

**ACCOUNTS POLICIES
AND
PROCEDURES MANUAL
OF
PROSHIPS**

KACHARI PARA ,NEAR HELIPOINT GROUND
UPAZILLA : ISLAMPUR, JAMALPUR

Updated: Date 30th October 2010
Review Date : 31st July 2015

OFFICE MEMORANDUM

Subject: PROSHIPS Accounts Policies and Procedures Manual

The Undersigned is directed to foreword here with a set of guidelines on the above subject, as approved by the Executive committee in its meeting Dated – 30th October 2010, for use by the PROSHIPS with immediate effect.

As considering the Market Prize value of after last period of Implementing Executive Council of the Organization review I its meeting dated 31st July 2015 for use by the organization with immediate effect.

We record our gratitude and thanks to the Executive committee members of PROSHIPS for providing necessary briefing and guidelines during the finalizing this manual. Thanks to the Proships staffs for their suggestions during developing the manual.

This supersedes all other provisions guidelines and office orders on the subject.



21/10/15
- Mr. Rafiqul Islam
Chief Executive
Proships
Executive Director
Proships

**ACCOUNTS POLICIES AND PROCEDURES MANUAL
OF
PROSHIPS-2010**

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SECTION: 01
INTRODUCTION & BACK GROUND.

PROTIBANDHI SHISHU SHIEKKHA O PARICHARJA SAMITY (PROSHIPS) is a non government voluntary organization has been working different upazilla under the District of Jamalpur.

PROSHIPS has been working to support and development of the disable children and destitute and disadvantaged children to ensure their equal rights, proper opportunities and participation in the community. Proships working creating enabling environment for the CWDS and promote their rights with dignity in the community.

PROSHIPS was established in 1998 with the initiative of a group of young educated committed and dedicated professional and social workers.

Till Mid of the year 2010 it followed the rules and regulations of previous accounts manual, which is prepared 2004 for management of its project fund. In 2010 August the management of the organization took initiating for updating and preparation of standard Accounts policies and procedures manual for its smooth financial management.

Short Title.

This manual shall by called **PROSHIPS ACCOUNTS POLICIES AND PROCEDURES MANUAL.**

Purpose of the Manual:

This manual presents the standard procedure and policies of accounts management of PROSHIPS. This is a guiding rule for management and all staff members of PROSHIPS, which serves the interest of both the employer and the employees.

Each section of this manual defines the policies and procedures of accounts management, however, not all events can be incorporated /defined. As such, under special cases management shall try to remain true to the intent of welfare of the employees of PROSHIPS.

Process of updating:

The Policy and procedure of PROSHIPS is not a static document, it is expected to review and update time to time to be a living and evolving document. The Board of Trustees/Executive Committee of PROSHIPS, will review the proposals from the Management, to be submitted as and when required or when amendments becomes essential for the interest of the organisation and its staff, and take appropriate decision.

Reserve clause

The Management of PROSHIPS reserves the right to add, amend or delete issues of this manual from time to time in consultation and with approval from the Board/Executive Committee



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Effectiveness/Commencement.

These new rules come into operation from 1st day of July 2010 with the approval by the Executive Committee of the Organization of PROSHIPS.

Scope:

This manual will deal with the following matters;

- Annual Budget and Work Plan.
- Financial Books, Register, formats and report.
- Division of financial responsibilities.

Preparation and Approval of the Annual Budget and Work Plan.

- PROSHIPS shall prepare its annual budget for each year or financial year taking in to consideration its estimated income and expenditure before the commencement of the concerned year. To justify the Budget expenditure the budget shall be accompanied by the annual work plan.
- The Work Plan and Budget of the organization would be prepared on the basis of its sector of activities or board head of expenditure. The format will be prepared for preparation of annual budget.
- The Annual Budget and Work Plan would be placed for Approval of the General body with the Recommendation of the Executive Committee.
- If the organization gets approval of any Project within the financial year then Executive Director shall take approval of the Executive committee before implementation of the Projects. For major Changes in the Budget Provisions a revised budget shall be prepared and be placed for approval of the Executive Committee.

