/wages. Etc.

    • Facilitating the evolution of large scale programs (design, policy, program and finances) that focus on convergence of concerned agencies for realizing the potential of identified theme/sector.

    • Offering coordination; planning and review support to steer such convergence programs Strengthening participatory training methodologies; resource material/persons/modules.

    • Co-ordinate with field level action under cutting edge under these sub themes and create evidences for policy advocacy (Enhances the quality of the mainstream programmes by bringing lessons from these experiences).

    • Building knowledge and orientation of concerned actors in the sector by taking up specific studies/advocacy events.
Policy Advocacy and Networking

- Nature of the Sub Node:
  - Facilitating the emergence/evolution of evidence based policies and programs for strengthening participatory natural resource management projects in the country.
  - Participating in various committees/working groups/workshops/studies for sharing thoughts and contributing to the policy change processes.
  - Developing synergies among all nodes/sub-nodes of WASSAN and also with other agencies in the country.
  - Organization of annual network meetings.
  - Anchoring secretariats/studies/nodes of networks and supporting other agencies including NGOs/Academic Institutions/Government Agencies/Community Based Organizations/Others for a common agenda.

NODE OF HUMAN AND INSTITUTION DEVELOPMENT (HID)

Purpose:

Creating and facilitating an enabling environment for the programmes, projects and people of WASSAN vis., resources, systems, policies and procedures.

Roles and Core Mandate:

- Oversee overall administration of organization-finances; accounts; general administration.

- Facilitate the Project Planning, Review, Monitoring and Learning Systems for all nodes/sub nodes of WASSAN.

- Develop comprehensive MIS and using it for decision support system (project management; compliances with all (legal; financial; donors; boards).

- Review and Develop HR/other Policy and systems with enforcement mechanisms integrated and operationalize them.
• Deployment of teams to different projects and initiatives (Recruitments; ToRs; Renewals; etc).

• Capacity development of staff.

• Developing performance plans and assessment.

• Maintenance and management of assets, etc.

• Setting priorities for actions for intra-team functions.

• Ensure proper information sharing across teams/projects.

• Support teams in annual plans – program; financial; HR plans.

Areas of Work/Sub Nodes:

• **Human Resources & Organization Development (HR & OD)**
  
  o **Nature of sub Node:**
    
    ▪ Developing HR policy`s and ensuring the implantation.
    
    ▪ Developing CB plans and Implementation for the staff.
    
    ▪ Developing performance Assessment system.
    
    ▪ Ensuring growth of the Organisation in line of the Vision.
    
    ▪ Ensuring Enabling environment in the Organisation

• **Administration**
  
  o **Nature of the Sub Node**
    
    ▪ Day to day administration.
    
    ▪ Coordinating with field centre on Admin related functions.
    
    ▪ Ensuring practices of protocols and procedures.
    
    ▪ Providing infrastructure and logistical support.
• **Finance and Accounts**

  o **Nature of Sub Node**

    ▪ Developing and implementing the Account norms and procedures w.r.t individuals and for projects.

    ▪ Formalising Field centre based accounting systems and procedures.

    ▪ Supporting Node wise project wise accounting systems.

• **Project Management & Management Information System (PM&MIS)**

  o **Nature of sub Node**

    ▪ Developing Project wise/ Node wise MI Systems.

    ▪ Support sub nodes/ projects in developing project management cycle (outputs, time lines, quality, ....).

    ▪ Project visits to help the project teams/ projects to line up the work according to the project cycle.

    ▪ Providing feedback (project implementation, project health, issues, concerns, conflicts).

    ▪ Keep information available to all the staff of the organisation

* * * * *

This finance Manual shall come into force from 1st April, 2014.

This manual is intended to set accounting and financial guidelines to be applied in recording and classification of financial transactions and to develop an integrated accounting and financial administration planning system. The aim is to build up capabilities and strengthen financial systems related to WASSAN activities to achieve an effective financial management.

Objective

The primary objective of this manual is to provide the organization and top management with detailed administrative policies and procedures. This manual will be used as reference. Employees and management can refer to the related section or part of the manual for guidance when needed.

Authorities and Responsibilities

- Any change to be made to this manual should be recommended to and adopted by Board of Trustees.

- Executive Secretary shall be responsible for the implementation of this manual.

- The manual is also based on the Accounting standards issued by the Institute of Chartered Accountants of India related to non-governmental organizations.

- These standards assist the preparation of financial statements that satisfy management’s requirements and present the financial position for internal and external use.

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Chapter – III: Organization Chart

1. The line of control shall consist of:

i) Board of Trustees: To manage the work of the Trust and to formulate polices, rules and by – laws for the effective management of the Trust and amend the same from time to time to meet all exigencies through procedures laid down in the initially formulated bye – laws. The Chair person shall preside over the meeting of the Board of Trustee and her/his absence, the members present may elect a Chairperson for a specific meeting.

ii) Executive Secretary and Associate Executive Secretary: The Executive Secretary and Associate Executive Secretary normally from among the staff of WASSAN, i.e the Trust, with the Executive Secretary being the Chief Functionary. The Executive Secretary and Associate Executive Secretary shall be ex-officio members of the BOT without any voting rights. The Executive Secretary shall represent the Trust and may sue or be sued on behalf of the Trust.

iii) Strategic Leadership Team (SLT)

WASSAN has Three NODES for strategic Leadership. Each Node is managed by a Chief Operating Officer (COO) or Associate Chief Operating Officer (ACCO) who shall function under a loosely held structure to enable intra/ inter change of responsibilities:

NODE OF CHANGE
(Implementation of field activities)

Responsibilities:

Intra node

- Develop plans according to the vision, objectives and allocates responsibilities to specific teams and individuals accordingly.

- Sets the Key Result Areas for the respective node and for teams/ individuals and assess them annually.

- Monitors the progress of plans on a monthly basis and reviews it on a 6 monthly basis.

- Mobilizes necessary resources (financial, human resource).
• Reports on all compliances related to the node.

• Guides the team in setting quality standards and parameters and review them regularly

**Inter node**

• Coordination with other nodes (respective COOs and ACOOs) in sharing the plans of respective nodes, negotiating and sharing of resources (human and financial) and in achieving Key Result Areas.

• Joint meetings to decide on matters related to overall WASSAN planning, monitoring and coordination of all three nodes.

**External to the node**

Represent the node as well as WASSAN in all engagements in the nodal leadership role with key external stakeholders, donors, Govt. functionaries, etc.

**NODE OF KNOWLEDGE**

*(Research training & support services)*

**Responsibilities:**

**Intra node**

• Develop plans according to the vision, objectives and allocates responsibilities to specific teams and individuals accordingly.

• Sets the Key Result Areas for the respective node and for teams/ individuals and assess them annually.

• Monitors progress of plans on a monthly basis and reviews it on a 6 monthly basis.

• Mobilizes necessary resources (financial, human resource).

• Prepare the reports on all compliances related to the node.

• Guides the team in setting quality standards and parameters and review them regularly
Inter node

- Coordination with other nodes (respective COOs and ACOOs) in sharing the plans of respective nodes, negotiating and sharing of resources (human and financial) and in achieving Key Result Areas.

