

Factors to Consider in Implementing Programme Activities through OPNGOs

1. OPNGO related:

- I. Please select a Program Coordinator from the member of Executive Body (may be the chairperson!) of OP NGO to manage all ISOD activities and programme as agreed in the agreement. The BNMT will directly deal with the selected Program Coordinator. **The Coordinator should not be the staff member of the OPNGO.** The Coordinator's direct expenses related to the programme can be re-imbursed if the OPNGO had adequate fund. The OPNGO should set the rates for daily subsistence allowance for field visits and allowance for facilitations (double allowance are not allowed). In case of BNMT funding, such re-imbursments and allowances should not exceed BNMT rates.
- II. The Executive members and Program Coordinator are responsible for programme monitoring as well as implementation of the programme.
- III. Review the literature of the Terms and Condition and HR policies of the OPNGO for staff selection of OP NGO: The policy and procedure for staff selection should be followed (If it is available with OP NGO) otherwise the Executive Committee can decide on the staff recruitment process from the board meeting of the committee as a temporary policy for staff recruitment.
- IV. The selected NGO staff (may be one full time) will get the "Dashain Bonus" equivalent to one-month basic salary per year at pro-rata basis; and "Retirement Fund" equivalent to one-day salary per month as gratuity.
- V. In addition to the staff, the OPNGO should train volunteers to carry out community level processes and activities (PHAAP, PLA, ST, CTC, PE). The number of volunteers should be at least equal to the number of DAG clusters they are going to work up to April 2009 in their corresponding district. The volunteers may be from the OPNGO or from the NGOs with whom BNMT had partnership during 2003 to 2005. The volunteers should get daily subsistence allowance for field visits and allowance for facilitations (double allowance are not allowed). In case of BNMT funding, such allowances should not exceed BNMT rates.

2. Partnership related:

- I. Please select the following person as RBA focal person from following partner organizations.
 - DHO: One RBA focal person
 - OP NGO: Program Coordinator (He / she will act as focal person also)
 - DDC: One RBA focal person

3. Program related:

- I. Please select a group coordinator as a reporter from each community level events e.g. one for PHAAP with both spouses in cluster A, one for mobilization of disadvantaged youth through peer education process also in cluster A, etc. The reporter should be able to report their progress regularly on a monthly basis to OPNGO. The reporter should coordinate their activities as planned in their DAG cluster. It would be better for empowerment if the reporter was nominated turn by turn. The reporter can be paid NRs. 100 (one hundred only) per month as reporting expenses if the participants agreed. It should be managed from the specific event e.g. PHHAP or PLA.

- II. Please set up the monitoring baseline of each clusters by the end of July 2006 using standard monitoring checklists (as provided).
- III. The OPNGO should follow the format of data sheet using by BNMT for monthly recording and reporting. The monthly report should be submitted within the 25th day of the same month.

4. Finance related:

In order to ensure the transactions are initiated with adequate supporting documents /approval, and the final disclosure in the financial statements, the following directions/instructions should be considered.

(i) Recording

- There should be only one type of voucher viz: Journal Voucher for recording each and all types of transactions for simplicity and authenticity.
- The Journal Voucher shall be sequentially numbered starting from 1, till the end of the financial year.
- The financial year shall be commencing from 1 January and ending on 31st December.
- The vouchers shall be raised only on obtaining the adequate supporting documents and with the approval of adequate authority.
- The vouchers shall be supported with Expenses Summary Sheet wherever applicable.

(ii) Maintenance/Review/Auditing of Books of Accounts

- Monthly filing of all the vouchers/related documents should be kept and maintained by OP NGOs.
- BNMT shall have a right to assess all the books of accounts as kept and maintained by the OP NGOs, as and where basis and necessary cooperation shall be done by the personnel of OP NGOs.
- The accounts of OP NGOs shall be audited on an annual basis. It shall be the responsibility of OP NGOs to initiate the actions/recommendations of the auditors' observations. The auditors shall send their audit report to BNMT within 15 days of the submission of final report. The auditors report shall accompany the following:
 - The observations/ recommendation of auditors.
 - Necessary management action for the implementation.

(iii) Monthly Reporting

- The monthly finance report shall be submitted to BNMT as per the English Calendar. The closing of accounts shall be done on the 25th of the same month, and reporting of such will be done no later than 30th of the same month.
- The format for the monthly reporting of financial transactions will be in accordance with the attached Annexure 1-4.
- The annexure details for the monthly reporting shall be as under:
 1. Annexure 1: Fund Accountability Statement (FAS)

Explanation for Annexure 1:

The annexure 1 should be prepared on the monthly basis. As we prepare the balance sheet and income and expenditure statement of the organizations in the month end/periodic basis. In the same manner, the Fund Accountability resembles the nature of balance sheet and income and expenditure.

The Fund Accountability Statement comprises of the following items:

- A. Income
 - (i) Grant Received during the period
 - (ii) Other Income
 - a. Bank Interest
 - b. Other Income

Grant income received from BNMT, during the period, should be totaled and written as Grant Received From BNMT in FAS.

Similarly, the Bank Interest and other income received during the period should be written in FAS.

During the period means: Commencing from the date of agreement to the end of the month.

For e.g. If the agreement is done in July 15 2006, the grant received from BNMT till the end of July i.e. July 31st should be added and written in FAS.