Financial Books and Register:

Following Books and registers are to be maintained by the organization.

1. Cash Book
2. Bank Book
3. General Ledger and Sub Ledger
4. Stock Register
5. Cheque Issue Register
6. Fixed assets
7. Vehicle Log Book
8. Salary Register
9. Bank Reconciliation
10. Bank Statement.



SECTION: 02
FINANCIAL OPERATIONS POLICY & PROCEDURES

1. Cash Book / Bank Book.

- The organization shall maintain its cash book for each of its Projects/funds.
- Every cash receipt shall be acknowledged by money receipt. Money receipts are to be prepared in two parts. The first copy of the money receipt would be given to the payer and rest of the copy shall be preserved with the money receipt book.
- For Cash or Bank receipt the organization shall prepared credit voucher.
- Every cash or bank payment must be supported by supporting voucher.
- The cash receipt and payments voucher are to be printed in distinct color for easy identification.
- The Maximum Limit of cash for each of the project funds at the close of any working day is TK.5000.00 (Five thousand only).

2. General Ledger and Sub Ledger.

- The organization shall maintain a general ledger as per project wise and fund wise.

3. Stock Register

- A stock register would be maintained to record the receipt and issue of different materials with separately / project wise.
- Every purchase of store items must be acknowledged by the store keeper/accountant/ assigned person. All procurement of store items must be recorded in the stock register with the reference of debit voucher.
- Store Items are to be issued on getting writing requisition from the person requiring the item or items and to be taken Approval from assigned person/ authority.
- The store keeper or accountant /assigned person Quarterly will cheek Physically balance of goods with stock register and report submit to the supervisor /Project coordinator/Executive Director.

4. Cheque Issue Register

- A cheque receipt and issue register shall be maintained and also maintain with cheque requisition slip for approval from 2 (two) signatories..



5. Fixed assets

- A fixed asset register shall be maintained to record the description of every asset as to be received by the organization either by purchase or by Donation.
- All assets of the organization must be numbered immediate after procurement giving reference of Project fund /donor and the year of procurement.
- At the end of each year team consisting 3 senior staffs' member and they shall take physical inventory on the fixed assets, stock of store.
- The Committee will reconcile the physical balance with the book balance and shall submit the inventory report to management/Executive Director.

6. Vehicle Log Book

- For every fuel consume vehicle of the organization on any others Projects log books shall be maintain separately.
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7. Salary Register

- The organization shall maintain salary register and salary sheet with project wise and staffs are signed with in revenue stamp.
- Staffs Salary must be payment through bank account writing details in the salary register.

8. Bank Reconciliation

- At the close of each accounts are to be reconcile with the bank balance as per bank statement /Bank pass book.

9. Bank Statement.

- At the close of each accounts are to be reconcile with the bank balance as per bank statement /Bank pass book and collect bank statement from concern bank and preserve with file.
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10. Loan Ledger

- One or more loan ledger shall be maintained to record the Payment and recovery of loan.
- At the end of every month the balance loan amount as per general ledger must be reconcile with the balances of subsidiary ledger by the accountant /project accounts coordinator or assigned staff.
- **Loans/Advances to Employees:**

No personal loan or advance will be given to any employee of PROSHIPS. In case of emergency, loan may be taken from other fund (e.g. provident Fund) to meet any extreme crises.



11. Members Register.

- A member register giving necessary details of the member and the yearly subscription shall be maintained.

12. Basis of accounts.

- The organization shall maintain accounts on cash basis.

13. Preparation and Authorization of Voucher.

- The payment vouchers are to be making by 3 persons. Accountant or assigned staff to be prepared voucher. Project coordinator or Senior Accountant to be checked the voucher. Finally voucher approved by the Executive Director.
- In the case of continued absence of the Executive Director for more 7(seven) days due to his /her leave or otherwise that time Acting Executive Director or assigned staff will approve the voucher.
- Acting Executive Director or assigned staff will approved the in each voucher amount is only Tk. 500.00
- The organization will use Journal voucher for adjustment of accounts.
- Assigned staff will take advance money for implementation of the program. After implantation of the programs unspent money deposit into the concern project bank account.

