AIPP’s Financial Manual

Updated: May 2021

Asia Indigenous Peoples Pact Foundation (AIPP)
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1. INTRODUCTION

1.1. Organisational Profile
The Asia Indigenous Peoples Pact (AIPP) is a regional organisation founded in 1992 by Indigenous Peoples’ movements in Asia. AIPP is committed to the cause of promoting and defending indigenous peoples’ rights and human rights and articulating issues of relevance to indigenous peoples. At present, AIPP has 47 members from 14 countries in Asia with 12 indigenous peoples’ national alliances/networks (national formations), 35 local and sub-national organisations. Of this number, 16 are ethnic based organisations, six (6) indigenous women and four (4) are indigenous youth organisations and one (1) organisation of indigenous persons with disabilities.

Purpose
- To serve as an organisation for sharing aspirations, ideas and experiences, consolidating cooperation, solidarity and coordination for developing common agenda and programmes on issues affecting indigenous peoples in Asia.
- To enhance capacities of indigenous communities, organisations and institutions, including women and youth to respond to their concerns and issues at different levels.
- To develop programmes based on the key and strategic issues and needs of member-organisations.
- To advocate the cause of indigenous peoples at all levels and engage with relevant national, regional, and international processes as well as with relevant institutions and agencies.
- To strengthen linkages, networking and coordination with advocate and support-organisations, and support other organisations and movements for the realization of the aspirations of indigenous peoples in Asia as well as to contribute to achieving equality, peace, democracy, and justice.

1.1.2. Vision
Indigenous peoples in Asia are fully exercising their rights, distinct cultures and identities, are living with dignity, and enhancing their sustainable management systems on lands, territories and resources for their own future and development in an environment of peace, justice and equality.

1.1.3. The Mission
AIPP strengthens the solidarity, cooperation, and capacities of indigenous peoples in Asia to promote and protect their rights, cultures and identities, and their sustainable resource management systems for their development and self-determination.

To realize its goals, AIPP undertakes six programmes:
- Human Rights Campaign and Policy Advocacy
- Communications
- Regional Capacity Building
- Environment
- Indigenous Women
- Organisational Strengthening and Movement Building

The AIPP Management team implements programs jointly with the members and partners.

Governance Structure
AIPP is a membership-based organisation, and the supreme authority are the members represented in the General Assembly. An Executive Council oversees the strategic direction and management of AIPP. The Secretary General is mandated to manage the Management team and is elected by the Executive Council. An Advisory Board ensures that AIPP complies with Thai statutory requirements and provides guidance to the Secretary General. Programme Committees have been established to support and guide the implementation of AIPP’s programmes.
Membership to AIPP is open to all Indigenous Peoples’ organisations and movements including indigenous women, youth and ethnic based organisations located in Asia who subscribe to the aims and objectives of AIPP.

1.1.4. The Organisational Structure
The organisational structure has been built around the eight core functions of the Strategic Plan: Organisational Strengthening and Movement Building; Communication; Human Rights Campaign and Policy Advocacy; Regional Capacity Building; Environment; Indigenous Women and Financial Management and Administration of AIPP.
1.2. Scope of Manual
The manual is prepared primarily for the use of the Finance department and all staff of AIPP. It has been designed to facilitate understanding of the accounting system and operations of AIPP. It has been developed to ensure staff understand AIPP policies and to assist all staff to carry out accounting transactions and tasks.

This manual should be periodically reviewed and updated to adapt operating policies and procedures to changing conditions. Suggestions for any revisions are encouraged amongst staff. The Finance Manager will review and discuss any proposed changes with the Management team. Any amendments to this manual will be notified to all staff via Management notification. The online manual will subsequently be updated to reflect these approved changes.

1.2.1. Objectives of the Manual
AIPP and its partners need to establish and follow acceptable office procedures to meet fundamental management, accounting, auditing and donor requirements.

The aim of this manual is to provide AIPP staff and partners with guidelines for the processing of financial transactions that can be easily understood and followed.

All AIPP staff and partners are expected to comply with the policies and guidelines outlined herein.

1.3. Internal Controls
Internal Controls, policies and guidelines are in place to protect assets; ensure accuracy of reporting; ensure policies are being followed and that operations are being run efficiently in order to safeguard AIPP.

The Management team is responsible for establishing a good system of internal controls at AIPP and partners’ offices. Effective internal controls and the review of controls should be carried out on a periodic basis to ensure safeguard AIPP and to improve efficiency. Good internal controls benefit AIPP and ensure compliance with policies.

The Management team are responsible for ensuring that all staff understand their roles and responsibilities and to ensure policies and procedures are understood and followed. The Finance Manager should be informed of problems, issues or suggestions for improvement. Any policy violations by will be reported to the management team by the Finance Manager.

Types of internal controls:
Competent, trustworthy staff with clear lines of authority and responsibility
- Staff have job descriptions and are trained to do their job.
- All transactions have to be correctly checked against budget and authorised.