- Joint meetings to decide on matters related to overall WASSAN planning, monitoring and coordination of all three nodes

External to the node

Represent the node as well as WASSAN in all engagements in the nodal leadership role with key external stakeholders, donors, Govt. functionaries, etc.

**NODE OF HUMAN & INSTITUTIONAL DEVELOPMENT (HID)**
*(Internal Management of finance, HRD & Adminstrate)*

**Responsibilities**

- Developing strategic plans for the Node and facilitating the implementation.

- Meeting statutory obligations.

- Nurturing partnerships and fund mobilization.

- Providing proper Project Management and planning MIS of all sub nodes.

- Providing face to WASSAN in various platforms – nationally and internationally.

- Guiding and mentoring the Strategic Leadership Team and other anchors of the sub-nodes of WASSAN.

The NODE Heads shall be assisted by such sub nodes as may be required headed by anchors in charge.

These NODE Heads (COO and ACOO of each nod) shall form a strategic leadership team which shall meet once in a month. The Executive Secretary shall also attend this meeting and minutes of the meetings shall be recorded and available to the Board of Trustees on demand.

Any changes in the Node form of Governance shall be passed only in the Board of Trustees Meeting.
2. Committees

WASSAN shall have the following Committees with regard to finance management:

The Committees shall basically constituted by BOT who shall have the members by way of resolution.

(i) Finance Committee
(ii) Financial Irregularities Committee
(iii) Purchase Committee

(i) Finance Committee:

Objectives

Finance Committee supports the BoT in Finance related matters and makes recommendation to the BoT for approval.

- Finance Committee shall comprise of 5 members: 1) One Representative from BOT, 2) Executive Secretary, 3) Associate Executive Secretary, 4) Finance Node Anchor, 5) One member from outside of the organization.

- COOs and ACOOs, Auditor, Founder Trustee and any two senior staff members will be special invitees. There can be such other invitees to the committee as may be decided from time to time.

- The committee shall meet once in every six months. However, it may also meet as and when required.

- The committee shall recommend all financial matters to the Board of Trustees.

- The minutes of the meeting shall be circulated to all the members of committee and the Executive Secretary.

- The committee shall approve and oversee the financial planning, acceptance of major projects and oversee the financial aspects of execution of the projects.

(ii) Financial Irregularities Committee

Objectives

1. To improve the financial governance and compliance systems of the organization.

2. To look into financial irregularities, if any and make suitable recommendations and/or suggest any necessary action.
3. To promote transparency and accountability systems both in the delivery systems with the community and the internal systems to the organization.

- The Financial Irregularities Committee shall comprises of 3 members of which Executive Secretary shall be the Chairman and One from staff representative and One external member/expert.

- The committee shall meet as and when required for compliance in statutory and finance related issues and/or when there are finance related complaints from within and outside the organization and/or donors.

- The committee shall receive, examine, hear, the compliant and make suitable recommendations to the Executive Secretary for further action.

- The minutes of the meeting shall be circulated to all the members of committee and the Executive Secretary.

(iii) **Purchase Committee**

The Objective / role of the Purchase Committee is to ensure the best quality and best price. The decision taking powers do not lie with this committee.

- The purchase committee shall comprise of 5 Members: 1) Executive Secretary 2) Finance Node Anchor 3) Administrative Node Anchor, and 4) Concerned ACOO of Node; the Executive Secretary shall be the Chairperson.

- The committee shall meet once in 3 months or as and when required.

- The committee shall purchases stocks of permanent nature worth Rs.7500/- and more. However, when bulk purchases of Rs.7500/- and more of temporary stock like stationary are made, the purchase committee may undertake the task upon request from the Executive Secretary.

- The minutes of the meeting shall be circulated to all the members of committee and the Executive Secretary.

All Minutes of all the committees meetings shall be maintained in separate registers, duly signed by the Chairperson of such committees.

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Chapter – IV: Accounts

1. Accounting System

Objectives

- This section aims to set the accounting basis that should be applied to record and classify financial transactions in accounting records to ensure the following:-

- Transparent system of accounts, to reflect receipts and payments without any ambiguity specially for those related to “not for profit organizations”

- Financial transactions to be recorded and classified to provide internal and external financial data.

- Financial transactions to be recorded and classified in order to reinforce the internal control system and maintain the segregation of duties and responsibilities within the organization.

2. Accounting Standards suggested by the Institute of Chartered Accountant of India:

While there is no statute governing accounting standard for Non Profit Organizations (NGO’s), the exposure draft issued by the Institute of Chartered Accountants of India (ICAI) is appended in Annexure I. The same shall be referred to by WASSAN finance staff for the limited purpose of clarification and guidance in preparation maintenance and finalization of annual accounts.

3. The following Accounting Policies shall be adopted for the purpose of Accounting:

a. Annual Accounts shall be drawn up on historical cost basis and prepared with generally accepted accounting practices.

b. WASSAN shall follow cash system of accounting.
c. Fixed Assets:

(i) Fixed Assets are stated at cost on the date of acquisition. Depreciation shall be computed on WDV method on rates prescribed under Indian Income Tax Rules.

(ii) In case of any fixed asset received as Donation, the same shall be accounting upon delivery at the cost indicated by the Donor. Where no value is attributed the same shall be accounted at a normal value of Rs.1/-.

(iii) Fixed Assets donated/acquired for a Project shall be written off as expenditure under the grant head. Memorandum Register recording the details of the Project Asset shall be maintained by the Sub Node Anchor of Finance Node.

d. Foreign Currencies:

The organization's functional currency is the Indian Rupee (INR). Transactions that are denominated in currencies other than INR are converted to INR using exchange rates in effect at the time of each transaction.

4. Corpus Fund

It refers to funds contributed by founders/promoters of WASSAN. It also includes donations/contributions received with specific directions. These are non-refundable funds, which can however be increased by additional contribution by the founders/promoters/donors/contributors with specific directions in furtherance of the objects of WASSAN

5. General Reserve

The annual surplus or deficit arising out of the Income & Expenditure Account for the end of each financial year shall be transferred to this Account.

This reserve shall be used freely for the purposes of meeting the objects of WASSAN as per Budget allocation as determined, by the Board of Trustees.
6. Application of Reserves

The Following are the prescribed guidelines for utilisation of the Reserves. Every Year BOT has to be approve annual allocation under this head based on the proposal of SLT/ Executive Secretary. The utilisation of the Reserves shall be as follows:

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<thead>
<tr>
<th>S No</th>
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<tr>
<td>(i)</td>
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<td>(ii)</td>
<td>Revenue Expenditure</td>
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<td></td>
<td>(a) Programme</td>
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<td></td>
<td>(b) Non-Programme</td>
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<td></td>
<td>(c) Contingencies</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>85%</strong></td>
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(i) **Capital Expenditure of Unrestricted Funds:**
1. Vehicles
2. Office Equipment
3. Computers and software development

Based on the applications from the staff through the concerned Node, Executive Secretary will approve the expenditure.