14. Expenditure Control Procedure:

= Budgetary Control System:

- The Executive Director shall approve the payment following the budget line and with the budget provisions.
- In special cases he/she may approve expenditure exceeding the budget provision. But the Expenditure of any head must not exceed 10% and such excess expenditure must be manageable from any heads or sources of income.
- If line item or sub head expenditure exceeds the 10% must be approval from Executive Director/assigned staff.



= Preparation of Cash flow statement:

- The Accountant shall prepare the Quarterly cash flow statement for each of the projects on the basis of project proposal and its other sources of income.
- The statement would be prepared in the month prior to the concerned quarter.

15. Operation of Bank Account:

- The organization shall open its bank account only in the schedule bank.
- The organization shall keep the project accounts as per the heads mention in Project proposal wise.
- The bank accounts would be operating as per the provision of the constitution of the organization.
- The bank account signatories will be 3(three) persons. For withdrawal cash from bank must be Cheque sign with 2 signatories of them.
- When the donor agencies or any other development agencies suggest for opening separate bank account for any project or fund than executive Director shall take initiative to open separate bank account for same.
- For withdrawal of money from and bank account for working cash a requisition must be taken approval to the Executive Director.
- Payment to any outside party against their bill exceeding TK.5000.00 (Five thousands only) would be paid by cheque. However, the Executive Director may consider payment in cash in special cases to Tk.10, 000.00 (Ten Thousand only).
- Bill exceeding Above 10,000.00 (Ten Thousand only) must payment by account payee Cheque.
- On the close of any project the bank account of the concerned project shall be closed.

16. Payment of Salary

Fixation of Salary:

During the probation period, every employee will receive consolidated salary as negotiated. After confirmation of service, every employee shall be paid salary in accordance with the Grades,

- Payment of salary staff except temporary staff would be made through bank account.
- Each of the staff would be required to open bank account in their individual name in the same bank where the organization has its account.
- At the end of each month the organization will send a letter to the bank to transfer the salary to the accounts of staffs.



Medical Facilities:

Regular staff members will be provided with fixed medical allowance of Tk 700.00.- (Seven hundred only) per month payable with the monthly salary to cover day to day medical treatment cost of the employee and her/his family member. In case of hospitalization, only the expenses incurred for an employee will be reimbursed at actual. In such case, the employee should abide by the PROSHIPS nominated doctors' advice for selecting hospitals or clinic (except in an emergency situation). Treatment will be taken preferably from government / NGO hospitals as far as possible.

Entertainment/Subsistence allowance

All regular staff members will be provided with a fixed allowance of Tk. !!!-(Taka !!! hundred) per month as entertainment/food/subsistence allowance payable at the time of monthly salary. Staff taking lunch inside the office may enjoy service of common staff cook, firewood and utensils will be provided by the organization. In addition, office will provide only tea, two times a day for every staff member free of charge.

House Rent Allowance:

House rent allowance will be given to PROSHIPS regular employees at the rate 50 % of basic salary for all Grades of regular staff.

Overtime/Extra duty allowance:

PROSHIPS will not provide overtime except the support staff. Support staff will be paid an extra duty allowance of Taka 1000.00 per month provided she/he must make available her/himself for emergency duty beyond regular office hour. Management can provide extra duty allowance to any category of staff under grade -C depending on the organisational need but in any case, such allowance can not exceed Taka 2000.00 - (Two thousand) per month.

17. Maintenance of Project Accounts:

- The organization will use separate cash book and ledger when the concerned donor agency or agencies will give such instructions.
- If any donor or development partner and the govt gives special guideline for maintaining accounts of any project those guideline should be followed.

18. Deduction of TAX at Source & Submission of Return.

- The organization will not bear staff salary tax.
- The staff whose salary will exceed minimum taxable limit shall pay their tax personally.
- The accountant shall deducted income tax at source from suppliers or contractors bill as per provision of income tax ordinance and rules.
- After deduction of taxes he /she will deposit the same to the govt treasury with in 15 days.