Segregation of duties and responsibilities:
- Staff handling cash and carrying out banking transactions require pre-approval from an independent authorised signatory.
- Purchases require pre-approval from an independent authorised signatory.
Proper procedures for authorisation of financial transactions and purchases:

- Authority limits should not be exceeded.
- All contracts must be signed by the Secretary General or the designated staff in his/her absence.

Transactions:

- Appropriate supporting documentation is provided (e.g., original receipts) that supports and explains the nature of the transaction.
- Forms are duly completed and authorised.

Record keeping procedures:

- Vouchers are completed for all financial transactions.
- Finance transactions are entered into the accounting record keeping software.
- Transactions are sequentially numbered and filed after entering on accounting software.
- Usage of pre-numbered forms for official receipts and cheques.

Physical control over assets and records:

- Regular backups are made, and hard copies of financial transactions are filed.
- Fixed Asset Register is maintained.
- Petty cash held in the safe should not exceed THB30,000 and USD5,000 at any time.
- Cash advance for specific programme activities held in the safe should not exceed USD20,000 or equivalent.

Independent control checks:

- Monthly independent checks are carried out on all cash balances held. Cash account balances are reconciled with cash on hand.
- Programme coordinator or his/her designated staff reviews the monthly financial reports.

Preparation of financial reports:

- Monthly bank reconciliation is carried out.
- Financial statements and trial balance are prepared on a monthly basis.

2. GENERAL ACCOUNTING SYSTEM

2.1. Organisation of the Finance Unit

The Finance unit is headed by the Administrative & Finance Coordinator. If this position is vacant, the Finance Manager will be responsible for the financial management of AIPP, and the Administrative Manager will be responsible for overseeing the administration function. The Administrative & Finance Coordinator is part of the AIPP Core Management Team who works in close collaboration with the Management team and the respective programmes, units, partners, donors, auditors and other stakeholders.

2.2. Finance Functions

The Finance unit performs several functions primarily concerned with the design of the system of records, the preparation of reports based on recorded transactions and the interpretation and analysis of such reports. The following are the key functions of this unit:
2.2.1. Financial planning and budgeting
- To guide and assist staff in the budgeting process, e.g., preparation, planning and review to ensure consistency.

2.2.2. Financial management and accounting
- To maintain the books of accounts, subsidiary ledgers, and other accounting records.
- To classify and summarise transactions in a clear and consistent way that is transparent and easily understood by internal and external stakeholders.
- To assist staff, partners and donors with any queries.
- To maintain an adequate and efficient accounting and internal control system.

2.2.3. Financial Reporting
- To provide internal and external stakeholders with the financial reports to assist them with financial management.
- To coordinate annual audits, project audits and any other financial analysis required.

2.2.4. Auditing
- To coordinate the annual audit and project audits as required by the donor.
- To carry out internal audit reviews on an adhoc basis to check internal controls and processes and improve efficiency.

2.3. Accounting Coding System

2.3.1. Chart of Accounts
The Chart of Accounts contains a list of accounts classified with designated codes. It is primarily designed to provide an effective method of recording, classifying and reporting financial information for internal and external stakeholders. Each account should have an appropriate, meaningful description. The major and minor group account classifications of the Balance Sheet and Profit & Loss Account are as follows:

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>ACCOUNT CODES</th>
<th>ACCOUNT TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11110</td>
<td>Cash on Hand</td>
</tr>
<tr>
<td></td>
<td>11130</td>
<td>Savings Bank</td>
</tr>
<tr>
<td></td>
<td>11140</td>
<td>Current Account</td>
</tr>
<tr>
<td></td>
<td>11150</td>
<td>Fixed Bank Account</td>
</tr>
<tr>
<td></td>
<td>11200</td>
<td>Accounts Receivables</td>
</tr>
<tr>
<td></td>
<td>11300</td>
<td>Advance to Staff and Others</td>
</tr>
<tr>
<td></td>
<td>11400</td>
<td>Advance to Partner</td>
</tr>
<tr>
<td></td>
<td>11500</td>
<td>Advance - Administrative</td>
</tr>
<tr>
<td></td>
<td>11600</td>
<td>Accrued Income Receivable</td>
</tr>
<tr>
<td></td>
<td>12200</td>
<td>Land, Property and Equipment</td>
</tr>
<tr>
<td></td>
<td>12220</td>
<td>Accumulated Depreciation</td>
</tr>
<tr>
<td></td>
<td>12900</td>
<td>Other Asset</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>ACCOUNT CODES</th>
<th>ACCOUNT TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20000</td>
<td>Accounts Payable</td>
</tr>
<tr>
<td></td>
<td>21100</td>
<td>Accounts Payable Partner</td>
</tr>
<tr>
<td></td>
<td>21200</td>
<td>Accrued Expenses</td>
</tr>
<tr>
<td></td>
<td>21400</td>
<td>Other Liabilities</td>
</tr>
<tr>
<td></td>
<td>21500</td>
<td>Designated Fund</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND BALANCE</th>
<th>ACCOUNT CODES</th>
<th>ACCOUNT TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31000 to 31170</td>
<td>FUND BALANCE</td>
</tr>
</tbody>
</table>
### INCOME