(ii) **Revenue Expenditure of Unrestricted Funds:**

A. **Programme Expenditure:** the categories under this head are:

(a) **Innovative ideas/ pilots and research**
The staff will bid for sanction of budget under this category to be approved by Executive Secretary, Associate Executive Secretary and one external person (invited by the Executive Secretary) who is an expert in the theme of the project.

(b) **Capacity Building programmes, including staff (monthly, quarterly) meetings, WASSAN Annual Network Meeting, BoT meetings, etc.**

The SLT will provide a budget each year depending upon the funds available to the HID, HR & OD develops capacity Building plans for the staff with support from sub node Anchors. The Capacity Building plans will comprise trainings designed by HR & OD for the staff to have minimum skill levels and individual trainings. The Sub Node Anchor/ ACOO of HID will be responsible for developing training plans under the former category and implementing them.
Individual trainings will be approved case by case by the ACOO of HID. The trainings to the individuals should be linked to their current and future functions and the training duration should not effect the project work. Individual training cost per event should not be more than a maximum of Rs. 50,000/-. Individuals with more than 4 years experience only are eligible for expenditure of Rs. 25,000/-. For undergoing trainings costing more than Rs. 25,000/- shall provide a bond for one year, failing which they have to repay 50% of the cost.

For the rest of the items under the category the HID Node will identify person(s) responsible for the activity. This person along with the Senior Programme Officer (Finance) will prepare a budget of expenditure with heads and funds needed from Reserves and take approval from the SLT/Executive Secretary.

(c) WASSAN Publications

The Sub Node Anchor of Knowledge Management and Media Engagement will prepare a budget from time to time, for each publication that concerns utilisation of WASSAN Reserve and take the approval of the SLT/Executive Secretary. Any staff member with ideas for publications that need WASSAN Reserves will work in coordination with the Sub Node Anchor of Knowledge Management and Media Engagement

(d) Proposal generation, project bidding/ exploration, seeding, incubation

The staff will give written proposals for expenditure to be incurred under this item. Expenditure below Rs. 50,000 for each proposal will be approved by the SLT/Executive Secretary. Proposals exceeding this limit would be approved by the BOT

(e) Programme add ons and gaps

Concerned Sub Node Anchors / ACOOs will prepare a detailed budget for the expenditure under this head and obtain the approval of the SLT/Executive Secretary

(f) Salaries

Senior Programme Officer (Finance) will present the details of the staff whose salaries are not covered in any of the existing projects and will take approval of the SLT/Executive Secretary to pay their salaries from Reserves.
B. Non-Programme expenditure of Unrestricted Funds

(a) Education Loans to the children of staff

Interest Free loan will be provided for the purpose of education of the children of Long-term Contractual Employees WASSAN. The loan would be interest free and should be repaid in equal monthly instalments within the Financial Year. This loan will be against salary deduction. The maximum limit of this loan is three times the gross salary of the employee or Rs. 40,000/-, whichever is lowest. The staff requiring this loan will give an application to be sanctioned by the Associate Executive Secretary. A person who has availed this loan should submit proof of document (fee receipt) in proof of utilising the loan for the stated purpose. A person who has availed this loan in one year will not be eligible for this loan for the next two years.

(b) Medical advance against Mediclaim

This is short term interest free loan to be repaid once the staff member is reimbursed by the Mediclaim. The staff requiring this loan will give a written application to be approved by Associate Executive Secretary. The person will provide proof of incurring the expenditure for the stated purpose.

(c) Scholarship for children of the staff

A scholarship of Rs. 5000/- will be given to the children of WASSAN staff who have passed the 10th class examinations.

The concerned staff will give an application along with the marks memorandum of the child to be approved by the Executive Secretary.

(d) Educational Grant to children of Staff:

Educational grant upto two children of Staff who have completed one year of service, and with not more than Rs. 10,000/- of gross salary per month from 1st to 7th classes @ Rs. 300/- per month, per child; to be paid in the month of July every year based on the applications from the staff with appropriate certificates and approved by the Executive Secretary. The spouse should not be working.
(e) Staff retreat

This should be an event with at least 50% of the staff members participating. The staff along with spouse and up to two dependent children can participate in this event. WASSAN will provide with sleeper class travel and non-A/c accommodation, excluding food. This will be discussed in the SLT and a person will be given the responsibility to organise the retreat, who will prepare a tentative budget. This will be approved by the SLT / Executive Secretary.

(f) Salaries

If the funds under Programme head are not sufficient to cover the salaries of the staff not included in any project, then they will be incurred from this head. The same procedure as in IIA 6 will be followed in this instance also.

C. Contingencies

Unforeseen expenditure not covered anywhere else.

The approval powers under this head are as follows:

- Upto an expenditure of Rs. 1000/- in each transaction by Sr Programme Officer (Finance).
- Upto an expenditure of Rs. 5000/- in each transaction by ACOO of HID.
- Expenditure more than Rs. 5000/- in each transaction by Executive Secretary.

Senior Programme Officer (Finance) will prepare a statement of monthly expenditure under the above items and will present to the SLT every month. The SLT will issue guidelines from time to time in this regard.

7. Basis of Accounting

In view of uncertainty of financial transactions, cash system of accounting is adopted to maintain the books of account. Under this system, revenues are recognized when they are actually received and expenses are recognized when they are actually paid.
8. Income

The Project grants are funds to be held by WASSAN in good faith on behalf of the donor. Therefore these funds are not the income of the organization and the same shall be shown as a liability under the head Grant. All expenditure incurred on the project against these grants shall be deducted there from and the balance unspent grants if any are carried forward to balance sheet as a current liability. These shall be called as “Restricted Funds”.

The project specific funds are treated as restricted funds and shall be used only for the purpose of project and in the event of any unused or idle funds the same shall be invested only in the form of Bank Deposits and Government Deposits. Interest earned thereon shall be transferred to restricted grant account or if the donor agrees, this interest amount shall be transferred to General Reserves.

In the event of any surplus or deficit in the project against the specific Grant, the same shall be transferred to income and expenditure account, only when the donor so specifies. Similarly such portion of the Grant shall be transferred to Income & Expenditure account, only when the Donor allows it as contribution to the administrative costs of WASSAN.

In case of unrestricted grants includes interest earned if any the same shall be used by the organization for any purpose mandated by the charitable objects of the trust.

Such unrestricted grants shall be taken as receipts in the Income & Expenditure Account for the year.

Grant in kind shall be accounted in the Books on the date of actual delivery of the goods and shall be accounted under Fixed Asset.

When the grants in kind are of consumable in nature the same shall be accounted as receipts in the Income & Expenditure account and shown as expenditure used for projects.

Unless the volume warranties, the unspent physical volumes of grants in kind shall be controlled only by way of a Memorandum Register.

All other income shall be accounted on the date of credit into the bank accounts or date of actual receipt.
9. Expenses

i) Capital Expenditure:

Capital expenditure on acquisition of fixed assets shall be accounted on the date of invoice. In case the capital work is in progress, the same shall be capitalized on the date of completion as per the technical report.

ii) Revenue Expenditure:

All revenue expenditure shall be accounted based on the date of payments

iii) Accounts written off:

Is there any uncleared advances like staff advances, CRPS advances pending more than 24 months, it will be treated as bad debts and need to be written off from books of accounts by taking approval from Executive Secretary and ratified by BoT.