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19. Financial Statement Preparation :

Following financial statements are to be prepared by the organization:

- Receipt and payment account quarterly prepared in each of the project.
- Income and Expenditure account quarterly prepared in each of the project.
- Balance sheet quarterly prepared in each of the project.
- Quarterly /half yearly /yearly consolidated receipts and payments account would be prepared of all projects.

20. Preservation of Financial Documents:

- The Organization shall preserve its financial records up to 5 years.
- After Audit of the accounts a list of the books and records shall be prepared and the same would be signed by the accountant and executive Director.
- After the prepared list shall be kept in the financial record file and the books and documents are to be preserved at safe custody.
- After expiry of 5 (five) years the documents are destroyed with approval of the Executive Committee.

21. Audit of the account:

- The Project accounts of the organization shall be audited at the end of project or yearly or as to be suggested by concerned donor /funding organization.
- The Consolidated account of the organization as a whole would be audited at the close of each financial year or above mention period.
- The auditor shall be appointed by the Executive Director with the approval of the Executive Committee.
- For ensuring better financial control the executive Director May arrange internal audit for any of the projects or the organization at interval.
- The auditors will submit their report addressing the Executive Committee.

22. Obtaining Clearance for Foreign Donation:

- The organization shall take clearance of the relevant govt. authority .NGO affairs Bureau for use of foreign donations such clearance is need by the government.



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SECTION: THREE

PROCUREMENT POLICY & PROCEDURES

GENERAL ACQUISITION PROCESS: The acquisition process involves 6 basic steps.

- a. **Recognize a Need:** The process begins when purchase section receives a request to buy materials or services from open market /enlist vendor. The request includes the items description, quantity and quality desired and desired delivery date.
- b. **Select Suppliers /Vendors:** This step involves identifying suppliers capable of providing the items, grouping items that can be provided by the same supplier, requesting Bids on the requested items, evaluating the bids in terms of different criteria and selecting a supplier. The selection criteria must be mentioned in the request for Bids.
- c. **Place the Order:** Once a vendor is selected, a written order should be issued which is called Purchase Order. The Organization will act as the contract for the supply of goods /services as per the required quality, Quantity, Price and delivery time.
- d. **Track the Order:** Tracking includes routine follow-up of orders to avoid late delivery or deviations from requested order quantities. Suppliers are to be contacted by letter, fax, and Telephone or E mail.
- e. **Receive the Order:** Incoming shipments must be checked for specifications, quantity and quality with the purchase order. The unit is placing the purchase requisitions, inventory control and accounting. If the shipment is not satisfactory, Purchaser must decide whether to return it to the supplier. Records on Punctuality, Quality and quantity deviations as well as the price should be updated as part of supplier evaluation.
- f. **Delivery of the goods:** Once the goods are received and the quality is checked, then the goods should be delivered to the end users at the earliest opportunity. Information on arrival of the goods and its readiness should be intimated to all the end users at the earliest possible time. it would help to solve the strong and spaces problems, reduce the risk of pilferage, breakage damages etc.
- g. **Pay the invoices:** after reception of the goods invoices must be checked against the purchase order and the delivery note before being approved and paid.



AUTHORIZATION OF EXPENDITURE:

Proships can implement a procedure similar to the following one.

- The project coordinator /in charge prepares a request for buying goods or services after having checked that the expenditure which is foreseen in necessary to implement the project, reasonable and eligible and that enough budget is available. A purchase request form is to be prepared by the project coordinator/staff Member of the Organization and will be submitted to the Approval authority (chief Executive) for authorization.
- The executive Director (approving authority) of the Proships will authorize any request for expenditure of procurement. All such request must be supported for by the submission of appropriate documentation.

PROCUREMENT PROCEDURE:

The procurement of goods or services will require complete recording and the expenses must be substantiated by proper documentation. Note that expenditure may not be accepted to the management or donor for procurement if those are not budgeted, allowable and reasonable. A procurement procedure must be followed. In case of extreme emergency which prevents to follow the procedure , prior permission must be sorted from the management . Administrative negligence or delays caused by poor management cannot be invoked to skip the normal procedure.

The procedures to be followed for procurement of supplies are listed below.