<table>
<thead>
<tr>
<th>ACCOUNT CODE</th>
<th>ACCOUNT TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>41000</td>
<td>Donation</td>
</tr>
<tr>
<td>42000</td>
<td>Contribution from Programmes</td>
</tr>
<tr>
<td>43000</td>
<td>Other Income - Programmes</td>
</tr>
<tr>
<td>49000</td>
<td>Other Income – AIPP Administrative</td>
</tr>
<tr>
<td>49100</td>
<td>Bank Interest</td>
</tr>
<tr>
<td>49200</td>
<td>Membership Fee</td>
</tr>
<tr>
<td>49300</td>
<td>Gain/Loss from Asset Disposal</td>
</tr>
<tr>
<td>49400</td>
<td>Other Contribution</td>
</tr>
</tbody>
</table>

### EXPENSES

<table>
<thead>
<tr>
<th>ACCOUNT CODE</th>
<th>ACCOUNT TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>51000</td>
<td>Programmes Expense - Human Rights</td>
</tr>
<tr>
<td>52000</td>
<td>Programmes Expense - Environment</td>
</tr>
<tr>
<td>53000</td>
<td>Programmes Expense - RCB</td>
</tr>
<tr>
<td>54000</td>
<td>Programmes Expense - Communications</td>
</tr>
<tr>
<td>55000</td>
<td>Programmes Expense - IW</td>
</tr>
<tr>
<td>56000</td>
<td>Programmes Expense - OSMB</td>
</tr>
<tr>
<td>57000</td>
<td>Human Resources Fund</td>
</tr>
<tr>
<td>58000</td>
<td>Emergency Fund</td>
</tr>
<tr>
<td>90000</td>
<td>Administrative Expenses</td>
</tr>
</tbody>
</table>

#### 2.3.2. Chart of Accounts Descriptions

<table>
<thead>
<tr>
<th>ACCOUNT CODE</th>
<th>ACCOUNT TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>11110</td>
<td>Cash on Hand</td>
</tr>
<tr>
<td></td>
<td>This pertains to cash both in THB and USD available to pay vendors, office expenses and admin working advances.</td>
</tr>
<tr>
<td>11130</td>
<td>Savings Accounts</td>
</tr>
<tr>
<td></td>
<td>This pertains to savings bank accounts of AIPP for operational use in the form of a deposit account. These accounts are opened at the request/requirement of the donor and are held with Bangkok Bank.</td>
</tr>
<tr>
<td>11140</td>
<td>Current Account</td>
</tr>
<tr>
<td></td>
<td>This is used by AIPP in normal operations and to make payments (e.g., cheques).</td>
</tr>
<tr>
<td>11150</td>
<td>Fixed Bank Account</td>
</tr>
<tr>
<td></td>
<td>This bank account is purely for the repayment of credit card transactions which are carried out in the normal course of business. The Secretary General and Administrative have one card each.</td>
</tr>
<tr>
<td>11200</td>
<td>Accounts Receivables</td>
</tr>
<tr>
<td></td>
<td>This pertains to receivables by the organisation from donors and other third party in the normal course of operations. This also includes loans receivable between projects.</td>
</tr>
<tr>
<td>11300</td>
<td>Advance to Staff and Others</td>
</tr>
<tr>
<td></td>
<td>This pertains to advances to staff and other third party for use in the project activities.</td>
</tr>
<tr>
<td>11400</td>
<td>Advance to Partner</td>
</tr>
<tr>
<td></td>
<td>This pertains to advances to partners of AIPP for use in the project activities in accordance with the project agreement.</td>
</tr>
<tr>
<td>11500</td>
<td>Advance – Administrative</td>
</tr>
<tr>
<td></td>
<td>This pertains to advances from administrative budget for payment</td>
</tr>
</tbody>
</table>
of administrative expenses and supplies and equipment related to project activities.

| 11600 | **Accrued Income Receivable**  
This represents accrued income from donors based on project requirement or funding agreement. |
| 12200 | **Land, Property and Equipment**  
This pertains to the cost of land, building and equipment of AIPP. |
| 12220 | **Accumulated Depreciation**  
This pertains to accumulated depreciation of building and equipment of AIPP. |
| 12900 | **Other Asset**  
This pertains to other non-current asset such as deposit for office rental and utilities of AIPP. |

### LIABILITIES

| 20000 | **Accounts Payable**  
This pertains to accounts payable for vendors and suppliers. |
| 21100 | **Accounts Payable Partner**  
This pertains to accrual of expenses for projects. |
| 21200 | **Accrued Expenses**  
*For accruals relating to projects and administration.* |
| 21300 | **Clearing (Suspense) Account**  
This account is temporarily used for charging expenses before they are allocated to the correct or final account. |
| 21400 | **Other Liabilities**  
This pertains to other liabilities of AIPP particularly for withholding tax on salaries and other costs. |
| 21500 | **Designated Fund** |