10. Project related Travel

(i) Travel Mode:

a. **Local Travel**: City Bus/ Auto Fares shall paid as per actuals on submission of tickets/ statement.

b. **Own Two Wheeler**: The field staff provided with this facility would be notified. The payment is paid on per km at the rate fixed by the SLT from time to time. A logbook shall be maintained. The bills shall be submitted on monthly basis. The bill shall be accompanied by copy of the logbook countersigned by the Team Leader/Sub Node Anchor

c. **Bus and Train**: Travel tickets must be attached to the bills.

d. **Four wheeler**: All travel on four wheeler (office/ hired) is permitted only after obtaining authorisation in the prescribed format. No staff member shall call the Travel Agent or the Office Vehicle Driver for vehicle service; all such requests should be routed through the Administrative Node. A Booking Register will be maintained in the Office.
e. **Flight**: Flight travel is not permitted for distances less than 500 kms. Boarding Passes must be attached to the bills. Any exceptions to this need the approval of the Executive Secretary.

(ii) **Travel Booking**:

a. **Four-wheeler**: All bookings/ allotments of four-wheeler for Hyderabad Office shall be made by the Administrative Node. If the Travel Expenditure provision is not in the project, they need to get approve from the concerned COO / Executive Secretary.

b. **Bus/ Train/ Flight**: General travel by bus and train can be undertaken by the staff. However, whenever needed the bookings for reserved travel will be done by the Office on the basis of the Travel Requisition Form. The expenditure shall be treated as advance until the bills are submitted by the concerned person(s). If the bookings are for other persons in case of workshop/ meeting, the expenditure shall be treated as advance against the convener/ coordinator of the event. If the Travel Expenditure provision is not in the project, they need to get approve from the concerned COO / Executive Secretary.

(iii) **Payment Procedure**:

a. **Submission date**: Travel Bills for a month shall be submitted by the last date of the next month. Bills submitted after two months shall not be entertained. Travel Bills for shorter periods will also be permitted, provided that they are submitted within the time limit.

b. **Tour Report**: Travel by four wheeler/ bus/ train/ flight should be supported by a brief Tour Report, submitted to Administrative Node.

c. **Boarding and Lodging Expenses**: Actual expenditure shall be reimbursed. Bills should be provided for these expenses, where bills are not issued by the service provider a declaration should be given by the claimant.

d. **Countersignature**: All travel bills have to be signed by the person and countersigned by the Team Leader/sub Node Anchor. If the Team Leader/ Sub Node Anchor make a claim, it has to be countersigned by Node Associate Chief Operating Officer. If ACCOs makes a claim it his countersigned by COO.

e. **Travel advance**: Travel advance shall be settled along with the travel bills. A second travel advance shall not be given while the first advance has not been settled.
f. **Four - wheeler:** The Person in charge of travel booking will prepare a statement along with authorized signature of the concerned Node, counter signed by Admin Anchor and will submit to Accounts officer.

g. **Bus / Train / Flight:** The Person in charge of travel booking will prepare a statement along with authorized signature of the concerned Node, counter signed by Admin Anchor and will submit to Accounts officer.

iv. **Log Books for Office Vehicles:** All Office owned vehicles will maintain a printed logbook signed by the vehicle user/ driver and countersigned by the person in-charge.

**11. Wages**

i. **Guiding Principles:**

- Wage/ remuneration to individuals should commensurate the tasks performed, responsibilities taken and results achieved.

- Wage related arrangements (salaries, additional remuneration, shifting to bench, etc) should be able to balance the organizational goals and individual performances.

- Wage related arrangements should be transparent, objective, differentiated and decentralized (at Node and Sub Node level).

- Wage related arrangements should not undermine the financial health, stability and integrity of the organization.

ii. **Category of Employment**

To improve the working conditions and flexibility that is necessary, there shall be following categories of workers.

1. Long term Contractual Employees
2. Temporary Contractual Employees
3. Expert Consultants

The above members could be performing different roles; taking up required responsibilities and working at different levels, irrespective of their time commitment and mode of payment.

Any other project related payments will be grouped under hired fellowships.
iii. Roles and Responsibilities of Functionaries

The wages/ compensations have to be linked to the roles & responsibilities and tasks performed by each member. It is important that these roles and responsibilities are clearly defined and adequately compensated for. The wage policy recognizes this need and defines them in this document. There are mainly three categories of roles & responsibilities and related tasks to be performed. These are defined now and linked with salary structure and compensation protocols.

iv. Executive Roles and Responsibilities:

Each member of the organization has certain executive functions, which are necessary in the context of projects and programs of a given sub-node and node. The wage/ remuneration is provided to each member to perform these basic functions and perform these roles.

v. Management Roles & Responsibilities:

It is recognized that three types of managerial functions are to be performed in the management of the organization. These functions/ roles are – Chief Operating Officers of each node; Associate Chief Operating Officer of each node and Anchors of sub nodes. It is expected that these managerial functions/ roles are to be performed by individuals within the team in addition to the executive roles/ responsibilities. For performing these additional management functions, an incentive is to be provided for these members.

vi. Governance Roles and Responsibilities:

It is also recognized that there are several honorary positions/ responsibilities that are to be performed for the overall functioning and governance of the organization. These are voluntary functions. Membership in committees; working groups/ task forces that could be established on any specific theme by the organization is honorary position. Similarly Executive Secretary and Associate Executive Secretary are honorary positions.
12. Payroll

**WASSAN shall employ person in the following category:**

a. Long Term Contractual Employees  
b. Temporary Contractual Employees  
c. Expert Consultants

- Contractual Employees shall be appointed by WASSAN affirming “an employer and employee relationship”. A letter of appointment detailing the contractual obligations of the employee shall be issued to the person. All relevant benefits shall accrue to the employee based on the applicable laws.

- Contractual Employee shall be terminated in terms of the provisions of the contract or any other law applicable to the case.

- Temporary Contractual employees shall be appointed by WASSAN affirming that there shall be no “employer and employee relationship”.

- All applicable laws shall be complied with all parties.

- The Temporary Contractual employees can be removed from employment by giving 30 days notice.

- In case of Expert Consultants, there shall be no employer and employee relationship between Expert Consultants and WASSAN.

- The duties and obligations of the consultants shall be restrictly governed by the Terms of Reference (TOR) executed inter-se.

- All applicable laws shall be complied with both WASSAN and consultants.

13. Attendance and Leave

i. Attendance:

- Working hours shall be from 9.30 a.m. to 5.30 p.m. with half an hour lunch break. Every employee shall be punctual in attendance and diligent in the performance of her/his duties.

- The working days are from Monday to Saturday except for Sundays, Second Saturdays, fourth Saturdays and notified Public Holidays.
• The list of Public holidays and Optional holidays in a calendar year shall be notified by the Administrative Node in the month of December for the next year.

• Whenever State Government declares a holiday during exigencies, it generally use a holiday.

• All the employees shall sign the attendance register when they report at the office in the morning.