01. **Approval Committee:** A list of approval authorities for procurement along with their approval limit should be kept prior to procurement. The Executive Director /Executive Committee of the organization must approve this list.
02. **Procurement committee:** The organization should form a procurement committee consisting of at least 2/3 members. The Executive Director and the accountant should not be included in this procurement committee. The Procurement committee will send their recommendations to ED or his/her designated person will finally approved but Ed will remain accountable for all procurement.

The following procurement guideline are recommended.

Amount	Source	Quotation	Method of Procurement
Up to Tk. 10,000	Open Market	None	Direct purchase by Procurement officer /In charge /Designate staff.
TK.10,000-20,000	Open Market/ Enlisted Vendors	Two	Open Market purchase by Procurement committee .For enlisted vendor, purchase order should be issued.
Tk.20,001- 2,00,000	Open Market/Enlisted Vendors	Three	Open Market purchase by Procurement committee .For enlisted vendor, purchase order should be issued.
Above Tk. 2,00,000	Do	Three	Through limited tender (Sealed bid)/press tender. For all cases purchase order will be issued.



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a. Up to Tk. 10,000. Direct purchase by Procurement officer /In charge /Designate staff from open market with verifying and try to low cost on interest of organization.

b. For purchase Tk. 10,000 to Tk. 20,000/= Procurement Committee will arrange procurement based on two quotations obtained from different enlisted vendors. If enlisted vendors are unavailable for a particular item, then the requested item could be procured from open market by Procurement committee with proper justification. Purchasing from enlisted vendor should have purchase order signed by the committee members.

c. For Purchase Tk. 20,0001 to Tk. 200,000/ = A summary of Bid Evaluation should be prepared by Procurement Committee based on three quotations obtained from the enlisted vendor and a purchase order should be sign by Executive Director or his /her Designate. In case of open market /spot quotations, the Procurement committee must visit the market to obtain such quotations. Taking more than one quotation from one vendor is prohibited.

d. For Purchase above Tk. 200.000/- Procurement Committee of the grantee will arrange to obtain sealed bids at least from 3 enlisted vendors which are dropped in the tender box. In case of non enlisted vendor, a small advertisement should be made in the local news paper and a notice should be hanged in the notice board in open area. All sealed bid will be opened in presence of the bidders. A summary of Bid Evaluation will be prepared justifying the selection of the supplier by the Procurement Committee. Based on the decision of the committee, the grantee will prepare a purchase order and obtain signature from Executive Director.

e. The organization of PROSHIPS should follow the GOB rules (like income Tax, VAT, Stamp charges etc to be deducted at source) during the Procurement of any goods/services. The grantee has to bear the cost of any penalty for default.

03. General procedure about Vendor Enlistment.

A database of vendors pre- selected through an objective process reduces the risk of improper procurement

a. Invitation, evaluation and selection of vendor.

- It involves finding potential vendors and determining the likelihood of them becoming good suppliers.
- This phase requires the development of evaluation criteria, the eligibility factor upon which the vendors will be selected and compared with the others.
- The main issues should be focused on the financial strength, quality, management, technical ability, delivery time and potential for close long-term relationship, which plays an increasingly important role.
- The vendors company profile, its services, product quality, price, warranty etc and its sales personal capabilities should also be noted in the evaluation process. Executive Director /CE should approve the list of vendors.



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b. Maintaining and developing the enlisted vendor.

- The nature of the relationship maintain with vendor can affect the quality, timeliness, and the price of vendor goods and services.
- The Procurement have to make sure the vendor has and appreciation of quality requirement, schedule of delivery, payment system and approve all the procurement procedure as adopted by the grantee.

4. Purchasing strategies from enlisted vendors.

There are three classic types of purchasing strategic from the enlisted vendors.

a. Price last purchase/ sole sourcing

- The vendor prices are fixed on a published price or index. For example, Bata shoe, prices of lubricant and fuel by the Govt. organization, Motor Cycles fro Atlas Bangladesh etc.
- In such case, purchases may be done based on the price list or if the vendor is the sole producer /agent then sole sourcing can be done, But the Procurement committee should finalize the commission /discount levy if any before confirming the goods.
- While purchasing under this procedure, document evident such as published prize list sole proprietorship distributorship must be attached.

b. Competitive Bidding process.