### FUND BALANCE

| 31000 | **Fund Balance for Administration**  
This pertains to initial fund, accumulated income and deficit of the AIPP projects. |
| 32000 to 33000 | **Fund Balance for Programmes** |
| 33000 | **Fund Surplus/Deficit**  
This pertains to the surplus or deficit and is automatically generated based on income and expenses incurred. |

### INCOME

| 41000 | **Donation**  
This pertains to funds or grants received from donors. |
| 42000 | **Contribution from Programmes**  
This pertains to contributions or support received from the programmes to support the Secretariat. |
| 43000 | **Other Income – Programmes**  
This pertains to other income received such as bank interest. |
| 49000 | **Other Income – AIPP Administrative**  
This pertains to other income received by Secretariat that includes membership fees, distribution contribution, bank interest, gain from asset disposal, gain from currency fluctuation and others. |
<p>| 49100 | <strong>Bank Interest</strong> |
| 49200 | <strong>Membership Fee</strong> |
| 49300 | <strong>Gain/Loss from Asset Disposal</strong> |
| 49400 | <strong>Other Contributions</strong> |</p>
<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>51000</td>
<td><strong>Programmes Expense – Human Rights</strong>&lt;br&gt;This pertains to project expenses under the Human Rights Programme.</td>
</tr>
<tr>
<td>52000</td>
<td><strong>Programmes Expense – Environment</strong>&lt;br&gt;This pertains to project expenses under the Environment Programme.</td>
</tr>
<tr>
<td>53000</td>
<td><strong>Programmes Expense – RCB</strong>&lt;br&gt;This pertains to project expenses under the Regional Capacity Building Programme.</td>
</tr>
<tr>
<td>54000</td>
<td><strong>Programmes Expense – Communication</strong>&lt;br&gt;This pertains to project expenses under the Communication Programme.</td>
</tr>
<tr>
<td>55000</td>
<td><strong>Programmes Expense – IW</strong>&lt;br&gt;This pertains to project expenses under the Indigenous Women Programme.</td>
</tr>
<tr>
<td>56000</td>
<td><strong>Programmes Expense – OSMB</strong>&lt;br&gt;This pertains to project expenses under OSMB Funds.</td>
</tr>
<tr>
<td>90000</td>
<td><strong>Administrative Expenses</strong>&lt;br&gt;This pertains to project expenses related to the operation and administration of the whole organisation.</td>
</tr>
</tbody>
</table>

### 2.4. Finance Policies and Procedures

#### 2.4.1. General Policies

The following general accounting policies shall be followed:

**Source Documents**

All source documents (original documentation) shall be printed and numbered to allow proper checking and control and to facilitate cross-referencing.

**Recording of Transactions**

All initial recording of the entries shall be entered in the QuickBooks accounting system based on the source documents.

**Double-Entry Basis**

The double-entry accounting method shall be used when recording. It requires every transaction to have both a debit side and a credit side, thus creating a balancing system when both sides of all accounts taken as a group are compared.

**Accrual Basis**

The accrual basis is a method of accounting where revenue is recorded when earned and expenses are recorded when incurred and not necessarily when cash is received or paid out.

### 2.4.2. Book-keeping

**Recording**

All significant financial transactions evidenced by the appropriate source documents are recorded in QuickBooks in sequential order. Regular recording in QuickBooks is done as and when source documents are received.
Classifying
The recorded transactions of the organisation are classified according to:

<table>
<thead>
<tr>
<th>Grouping of Accounts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>d. Income</td>
</tr>
<tr>
<td>Liabilities</td>
<td>e. Programmes Expense</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>f. Administrative Expense</td>
</tr>
</tbody>
</table>

Each of the above grouping shall have a further classification, sub-classification and detailed account title or description.

The major accounting source documents and the corresponding transactions that these documents cover is presented below:

<table>
<thead>
<tr>
<th>DOCUMENT/S</th>
<th>TRANSACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipt vouchers</td>
<td>Cashier’s receipts of cash from all sources.</td>
</tr>
<tr>
<td>Payment vouchers</td>
<td>Disbursement/payment from the cash/bank.</td>
</tr>
<tr>
<td>Petty Cash vouchers</td>
<td>Vouchers related to Administration fund and not exceeding THB3,000.</td>
</tr>
<tr>
<td>Journal vouchers</td>
<td>All other non-cash/bank transactions that cannot be properly accounted using the receipt, payment and petty cash vouchers.</td>
</tr>
</tbody>
</table>

Summarising
All transactions recorded are automatically summarized in the QuickBooks computerized accounting system and automatically posted to the General Ledger.

2.4.3. Banking
2.4.3.1. Policies
1. All funds for AIPP shall be deposited in Bank accounts in the name of “Asia Indigenous Peoples Pact Foundation” and not to any personal accounts. Each project and/or programmes has a separate bank account where required.
2. All bank accounts of AIPP are held with Bangkok Bank in Thai currency.
3. Each AIPP bank account has four (4) signatories. Two (2) shall be from AIPP board members and two (2) from AIPP secretariat staff.
4. Two (2) authorised signatures are required for the withdrawal of funds from any bank account and to issue cheques.
5. Checking account is used for regular administrative expenses.
6. All passbooks and cheque books should be locked away by Finance staff.
7. The bank balance in the general ledger should be reconciled with the bank account passbooks/bank statements on a monthly basis. The bank reconciliation must be prepared within 20 days from close of the month. The bank reconciliation must be approved by the Finance Manager.