For the next month of August, the grant income received during August .if any should be added with the previous amount and written in FAS for the month of August.

B. Expenditure

Expenditure during the month should be totaled and written as expenditure in the FAS. In the subsequent month, the previous month of total expenditure should be added with the current month and written as the total expenditure in FAS, as per the line item with account codes.

For e.g. If in the line item ISOD implementation the expenditure during July is NRs.50,000.00, then in monthly reporting of July the expenditure should be written as 50,000.00.

If in the month of August the expenditure incurred is NRs.25000.00. Then in the monthly reporting of August, the expenditure in the line head should be written as 75,000.00 i.e. (50,000+25,000) in FAS.

C. Assets

- (i) Cash
- (ii) Bank
- (iii) Advances
- (iv) Receivables

D. Liabilities

- (i) Accounts Payables
- (ii) Other Payables
- (ii) TDS Payables

Assets and liabilities figure should be the closing figure of the monthly reporting .For e.g. July 31st Cash, Bank, TDS balance etc, August 31st Cash, Bank, TDS balance etc.

2. Annexure 2: Schedules

Explanation for Annexure 2:

The schedule is the additional list which should tally with the figures disclosed in FAS.

3. Annexure 3: Comparison of Budget and Actual Expenditure

Explanation for Annexure 3:

Comparison of Budget and Expenditure should be done in the monthly basis. The total expenditure column should tally with the figures as disclosed in FAS.

4. Annexure 4: Bank Reconciliation Statement

Explanation for Annexure 4:

The bank balance disclosed in FAS should tally with the Bank Statement if the figures doesn't tally then a bank reconciliation statement should be prepared on the monthly basis.

5. Annexure 5: Fund Request Form

Explanation for Annexure 5:

Should be filled up and submitted to BNMT at the time of request of installment disbursement schedule as per the agreement.

6. Monthly Original Vouchers along with the supporting documents

- Monthly reporting shall include all the annexure as mentioned above except for the Annexure 5, Fund Request Form, which shall be filled and submitted to BNMT as per the installment disbursement schedule of the agreement.
- OP NGOs' shall make a copy of all the supporting documents/Vouchers and send to BNMT monthly.
- BNMT staff or its auditors shall access original vouchers at any time or wherever required.

Name of NGO

Fund Accountability Statement
During the period fromto

	Code No:	Particulars	Schedule	Amount NRs.
A.		Income		
a.		Grant Received From BNMT	1	
b.		Other Income		
		Bank Interest		
		Other Income		
		Total Income (c=a+b)		
B.		Expenditure		
		Total Expenditure (d)		
C.		Fund Balance (c-d)		

D. Fund Balance Represented By:				
		Cash		
		Bank		
		Advances	2	
		Other Receivable	3	
		Less:		
		Accounts Payables	4	
		Other Payables	5	
		TDS Payables		
		Total		

Finance & Admin Staff

Coordinator

Name of NGO

Schedules**Schedule 1:****Grant Received From BNMT**

Date of Receipt	Particulars	Amount (NRs.)
	Total	

Schedule 2:**Advances**

S No:	Particulars	Amount (NRs.)
	Total	

Schedule 3:**Other Receivables**

S No:	Particulars	Amount (NRs.)
	Total	

Schedule 4:**Accounts Payables**

S No:	Particulars	Amount (NRs.)
	Total	

Schedule 5:**Other Payables**

S No:	Particulars	Amount (NRs.)
	Total	

Finance & Admin Staff-----
Coordinator

Name of NGO

Comparison of Budget And Actual Expenditure

Month:

Year:

(Figures in NRs.)

Code No:	Particulars	Total Budget	Monthly Expenditure	Exp. Up to Previous Months	Total Expenditure	Budget Balance
		(a)	(b)	(c)	(d=b+c)	(e=a-d)
	Total					

Finance & Admin Staff-----
Coordinator

Name of NGO

Bank Reconciliation Statement for the Month of

Name of the Bank

Account No:

Particulars	Amount (NRs.)
Balance As per Bank Ledger (As per our Books)	
Add:	
Cheques Issued But Not Presented	
Interest Income as per Bank Statement But not Recorded by us	
Credited by Bank But not Debited by Us (Others)	
Credited by Us But not Debited By Bank (Others)	
Less:	
Bank Charges	
TDS debited by Bank	
Debited By Bank But not Credited by us (Others)	
Debited by Us But Not Credited by Bank (Others)	
Balance As Per Statement of Bank	

Finance & Admin Staff

Coordinator

Name of NGO

Fund Request Form**Date of Request:**

BNMT
Director,

Kindly release the 1st/2nd/3rd installment as per our agreement.
The Fund Request calculation is attached here with.

Thanking You,

Chairman

Calculation of Fund Release

Second Installment Fund Release	Amount (NRs.)
Amount Received for First Installment (a)	
Actual Expenditure During the Period (b)	
Balance (c=a-b)	
Second Installment as per Operation Plan (d)	
Net Fund Requested (e=d-c)	

Third Installment Fund Release	Amount (NRs.)
Amount Received (First and Second)	
Actual Expenditure During the Period (b)	
Balance (c=a-b)	
Third Installment as per Operation Plan (d)	
Net Fund Requested (e=d-c)	

Remarks:

First Installment is per the Operation Plan.

Finance & Admin Staff

Coordinator