- The majority of purchases are done through this process. To run this process, several enlisted suppliers are necessary.
- Refer to the standard procedure policy.

c. Proffered Vendor.

- This is a vendor negotiation strategy to develop long term partnering relationship with a few suppliers who will work with the purchaser to satisfy the end user needs.
- This implies that purchaser should not always look for short term attributes, such as prices.
- Instead, a Purchaser will be better of by forming a long term relation ship with a few dedicated suppliers. Long term suppliers are more likely to understand the broad objective of the purchaser and the end user.
- Using a few suppliers can create value by allowing suppliers to economics of scales that yields both lower transactions cost and lower ordering costs.
- Preferred vendor strategy favors a few suppliers on particular item or services, with just one or two suppliers being the ideal number. As the volume of order increases, the supplier receives the repeated order, which follows the strategy of high volume at low cost.
- By setting up the list of preferred vendor this would decrease the risk of inappropriate or improper procurement and increase the efficiency and effectiveness of the procurement.
- Another advantaged of the preferred vendor is the potential to reduces the number of supplier in the supply – chain , there by reducing the complexity of managing them.



AUTHORIZATION OF PAYMENT.

01. Payment approval: The following procedure can follow. Approval of any payment will require the following steps.

- The purchase of goods or services must have been duly approved.
- The goods or services must have been delivered (Delivery note duly signed for reception)
- All requests for payment must be supported by the submission of appropriate bills or invoices.
- Before making any payment, the grantee shall ensure that the bill or invoice is properly approved by the Project Director/Coordinator and authorized by the Executive Director/CE.
- All documents that are associated with disbursement / receipts: invoices, bills, receipts, quotations, contact of procurement (if any etc). must be attached with vouchers. The accountant should right head of expenses on each invoice, bill etc. and check signatory should review and approve all vouchers against. Disbursement to ensure that the information contained on each, agree with the proper supporting documentation.

02. Mode of Payment:

- The grantee should make payment to the vendor through Cash pay check if it is equal or below **TK. 10,000.00 (Ten Thousand)** against the above procurement of goods and services.
- Cash payment should be restricted as much as possible. But for a single bill, cash purchase should not be more than TK. 10,000.00 in cash of emergency spot purchase /open market purchase where vendor is not willing to receive the check/ pay order, then the chief executive /Executive Director has to approve the cash to be paid to the vendor.
- Payment to any outside party against their bill exceeding TK.10,000.00 (Ten thousands only) would be paid by cheque. However, the Executive Director may consider payment in cash in special cases to **Tk.10, 000.00 (Ten Thousand only)**.

ADVANCE MANAGEMENT:

It is another kind of receivable consist of cash advances for operating expenses. This category also includes advances to individuals or organization that are not intended in the normal operation of the Proships. Because these receivables come from the Proships operational fund, intended for the delivery of programs and services, this receivable should be collected or may be offset against other activity costs fund approved project.

Cash Advances:

- Staffs attending to assigned project may be given specific amounts of cash advances which they can spend for the duration of their visit to this projects/ areas.
- These advances are computed based on the Organization of Proships administrative and financial policies. Upon their return to the office, they should liquidate these advances by presenting a summary of their actual expenses together with the excess money, or a computation of the amount the organization still owes them. This is not a problem though when advances equal the actual expenses, more over, advances covers all so for project delivery, vendor, Land lord and miscellaneous cost:
- Personal and /staff salary advances are discouraged from the any fund.



The following procedure should be followed to handle advances.

1. When one or more staffs is likely to incur expenses on the grantees on be half for travel, project or others cost ,the Project coordinator /Project Director will complete an advance request and have it signed by the Ed/Chief Executive for amounts above Tk. 10,000).
2. Breakdown or requested advance amount should be mentioned properly in the advance request form.
3. Before going to prepare an advance request, it should make sure that advance amount is being requesting for that amount with out which required purpose will not be served. So don't request that amount which is possible to make payment through cheque.
4. Following this review, the Accountant or Designate will prepare a Debit Voucher (Cash Disbursement Voucher) with the Advance request as supporting documentation for the recommended amount.
5. The Accountant or the Designate should review the Advance request to determine if all previous advances have been adjusted /settled.