2.4.3.2. Bank Files
The Finance Officer must maintain a file for each bank account containing following information:

1. Bank agreement
2. Authorised signatory list
3. All correspondences related to change in signatories.
4. For closed accounts, date closed and a copy of the bank confirmation of closing.
Transaction information and bank statements should be maintained in separate accounting files.

The Finance Officer must make every effort to obtain bank statements on a timely basis. For accounts with passbooks, the passbooks (and required ID documents) should be presented to the banks every time transactions are carried out. This is to ensure that records are up-to-date and to assist in the preparation of monthly bank reconciliations.

2.4.3.3. Organisational Credit Cards
As many purchasing require online payment, the organisation has been issued with two credit cards for online payments in the personal names of the following people:
- Administrative Manager (one credit card) - amount of THB 200,000
- Secretary General (one credit card) - amount of THB 200,000

Guidelines for using Credit Cards:
- The credit is normally used for organisational related activities payment purposes such as purchase of ticket, accommodation, website hosting fee, translation equipment, etc.
- The card holder takes full responsibility for all the transactions paid by credit card as detailed in the memorandum of agreement.
- The card holder may not disclose the details of credit card to other staff including management members without the proper authorisation.
- The payment through credit card shall be properly authorised according to the authorisation policy and guidelines.
- The credit card payment shall be supported with the online/original receipts.
- When the person is leaving the organisation, the credit card shall be closed and any payable shall be settled.

2.3.3.4. Opening of the bank account in individual name for the payment of the Organisation’s utilities
The Organisation may assign a staff to open the bank account to facilitate the utilities payment such as electricity and water supply through automatic bank deduction. However, the selection of the person should be done in consultancy with the management and shall be approved by the Secretary General.

To ensure continuity of the automatic deduction, the finance officer shall deposit the funds to the bank account on quarterly basis and it should be authorised by DSG.

When this bank account holder leaves the organisation, the bank account should be closed.

2.5. Cash Management
2.5.1. Policies
2.5.1.1. Petty Cash Fund
1. The revolving cash fund of THB30,000 is used and replenished as and when required by the Finance Officer.
2. Disbursements from petty cash will be covered by an authorised payment request.
3. Summary of disbursements shall always support requests for replenishment of the petty cash fund.
4. The petty cash fund should not be combined with the collections and other funds to allow for a proper monitoring of the fund balances.
5. Petty cash fund should be locked in the safe by Finance Officer.
6. An independent finance staff member other than the petty cash fund custodian must count the revolving cash fund at the end of each month and compare it with the
general ledger account balance. The count must be documented in a cash count sheet properly signed by the staff who conducted the count and checked by an authorised person.

7. Petty cash vouchers are recorded in QuickBooks accounting system by the Finance Officer.

2.5.1.2. Dollar Reserve Fund
1. The dollar reserve fund of USD5,000 will be replenished when required under the responsibility of the Senior Finance Officer.
2. The fund will be used for urgent expenses relating to travel of staff members and members of the Executive Council (e.g., visa fee, travel tax, air tickets, travel contingency, etc.)
3. Disbursements from this reserve fund is subject to approval by authorised persons.
4. The dollar reserve fund shall be replenished as soon as possible by the Finance Officer to ensure there is revolving cash fund for operation, and it shall be approved by authorised persons.
5. The recording of dollar disbursements and expenses are the responsibility of the Senior Finance Officer.
6. Dollar reserve fund should be kept in a safe under the custody of the Senior Finance Officer. In case of emergency, the Finance Manager has a spare key to the safe and can access the cash fund.
7. A member of finance staff other than the fund custodian (Senior Finance Officer) must count the dollar reserve fund at the end of each month and reconcile it to the general ledger balance. The count must be documented in a cash count sheet properly signed by the staff who conducted the count and checked by an authorised person.
8. The record of the cash advance payment form the Dollar Reserve Fund shall be recorded in the excel file, print out and keep in the file monthly.

2.5.2 Financial Transaction Days
1. Staff members are requested to submit all financial requests (Request for budget/Cash Advance, Disbursement, Reimbursement, Direct Payment, etc.) both in THB or USD on Monday, Wednesday and Friday.
2. Finance staff shall only reimburse, disburse or advance cash on Tuesday and Thursday when they visit the bank. Exception to this rule shall only apply to emergency case(s).

2.6. Cash Receipts
2.6.1. Policies
1. All funding received from donors should be acknowledged by a receipt voucher issued by the Finance Officer. (Please refer to Annex 1 for sample copy of the receipt voucher)
2. All contributions, fees and other collections should be acknowledged by receipts issued by the Finance Officer. (Please refer to Annex 2 for sample copy of the receipt)
   - AIPP receives funds from the following sources:
   - Grants/donations received.
   - Membership fees
   - Income from short term professional services and consultancy assignments undertaken by AIPP i.e., fees on documentation of training conducted by AIPP staff, supervision fee, etc.
3. All funds and collections received should be deposited in the bank by the following banking AIPP operations day. Each project and/or programmes shall be maintained in a separate bank account.