• Each employee involved in projects shall sign attendance at the project site.

Team Wise Timings:

• Flexibility and Discipline: Each team (either Node or a Field Centre) would fix up the timings of its team members, keeping in view needs of the work and being available to other staff members and visitors in general. However, the working hours should not be less than the prescribed minimum hours of working.

• Working beyond Stated Hours as per the need of the organization: The WASSAN team has shown the spirit of working long hours in order to fulfill the tasks and events at hand; without any compensation whatsoever. This high tradition would continue with commitment towards work. The team leader/ Sub Node Anchor/ ACOO/ Administrative Node would monitor the attendance of staff.

• During office hours, absence from office shall be only with the prior permission of the Node ACOO and inform to Administrative Officer.

ii. Leaves:

• Staffs are entitled for Earned/ Privilege Leaves and Casual Leaves. Provisions for leave are different for different categories of employees.

• To obtain any kind of leave, appropriate leave applications are to be submitted to the Executive Secretary, through respective Node of COO/ACOO/ Sub node Anchor/ Team leader of Field centers, who shall convey all sanctions of leave to staff in time.
• Though leave is an entitlement, it is important that the work related priorities and absence of any person from work (as a result of leave) are balanced.

• The calendar year will be the basis for calculating eligible leaves under different categories.

**Earned/ Privilege Leaves:**

• Earned/ Privilege leaves would be credited to the employees at the rate detailed below. This crediting shall be done on 1st of every January and 1st of every July.

• While availing Earned / privilege leave intervening days (holidays, Sundays, Second, Fourth Saturdays) will be counted as part of earned/ privilege leave.

• Earned/ Privilege leave may be availed after giving 15 days advance notice or at shorter notice in case of emergencies. Earned leave applied by the employee and sanctioned should be availed of, and not cancelled wholly or partly, except for valid reasons to be conveyed and approved by the Executive Secretary.

• Earned/ Privilege leaves cannot be encashed, but can be accumulated to a maximum number and as applicable to different categories.

**Casual Leaves:**

• Casual leave will be at the rate of one day per month and 12 days per year, on accrual basis.

• Casual leaves can be availed to attend any personal/ other reasons, with the approval of Sub Node Anchor/ ACOO/ COO/ Executive Secretary and inform to Administrative officer

• Not more than three days of casual leave will be sanctioned at a stretch.

• Local holidays of the project site shall have precedence over the general rules of holidays.
Special Leaves on Health Grounds:

- SLT/ Executive Secretary can approve special leaves on Health Grounds on case by case for the staff

Categories of Employees and Eligible Leaves

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Category of Employees</th>
<th>Eligible Leaves / Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Contractual Employees</td>
<td>30 Earned/ Privilege leaves, approximately @ one for every 12 days of employment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The earned/privilege leaves may be accumulated up to 60 days.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12 CLs for men and 15 CLs for women</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Special Leaves, allocated as per the discretion/ decision of Strategic Leadership Team/ Executive Secretary. The nature and eligibility would be decided by SLT.</td>
</tr>
<tr>
<td>2</td>
<td>Temporary Contractual Employees</td>
<td>15 Earned/Privilege Leaves, approximately @ one for every 24 days of employment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The employee is eligible to take earned/ privilege leaves only after completion of three months.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12 CLs for men and 15 CLs for women, at the rate of one per every completed month.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Special Leaves, allocated as per the discretion/ decision of Strategic Leadership Team/ Executive Secretary. The nature and eligibility would be decided by SLT.</td>
</tr>
<tr>
<td>3</td>
<td>Expert Consultants</td>
<td>No leaves are applicable</td>
</tr>
</tbody>
</table>

Maternity Leaves:

- A woman employee who has put in 12 months of service after confirmation shall be entitled for 120 days of Maternity Leave on full pay and an employee, who is under probation, will be eligible for leave without pay for the same length of period.

- Men employees when their spouse gives birth shall be entitled for 15 days of leave either before or after childbirth for primary parenting and child nurturing. Men employees are entitled for this leave after completing 12 months of service after confirmation.

- In case of miscarriage/ abortion, women staff can avail 2 weeks for Maternity Leave with full pay and spouses are entitled for one week leave.

- Any employee (both female and male) would be eligible for this leave for only the first and second child deliveries.
“Loss of Pay”

- Employees who are absent from work for more than the leaves due to them, their salary would be deducted on pro-rata basis. Even for leave on such ‘Loss of Pay’ prior permission from the concerned need to be obtained.

Leave not covered under any of the above categories

- Any other leave of absence not covered above will be considered by the SLT on case to case basis.

iii. Work from Home:

- Employees are allowed to work from home for a period not exceeding 3 days in a month, after due approval from node anchor. Additional time of work from Home to be approved by Executive Secretary.

iv. Removal from Service:

- Employees are liable to be removed from service immediately on account of proven moral turpitude and/or proven sexual harassment.

14 Benefits/ Emoluments to WASSAN staff and associates:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Category of association with WASSAN</th>
<th>Salary</th>
<th>Employee Provident Fund (EPF/ Gratuity)</th>
<th>Mediclaim Policy</th>
<th>Personnel Accident Policy</th>
<th>Education Loan to children</th>
<th>Scholarship to children</th>
<th>Education Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Long Term Contractual Employees</td>
<td>As per ToR and as per the scales of the organization</td>
<td>Applicable (Employee and three dependents)</td>
<td>Applicable (Only Employee)</td>
<td>Applicable</td>
<td>Applicable</td>
<td>Applicable</td>
<td>Applicable, for those who have completed one year</td>
</tr>
<tr>
<td>2</td>
<td>Temporary Contractual Employees</td>
<td>As per project Norms/ Negotiations.</td>
<td>Applicable (Choice of Employee)</td>
<td>Applicable (Only Employee)</td>
<td>Applicable</td>
<td>Applicable</td>
<td>Applicable</td>
<td>Applicable, for those who have completed one year</td>
</tr>
<tr>
<td>3</td>
<td>Expert Consultants</td>
<td>As per ToR</td>
<td>Not Applicable</td>
<td>Applicable (Only Employee)</td>
<td>Applicable (Only Employee)</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>
**Mediclaim policy:** Wherever applicable; to Employee and three ‘dependent’ members as declared by the employee. Rs. One lakh per year per person; in case the person is covered by Mediclaim through spouse; it is not provided by WASSAN. On first employment, the Mediclaim is to be paid by the person, which will be reimbursed after completion of 6 months of service. For persons under category 2, 3, 4 Mediclaim will be given only to the person and not to the family members.

**Personal Accident Policy:** Rs 100000/-, Applicable only to Employee and not to the family members

**Education Grant:** Wherever applicable; subject to less than Rs. 10,000/- Gross Salary per month with one year of completed service.

**Note:** Education loan, scholarship and education grant to children are subject to availability of funds.

**15. Grants to Others**

- WASSAN may give grants to other “not for profit organizations” (NGOs) for social and charitable purposes as long as the same are within the main objectives of WASSAN.

- The grants shall be given as “Specific Grant” if the same arises out of funds received from donors as restricted grants and shall be directly related to the project for which the said restricted grant was received.