ADVANCE ADJUSTED:

1. Upon complete of Official travel or expenditure related to an advance given for project/Miscellaneous, a travel Expenses report /Project Expenses report /miscellaneous expenses report MUST be prepared by the employee that summaries the allowable expenses incurred.
2. In order to adjust the advances that have been given an employee in a timely manner , the Expenses report and adjustment should be completed with in 6(six) working days after the return from travel or completion of works.
3. **Unspent amount** which have been refunded by the advance holder with other supporting documents to the accounts department MUST be deposited in to the bank account immediately receipt of the cash with in banking hour of the day or next banking day with mentioning reason.
4. Minimum 80% of total amount should be expended against the advance. For exceptional cases , a "note for record" should be mentioned as justification.



SECTION: FOUR

TRAVEL POLICY & PROCEDURES

Travel on Official Business:

If an employee is required to travel on official business, per-diem and accommodation will be paid in the form of Daily Allowance. Employees in any Grades shall be entitled to receive per-diem on submission of a Travel Expense Report (TER) provided that travel times are recorded and validated.

General Conditions:

- A. When office will provide food, staff members will receive the amount mentioned under 'Incidental Expenses'. Staff members shall be obliged to avail themselves of the arrangements, if for any personal reason, any staff member fails to do so, he/she will not receive any payment for food expenses
- B. When offices will arrange/provide food, the cost must not exceed the amount equivalent to the total cost of breakfast, lunch and dinner as stated above.
- C. Staff members are entitled to receive cash payment for per-diem, only when the office makes no arrangement

The following timing will be considered for calculation of per-diem:

- Breakfast : Departure at or before 7:00 A.M
- Lunch : Return after 2:00 P.M
- Dinner : Return at or after 7:00 P.M

Accommodation:

If an employee is required to travel on official business, accommodation will be paid in the form of Daily Allowance and others. Employees in any Grades shall be entitled to receive accommodation on submission of a Travel Expense Report (TER) provided that travel times are recorded and validated.

General Conditions:

- A. Only in case of overnight stay during approved official trip, staff members will be entitled to receive accommodation charges. In case the office does not provide accommodation, the staff members will receive accommodation charges at the rate shown above.
- B. If accommodation is not provided by the office, the charges will be reimbursed to staff members as per above limits of rates shown against each Grade, on presentation of hotel bill i.e. actual or the rate against each whichever is lower.
- C. In any unavoidable circumstances, on a case-by-case basis, the EC/ED/Director may waive the condition laid down under 4.20 above and the actual hotel bill will be reimbursed.
- D. Accommodation should be pre-planned where female staff is involved in field trip



Travel expenses:

- A. For travels outside the designated area, employees will normally utilise the cheapest and most economic transport.
- B. The employees of Grade A, B and C for outstation travelling can use official transport, if more than two members are travelling together and with the permission of respective line manager. In other cases public transport should be used.
- C. Air travel may be allowed to the employees of Grade A and B with the prior approval of the ED/MD/ Director. Employees of Grade A and B are allowed to travel by first class train/steamer and air-condition bus.
- D. Organization may keep provision for paying additional travel expenses for female staff

Overseas Travel Expenses:

a) For travelling abroad on official work other than on training, an employee of PROSHIPS will get per-diem including boarding and incidental expenses at the following rates:

- i) For SAARC countries
 - ii) For all countries in Asia, Africa and Latin America except Japan
 - iii) For all countries of Europe, America, Australia, Canada and Japan
- No per-diem will be paid during air travel time.
 - While an employee attending any training, and the training fee includes boarding and lodging cost, in that case the incumbent will receive 10 – 15% of the above per-diem rate as incidental expenses depending on the situation as decided by the Management.
 - The local transport expense for movement on official business will be reimbursed at actual, on submission of voucher.



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