4. Receipt vouchers and receipts shall be dated on the day they are issued regardless of the date collections are deposited in the bank, or the clearing date of cheque collections.

**2.6.2 Procedure**

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme Staff</td>
<td>As soon as he/she receives notice of grant transfer to AIPP from a particular donor, he/she immediately notifies the Finance staff, Programme Coordinator (as applicable) and the management team.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Prepares receipt voucher and scans the bank statement.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Forwards the scanned bank statement to the Programme staff.</td>
</tr>
<tr>
<td>Programme Staff</td>
<td>Prepares written acknowledgement receipt for issuance and forwards the scanned bank statement to the donor.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Forwards the receipt voucher to the Finance Manager for approval.</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>Approves the receipt voucher and returns the same to the Finance Staff.</td>
</tr>
</tbody>
</table>
| Finance Staff          | For contributions and fees received in cash or cheque, prepares the pre-numbered receipt in three (3) copies to be distributed as follows:  
  - Original - Payor  
  - Duplicate - Attached to the receipt voucher.  
  - Triplicate - File copy  
  Counts cash and cash items on hand and prepares deposit slips in duplicate based on receipts.  
  Arranges deposit of currency and cheques with the bank and obtains validated copies of deposit slip.  
  Prepares receipt voucher and attaches second copy of receipts and validated deposit slip.  
  Forwards the receipt voucher to the Finance Manager for approval. |
| Finance Manager        | Approves the receipt voucher and returns the same to the Finance Officer. |
| Finance Staff          | Records/inputs receipt voucher in the computerized accounting system. |

**2.7. Cash Disbursement**

**2.7.1. Supporting Document.**

**2.7.1.1. Guidelines on documentation:**

The following guidelines of documentation shall be observed for any Reimbursements *(Please refer to Annex 3 Reimbursement Form)*. Direct Payments and Settlement of Cash Advances done for AIPP activities:

1. Cash advances should have supporting documentation to show what the cash will be used for. Examples of types of supporting documents would be:
• Plan of expenses supporting the project expenditure request for staff working in out-of-area assignments such as Travel Mission Plan
• Invitation supporting travel advances or air tickets.

2. Reimbursements, Direct Payments and Settlement of Cash Advances must be supported by original receipts. The receipt should state the:
   • Name, address, shop # (if bought in the market) of the vendor.
   • Signature of the vendor
   • Date of payment
   • Clear description, quantity of items, type of services

3. To redeem the travel cost, staff should have the full supporting document such as ticket, boarding passes, itinerary, letter of invitation (if applicable) and transportation receipts.

4. All Payment Vouchers should have attached supporting documentation that provides clear written evidence to ensure the validity and legitimacy of the disbursements. *(Please refer to Annex 4 payment voucher).*

5. In the absence of vendor’s official receipt, e.g., payment of taxi or bus fare, purchase of food, etc., AIPP Acknowledgement Form *(Please refer to Annex 5 Acknowledgement Form)* should be used as a supporting documentation for payment transactions.

6. A written note is not considered adequate as financial supporting document.

7. The thermal paper receipt shall be photocopied and both original and photocopy shall be filed together.

8. The receipt should be translated or provided with a short note in English language for any receipt written in the local language.

9. In case of payment of activities related cost such as ticket fee, interpretation, and translation costs that is transferred by bank to the foreign country, the transfer slip of the bank where it was transferred is considered an efficient documentation record for such payment.

10. In the absence of a receipt (e.g., where a receipt is not available in field activities) a copy of the Thai partners Thai ID card shall is required for any payment to individuals where the cost is THB1,000 and above.

11. When staff change the money to other currency the “Currency Exchange slip” should be obtained as part of financial supporting document.

12. **Accommodation:**
   The documentation of the accommodation claim should be the original receipt. However, if the accommodation was in the village or homestay it can be reimbursed by using the Acknowledgement Form with the explanation of the valid reasons for staying in such places.

13. **Airfare:**
    When purchasing air ticket, the economy flight should be a preference.
    Air tickets purchased via travel agents should submit original/online receipts including the participants attending AIPP’s activity. However, if traveler has not made the payment to the travel agent, the travel agent can issue the bill, invoice, and statement of the cost instead of the receipt.
    All these documents should be supported by the boarding pass of the traveler to support any claims made.

14. **Local Transportation**
    • The local transportation cost such as bus, train and taxi cost can be reimbursed upon presenting the original receipts. However, in the case where the original receipts could not be obtained, the Acknowledgement Form shall be used as
the supporting document of such costs with clear explanation and certified by the staff supervisor.