- Unrestricted grants may be given by WASSAN depending upon the requirement of any general projects undertaken by WASSAN.

- No grant whether restricted or unrestricted shall be given by WASSAN to any “nonprofit organization” unless such organization complies with all the requirements of law such as FCRA, Income Tax Act and other applicable laws.

- Where grants are required to be given in view of either “Internal budget provisions” or “Original donor directions” to unregistered organizations, such grants shall be made in the nature of project advances and the recipient organizations shall render account of the expenses to WASSAN and submit the original supporting evidence for the expenditure along with utilization certificate duly certified. The said organization shall also file field progress report of the project, along with utilization certificate.

- No grants shall be paid otherwise than a crossed cheque for all amounts.
16. Account Documents

Accounting vouchers used to document financial transactions in accounting system are generally the following:-

<table>
<thead>
<tr>
<th>Type</th>
<th>Voucher/Note</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>For cash and bank transactions</td>
<td>Receipt Voucher</td>
<td>To record all cash and bank receipts</td>
</tr>
<tr>
<td></td>
<td>Payment Voucher</td>
<td>To record all cash and bank payments</td>
</tr>
<tr>
<td></td>
<td>Contra Voucher</td>
<td>To record all cash withdraws and deposits</td>
</tr>
<tr>
<td>For non cash transactions</td>
<td>Journal Vouchers</td>
<td>Adjust against advance</td>
</tr>
<tr>
<td>For goods or inventory</td>
<td>Purchase Order</td>
<td>To order purchases or service from suppliers</td>
</tr>
<tr>
<td></td>
<td>Goods received note</td>
<td>To record material inwards</td>
</tr>
<tr>
<td></td>
<td>Goods sent note</td>
<td>To record material outwards</td>
</tr>
</tbody>
</table>

These should be separately maintained for Foreign Currency grants/contribution accounts & local fund grants/contributions accounts.

- WASSAN should use the above mentioned vouchers. If manual records are used, serially numbered, multiple copies voucher books should be printed.

- These vouchers should be used by authorized persons.

- Vouchers should not include any mistake or changes. If any a new voucher should be written.

- Receipt, payment and journal vouchers are mainly used in a correlated way for accounting purpose. They should be filed in an accurate and easy way to refer to in future.

17. Chart of Accounts

Financial transactions are recorded using an apparent chart of accounts including accurate description of accounts to avoid misclassification upon recording. Any change should be adopted by management.

However the chart of Accounts is now pre arranged in any recognized accounting software which should be adopted by WASSAN that is most convenient or practical.
18. Account Books and Records

Financial transactions are recorded using the following accounting books and records.

- General and subsidiary ledgers
- Cash book
- Bank book
- Fixed asset register

These records should be available in the Accounting system, whether manual or computerized systems are used.

Vouchers and accounting records should be used by authorized persons and maintained for two years, then archived for eight years before disposing off by way of destroying the same appropriately.

It is important that printouts of the books of accounts are taken regularly. It is suggested that the printout of the cash book should ideally be taken daily basis. Further the physical printout needs to be authenticated by appropriate authority.

It is suggested that the backup of computerized data should be taken every day on another drive. External backup on a proper and reliable data storage devices should be taken every week.

19. Account Entries

- Accountant should record accounting entries on a daily basis.
- Accounting entries shall be posted to the accounting system without being changed.
- Any recording error shall be corrected only through adjusting or reversing passing JV.
- Accounting entries shall be classified in accordance with chart of accounts/accounting package.
- Financial manager or accountant shall be responsible to prepare monthly, quarterly financial reports.
• Reports should be ready no later than the 15\textsuperscript{th} of the first month of the closing period. The reports should include at least the following:

<table>
<thead>
<tr>
<th>Reports</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Trial balance.</td>
<td>}</td>
</tr>
</tbody>
</table>
| - Income and Expenditure A/c | | }
| - Receipts & Payments A/c | Quarterly |

- A list of project expenses including a comparison between actual and budgeted expenses and percentage of completion | Monthly |
| depending upon the phase of execution. | |

20. Year-end Adjustments

• The accountant or finance manager should verify all posted accounting adjustments and reclassifications.

• Accounting adjustments and reclassifications should be properly supported and documented.

• Accounting adjustments and reclassifications should be reflected in the quarterly and year-end reporting packages prior to their release to management and auditors.

21. Year-end Reporting

i. Financial reports

• The WASSAN determines its financial year comprising of twelve months as starting from 1\textsuperscript{st} April and ends with 31\textsuperscript{st} March.

• Annual financial reports are prepared by financial manager or accountant.

ii. Annual financial statements

• Financial statements should be prepared based on accounting policies adopted within three month of the end of financial year.
• Financial statements shall comprise of:
  - Trial Balance
  - Receipts and Payments A/c
  - Income and Expenditure A/c
  - Balance Sheet (Statement of Affairs)
  - Statement of Analysis of Budget – Vs Actual
• Financial statements shall be audited before six months after the end of financial year.

22. Bank Accounts

WASSAN shall operate one designated Bank account under FCRA and the same shall be operated by any two of the following authorized persons:

a. Executive Secretary
b. Associate Executive Secretary
c. Two Trustees duly authorized by a Trust Resolution.

Any changes in the authorized signatories shall also be only by a proper resolution by Board of Trustees.

Project Bank account shall be operated by any two of the following authorized person:

1. Trustee authorized by a resolution
2. Executive Secretary
3. 2 Staff of members working for the project duly authorized by the Trustees.

Fund transfers from mother account to project accounts shall be made only on need basis and strictly in terms of the Project Budget.

WASSAN may open such other bank accounts as may be needed for a specific purpose and such accounts shall be operated as per the resolution passed by the Board of Trustees.
Temporary or time bound funds shall be invested in local FCRA designated accounts appropriately. Executive Secretary shall determine the amount to be transferred from current account to deposit account and vice versa, in accordance with future projected cash flows.

- WASSAN shall use serially pre-numbered manual or computerized voucher for all receipts and payments separately.

- Cash and cheques on a daily basis, shall be deposited in the Bank.

- Not more than one receipt book shall be used simultaneously, in case of pre-numbered manual receipts

- Cheques shall be prepared for payment only by way of crossed cheques for all amount in excess of Rs.20,000/- each. However in project related expenditure in remote areas bearer cheques/ self cheque can be issued upto a sum of Rs.40,000/- each.

- The Accounts and Finance Node shall maintain cheque books in a safe box.

- Cheque books shall be used in a sequential order.

- Cheque book control register is maintained to know the status of cheque books.

- Cancelled cheques shall be maintained and stamped “Cancelled”.

- Approvals and supporting documents are reviewed before authorized signatories sign cheques.

- Authorised signatories should not sign blank cheques.

- All supporting documents are stamped as “PAID”.

23. **Bank Reconciliation**

- Bank reconciliation shall be prepared for each bank account on a monthly basis before 10th of the next month.

- The accountant shall prepare a journal/contra voucher to record bank transfer, bank charges and any errors that were not recorded in the books of WASSAN.