- The staff/participant that uses their personal car for attending the activities of AIPP may reimburse the transportation cost by using the Acknowledgement Form. The mileage claim shall be based on the mileage rate set by AIPP.
- The staff using their vehicle for administration activities shall make the reimbursement of their mileage using Vehicle Logbook monthly

15. **Food allowance:**
The Food allowance Form shall be completed for any claim of the food allowance. *(Please refer to Annex 6 - Food allowance Form)*

16. **Other cost:**
For other cost such as communication for work (Internet/phone charge), visa fee, airport taxes/Re-entry Permits, and official baggage slip, the original documents of these costs should be obtained as supporting documents.

17. **Contribution:** For any contribution such as contribution to the community or staff, the Acknowledgement Form shall be completed and keep as supporting document. The ID card shall be required for the Thai-citizen for the any payment to the individual that costs THB 1,000 and above.

18. If a mistake is made on the receipt, corrections must be signed by both the buyer and the seller. White-out paint is not permitted.

19. Each Payment Voucher and documentation should be understandable by a third party, (such as donor or auditor). *Staff may write notes, translates or explanations on the Payment Voucher that will clarify the transactions.*

20. The participant attending regional/international activity host/funded by AIPP shall completed the “Participants Reimbursement Form.”

21. The direct expenses that are NOT reimbursable are as follows (the list is NOT exhaustive):

<table>
<thead>
<tr>
<th>Laundry</th>
<th>Personal tips (exceptional cases where it is required)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal baggage fee</td>
<td>Personal telephone calls</td>
</tr>
<tr>
<td>Leisure travel expenses</td>
<td>Alcohol</td>
</tr>
<tr>
<td>Minibar</td>
<td></td>
</tr>
</tbody>
</table>

2.7.2. **Policies**
1. All payments shall be covered by a properly approved payment voucher.
2. All disbursements should be approved in accordance with the levels of authority set by AIPP.
3. All cheque disbursements should be signed by duly authorised signatories and supported by duly approved payment vouchers.
4. All payments should be made based on original suppliers’ invoices or creditors’ bills.
5. Staff shall request receipts for items to be reimbursed as separate from personal items bought at the same time. In cases, where this cannot be avoided, an explanatory note shall be included in the reimbursement form identifying the items for personal reimbursement.
6. The maximum amount for food reimbursement per meal without receipt in Asia (higher allowances are applicable in other regions) is USD10/THB300 in Thailand. Higher amount requires official receipt and should be reasonable.
7. Staff travel shall follow the process stipulated in the Human Resource Manual and to reimburse the travel cost shall be based on actual cost with adequate supporting document according to the 2.7.1 Supporting Documents section.
8. Local travel expenses shall be reimbursed based on actual cost with receipts as much as possible.
9. The use of vehicles owned by any staff member for official business is entitled to travel reimbursement both for car and motorcycle according to AIPP rate. This amount shall be reviewed from time to time for possible adjustment.

10. **Accommodation** cost should be based on a reasonable rate i.e., within the moderate range as understood in the concerned country/place. If it is in a community where rates are not clearly defined, contributions to the community are also reimbursable. The following table is an accommodation rate observed by AIPP.

<table>
<thead>
<tr>
<th>Country</th>
<th>Maximum Accommodation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan, Hong Kong, South Korea, Taiwan, China, Geneva, New York and another Europe and North America</td>
<td>120$/room</td>
</tr>
<tr>
<td>Malaysia, Myanmar</td>
<td>80$/room</td>
</tr>
<tr>
<td>Bangladesh, Indonesia, Nepal, India, Laos, Vietnam, Thailand</td>
<td>70$/room</td>
</tr>
</tbody>
</table>

11. **Food Allowances**
- Food allowance covers cost of food (breakfast, lunch and dinner).
- Food allowance rate shall apply to all AIPP funded travels including for EC, secretariat, members and partners.
- Food allowance shall be given to staff only in case where they participate in a workshop or other activity officially assigned and approved by AIPP or are away from the defined workplace of the staff for official mission.
- Other expenses such as airport to and from hotel transport, accommodation and communication cost are reimbursable upon presentation of receipts.
- The rates of food allowance are as follows:

<table>
<thead>
<tr>
<th>Country in the Continence</th>
<th>Food Allowance Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America and Africa</td>
<td>USD 65.00/ Day (Or USD 22 per meal)</td>
</tr>
<tr>
<td>Europe</td>
<td>EUR 65.00 (Or EUR22 per meal)</td>
</tr>
<tr>
<td>Middle East and East Asia</td>
<td>USD 60.00 (Or USD 20 per meal)</td>
</tr>
<tr>
<td>Asia</td>
<td>USD 30.00 (Or USD 10 per meal)</td>
</tr>
<tr>
<td></td>
<td>THB 900 (300 per meal) for Thailand if the payment is made in Thai currency</td>
</tr>
</tbody>
</table>