- The accountant shall monitor the clearance of all cheques issued and received by WASSAN and make a monthly statement of uncleared cheques, with nil report if none.
24. Cash

- Cash balance with cashier shall not exceed Rs.30,000/-. Cash fund is replenished when the cash balance reaches Rs.5,000/-. The unspent FC cash funds for the day can be carried forward as cash on hand.

- In any event of higher cash balance on hand at the end of the day, the excess cash shall be deposited in the bank on the next working day but Foreign Contribution cash has to be kept as carry forward cash in hand only.

- The cashier attaches all invoices, supporting documents and petty cash expenses summary sheet with the replenishment request to be approved by the accountant.

- The summary of cash expenses should include the date, payment voucher number, amount, expenses type and payee.

- Vouchers shall signed by both the cashier and the payee for all minor cash expenses.

- When payments are made, all invoices and other supporting documents should be voided by stamping them "PAID".

- Project name shall be mentioned on vouchers wherever necessary as per Grant Agreement/Internal requirements.

25. Cash and Bank Policies

- Cash should be physically counted from time to time and each time the fund is replenished. The count should be documented and the count sheet should be signed by the person who conducted the count and the cashier.

- All payments by cashier shall be made only after authorization by Accountant. All vouchers shall be verified by Associate Executive Secretary or Executive Secretary on a regular basis.

- There shall at all times be a Transit/Theft Insurance for all the cash movements of office and accordingly a transit policy shall be obtained every year to cover the level of cash movement.

* * * * *
Chapter – V: Grants Management

1. Objective

This section aims to provide policies and procedures related to grants and contributions to ensure efficient management and control.

2. Implementation

The organization should comply with policies and procedure pertaining grants, contribution and revenues from its own activities, including all registrations which shall be made within the stipulated time under various applicable laws.

3. General

- The Executive Secretary should follow up and control WASSAN’s grants and other sources of revenues.

- Official receipt should be issued for all sources of revenues.

- Where there are no permanent accounting staff at the projects, the project in charge shall render account for funds spent and handover the original vouchers bills/invoices and supporting document to the Accountant at Head Office every month.

- Project advances shall not be given to project executing staff in excess of Rs.3,500/- each towards field travel and other expenses.

- Project task/event related advances, shall be as per project budget estimate.

No further advances shall be paid without the employee rendering settlement of account and submission of vouchers. Any surplus left over in the first advance shall be closed by way of:

Physical settlement of cash and shall not be allowed as opening balance for the next advance.

- Project advance shall be paid strictly as per Budget allocations for the project and with reference to actual timing of execution. No fresh advance shall be paid unless the previous advance is settled by submission of vouchers and account statement.

- Accounting records should be classified in accordance with budget heads.
• Project in charge shall insist for signatures of beneficiaries/village committee against every payment directly benefitting them under the project.

• Where expenses are not vouchable in remote projects, such payments shall be self certified by the person expending such money and counter signed by one another staff member participating in the project.

• Every release wise internal utilization expenditure statement prepared by the Project Team after execution of the project shall be certified by at least two members of the project. Where there is only one member involvement, the same should be counter signed by project in-charge at Head Office.

4. **Debit Notes / Credit Notes**

Wherever any adjustment entries are to be negotiated with third parties, the same shall be made by raising debit/credit notes only.

5. **Accounting Treatment of Grants**

(i) All specific grants shall be shown as Liabilities on Balance Sheet and project expenditure shown on deduction there from the unspent balances are carried forward as liabilities in Balance Sheet.

(ii) All non specific grants, consultation income, general bank interest etc, shall be shown as income for the year in Income & Expenditure Account.

6. **Monitoring and Implementation of Projects and Report Submission**

• Each project should be evaluated monthly to ensure that required tasks are implemented on time and the projects objectives are achieved.

• A Technical report including a comparison between actual implementation and required objectives to be achieved should be prepared each specified period by sub node Anchor with support from PM & MIS sub Node.

• A financial report (statement of projects expenditures) for each project and a combined statement for all projects including a comparison between budgeted and actual expenditures, percentage of completion and percentage of amounts received of total grant amount should be prepared.
• Any over budgeted actual expenditures, and unachieved objectives should be justified.

• The name of each project should be written on the projects related accounting records, purchase orders and invoices.

7. **Periodicals Sales, Membership Fees, and other Revenues**

• Periodicals sales, membership fees, or other revenues such as training, etc., are recognized as unrestricted revenues.

• Pre-numbered manual receipts should be used to record periodicals sales, membership fees or other revenues resulting from the organizations activities. A record of these revenues is prepared on a monthly basis.

* * * * *
Chapter – VI: Fixed Assets

1. General

Fixed Assets registers should be maintained separately for fixed assets acquired from Foreign donation and local funds including own local acquisitions.

2. Objective

This section aims to set up policies and procedures pertaining fixed assets to ensure the following:

- Fixed assets are purchased or disposed according to the WASSAN’s policies.
- Fixed assets are properly classified and recorded.
- Fixed assets are safeguarded.
- Fixed assets are effectively used.

3. Fixed Assets Classification

- Fixed assets are classified as follows:
  - Land and Buildings.
  - Office equipments.
  - Furniture & Fixtures.
  - Professional Equipments.
  - Vehicles.
  - Leasehold improvements.
  - Books (if a library exists).
  or Any other head as specified under Indian Income Tax Act.
4. **Fixed Asses Capitalization**

- Procurement of fixed assets should be capitalized if the following conditions prevail:
  - Procurement above Rs. 12500/-.
  - Useful life above 12 months.

- Fixed assets cost is calculated through adding nonrefundable customs and taxes to purchase price in addition to any related direct expense to make fixed asset ready for use including freight and installing costs etc.

5. **Fixed Asset Control**

- Each fixed asset is given a code to be attached to each item. The code includes numbers that present asset type, year of purchase, and the place where it exists.

- WASSAN maintain fixed asset register preferably computerized record as an integral part to accounting software for all fixed assets owned by WASSAN.

- Memorandum Register of fixed assets shall be maintained for all project assets dedicated to such projects.

- Fixed asset register includes the following:
  - Code.
  - Description.
  - Purchase date.
  - Cost.
  - Accumulated depreciation.
  - Supplier's name.
  - Place where fixed asset is kept.
  - Name of person who uses the fixed asset "if any".
  - Remarks regarding source of funding –local funds/ foreign funds/ other sources?
  - Date of expiry of warranty
• The Accounts and Finance Node Anchor shall be authorized to modify any item in fixed asset register after taking approval from Executive Secretary and Associate Executive Secretary.

• A documented physical count should be conducted annually. The Accountant is authorized to form physical count committee. Actual results are compared to records and minutes are maintained at the financial manager's office.

• After conducting physical count, fixed asset register is updated through adding remarks about technical specifications of fixed asset.

6. **Purchases of Fixed Assets**

• Purchase committee shall prepare annual budget for all Fixed Assets to be purchased in excess of Rs.7,500/- each.

• Purchase of Fixed Assets for a value in excess of Rs.2,50,000/- each shall be approved by the Board of Trustees through of resolution.

• Purchase of Fixed Assets for a value less than Rs.2,50,000/- shall be approved by Executive Secretary by the way of Note. Purchase Committee facilities the purchasing process.

• All such purchase procedures shall be through purchase committee.

• No project fixed asset shall be procured without a provision in the said project Budget.

7. **Disposal of Fixed Assets**

All unusable and scrapped Fixed Assets (both project assets and WASSAN Assets) shall be disposed off by open auction, through Purchase Committee.

* * * * *
Chapter – VII: Delegation of Financial and Non-Financial Powers

a) For Restricted Funds following are the delegated Financial Powers of WASSAN

<table>
<thead>
<tr>
<th>S. No</th>
<th>Type of Expenditure</th>
<th>Authority of Approval and Limits (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Team Leader of Field Centre</td>
</tr>
<tr>
<td>1</td>
<td>Travel Bills or Advances in a month</td>
<td>Upto 3500 per bill</td>
</tr>
<tr>
<td>2</td>
<td>Trainings and Workshop Expenditure (per advance or payment requisition)</td>
<td>Upto 3000</td>
</tr>
<tr>
<td>3</td>
<td>Other Program expenditure (per advance or payment requisition)</td>
<td>Nil</td>
</tr>
<tr>
<td>4</td>
<td>Telephone Bills and Internet data card bills</td>
<td>500 Rs per Month</td>
</tr>
<tr>
<td>5</td>
<td>Program Advance</td>
<td>5000 per month</td>
</tr>
</tbody>
</table>

- TOR shall be issued based on above limitation and subject to production of bills.
- The Overheads Budget of all the projects will be pooled and Planned for the proper utilization. ACOO, HID will submit a plan for the utilization and take the approval of the SLT / Executive Secretary.

b) For unrestricted Funds (Reserves) refer Chapter – IV.6 for delegation of financial power

c) Advances: This will comprise the following expenditure

1. For signed projects but delayed payments and
2. For claim based expenditure
   a. Travel and accommodation
   b. Programme related

Under this the Executive Secretary shall approve all amounts upto Rs. 2 lakhs, and for amounts exceeding this amount, the SLT approval has to be taken.
D) CAPITAL EXPENDITURE: with the approval of BoT

Delegation of Non Financial Powers:

<table>
<thead>
<tr>
<th>No.</th>
<th>Functions</th>
<th>Designated authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Formulation and approval of polices, rules and regulations</td>
<td>BOT / SLT</td>
</tr>
<tr>
<td>2</td>
<td>Approval of Salary Structure and additional Increments</td>
<td>BOT</td>
</tr>
<tr>
<td>3</td>
<td>Approval of Annual Increments and Incentives</td>
<td>Executive Secretary</td>
</tr>
<tr>
<td>4</td>
<td>Signing of appointment or termination orders, Experience certificates of all the staff</td>
<td>Executive Secretary</td>
</tr>
<tr>
<td>5</td>
<td>Signing of appointment or termination orders of the Executive Secretary and Associate Executive Secretary</td>
<td>Chairperson of the BOT</td>
</tr>
<tr>
<td>6</td>
<td>Signature on organizational audited financial statements</td>
<td>Chairperson of BOT and Executive Secretary</td>
</tr>
<tr>
<td>7</td>
<td>Signature on statutory returns</td>
<td>Executive Secretary</td>
</tr>
<tr>
<td>8</td>
<td>Signature on Project wise Audit Statements and FC-6 Statements</td>
<td>Executive Secretary</td>
</tr>
<tr>
<td>9</td>
<td>Deciding staff salaries and increments</td>
<td>BOT</td>
</tr>
</tbody>
</table>

* * * * *
Chapter – VIII: Internal Control

i. The accounts of WASSAN shall be subject to a semester finance control audit either by an internal member of WASSAN or by an outside firm of qualified auditors. A report shall be submitted to Executive Secretary.

ii. Execution of projects shall be assessed at the end of every semester by PM & MIS Sub Node and an assessment report shall be submitted to HID/SLT/Executive Secretary.

iii. Human Resources issues shall be assessed at the end of every semester by HR & OD Sub node and an assessment report shall be submitted to HID/SLT/Executive Secretary.

iv. Planning & Budgeting shall be assessed at the end of every semester by PM & MIS Sub Node within, the scope of the annual budget and the budget variation shall be prepared and report to HID/SLT/ Executive Secretary.

* * * * *
Chapter – IX: Statutory Compliance

This section outlines the key compliance under the following statutory acts applicable to WASSAN, along with the due dates for filling of statutory returns

1) The Foreign Contribution (Regulation) Act, 2010
2) The Income Tax Act, 1961
3) Professional Tax Act
4) Employee Provident Fund Act
5) Gratuity ACT

1) The foreign contribution (Regulation) Act, 2010 (FCRA)

FCRA is an Act to Regulate the acceptance and utilization of foreign contribution or foreign hospitality by certain persons or associations with a view to ensure that the parliamentary institutions, political associations, academic and other voluntary as well as individuals working in the important areas of national life may function in a manner consistent with the values of a sovereign democratic republic, and for matters connected therewith or incidental thereto

WASSAN is registered under the Foreign Contribution (Regulation) Act, 2010 and shall be adhere to all the provisions of the said Act. The foreign contribution shall be received in the designated bank account, and all the onward grants shall be released from the said account. WASSAN shall maintain a separate set of books for the FC funds received by it. No foreign contribution shall be transferred to any organization not registered under FCRA.

2) The Income Tax Act 1961

WASSAN is registered under Section 12A of the Income Tax Act, 1961. All the provisions applicable to WASSAN under the Section shall be adhered to. WASSAN has also obtained the PAN and TAN as per the requirements of the Act. As per the provisions of the Act and the rates prescribed from time to time, WASSAN shall deduct the TDS on the transactions attracting the same. The deducted TDS shall be deposited to the Treasury of Government of India within the prescribed time period

3) PROFESSIONAL TAX

WASSAN shall make deductions as per the law from all long-term and temporary contractual employees.
4) **EMPLOYEE PROVIDENT FUND ACT**

WASSAN is depositing the employee and employer’s share of contribution with the department within the prescribed time. Any change in the staff shall be intimated immediately to the PF department. The yearly maintenance charges paid within the prescribed time. All the records pertaining to PF shall be filed separately and the annual receipts, depicting the balances in the respective accounts shall also be collected and shared with the staff. Long term and Temporary contract employees are eligible for the PF as per the individual Terms of Reference (TOR).

5) **GRATUITY ACT**

WASSAN provides the benefit of gratuity for all the staff who are in PF roles and put in at least 3 years of service with WASSAN. Staff who leave WASSAN without completing 3 years of service are not entitled to the benefit. A Group Gratuity Scheme with LIC is in force, and an annual premium is paid to LIC. For other applicable rules and regularities, please refer to WASSAN Group Gratuity Scheme Deed.

6) **INSURANCE**

Employees working under special circumstances of personal life risk shall be covered appropriately for their life Insurance limited to the period of such work.

Similarly all employees shall be covered under medi claim and personal accident policies as per their TORs.

7) **CONCLUSION**

The implementation of this Manual shall be overseen regularly by any approved person of the organization.

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