- Staff attending events of AIPP either hosted by AIPP or partners will be provided at the rate of USD 10 / THB 300 per meal for approved budget activities.
- For AIPP staff who have to attend events to support their visa and work permit applications, where the event itself doesn’t have budget for food allowances, it will be reimbursed based on actual cost, up to a maximum rate of THB 150 per meal.
- Food expenses necessary during overtime and meal expenses on work related meetings can be reimbursed by the staff upon presentation of receipts or acknowledgement form if the receipt is not obtainable.
- The food allowance and related costs for activities being organised at the country and local level, will be determined in agreement with the local host.
- The food allowance for the travel days according to the rate above shall be given to all travelers. On the meeting days, only the food allowance shall be provided for the food NOT covered by the event.
- In case the accommodation that includes breakfast, the food allowance rate will be reduced accordingly.
• The Food Allowance Payment Form should be completed and fully authorised by the relevant authorised persons.
• Payment of the food allowance to participants attending AIPP’s activities will be supported by the Administrative and Finance teams as needed. For the activities outside Thailand, the programme staff will provide a list of participants and travel details to the finance one week prior to the travel date. Based on the information received, finance will prepare the food allowance payment list. In the case of payment prepared by programme staff, the food allowance form should be used, or staff may request finance to complete this form. Any mistake due to miscalculation is the responsibility of by the concerned staff.

12. Under no circumstances are staff permitted to approve their own costs (i.e., own benefits or reimbursements)
13. Expenses should not be “split” to fall inside the authorised limits, i.e., breaking the same expenditures into various forms to accommodate by the authorising person.
14. When as cheque is issued the date should be the same as the payment voucher.
15. No cheque shall be made payable to cash or signed in blank by both signatories.
16. All supporting documents should be properly marked and stamped “PAID” to prevent duplicate payment.
17. Cancelled cheques should be properly defaced (i.e., marked “Cancelled”) and retained in numerical order to prevent any unauthorised use of void cheques.
18. For participants attending regional/international activities host/funded by AIPP, the following guidelines should be followed:

**International Participants:**

**Food Allowance**
- The finance staff shall prepare the food allowance payment for the two days travel (going and returning) at the amount of USD30/day. On meeting days, the food allowance will only be provided where food is NOT covered by the event.
- In case, the participant requires additional travel days, the participant shall be reimbursed at the relevant food allowance rate per meal for that particular country.

**Transportation**
- The Airfare including local transportation of the international participants will be reimbursed based on the actual cost incurred by the participants.

**Local Participants including local host/member organisations attending the meeting.**

**Food allowance:** The finance staff will prepare the food allowance payment for the two days travel (going and returning) at the relevant country allowance rate. On meeting days, the food allowance will only be provided where food is NOT covered by the event.

**Transportation:** The cost will be reimbursed based on actual cost paid or if a personal car/motorbike is used to attend the meeting in Thailand, then mileage rates are those based on the AIPP’s policy or local host partners policy are applicable. However, long journeys using personal cars to attend meetings should only be used where the cost is less than the domestic airfare and local transportation costs. If the person chooses to travel using their own personal vehicle, reimbursement is limited to the maximum of the lowest applicable flight. We encourage participants to travel as a group in private vehicles to reduce expenses. For example, if the costs of mileage
claim for a group of individuals traveling together is less than the total cost of individual flights, then the full mileage claim will be paid. AIPP may review the rate periodically as needed.

- **AIPP Staff**
  - **Food Allowance**: In the case of AIPP staff participant the food allowance of THB 300 will only be provided where food is NOT covered by the event.
  - **Transportation**: The cost will be reimbursed based on actual cost paid. If a personal motorbike/car is used to attend the meeting in Thailand, then mileage rates are those based on the AIPP’s policy or local host partners policy are applicable. AIPP may review the rate periodically as needed.

### 2.7.3. Procedures

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requisitioner</td>
<td>Prepares request the appropriate form for the items to be paid or reimbursed with completed supporting document and submits for authorization.</td>
</tr>
<tr>
<td>Authoriser</td>
<td>Checks and verifies the request to ensure that items to be paid were budgeted and necessary for the implementation of the project, then forwards to the Finance Staff.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Verifies the payment request, checking the accuracy and completeness as well as the validity of the supporting documents. Then prepares the payment voucher, signs and forwards to the Finance Manager for approval.</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>Approves the payment voucher and returns it to the Finance staff member.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Prepares the payment (cash/cheque) as appropriate. If the payment is via cheque, he/she will then submit the cheque to the appropriate cheque signatory for their signature. Contacts the supplier or staff to pick up the cheque or cash at AIPP office. The supplier/staff must sign the payment voucher to confirm receipt. An official receipt for the amount paid should be provided by the supplier. The finance staff member will then release the cheque or cash to the supplier/staff and then stamps “Paid” on the payment voucher and all supporting documents including receipts and invoices. Records/inputs the payment voucher in the computerized accounting system. Files the finance voucher in the monthly voucher folder based on the voucher number.</td>
</tr>
</tbody>
</table>

**End of the month Tasks**

| Finance Staff          | Prepares bank reconciliation statement and submits to the appropriate approving person. |
| Finance Manager        | Reviews bank reconciliation statement and investigates any unusual or unreconciled items. Signs the bank reconciliation as an indication of his/her review. Forwards the reconciliation statement to the finance staff.
Finance Staff
Prepares journal voucher (JV) for adjusting entries on any bank reconciling items and records/inputs these into the computerized accounting system.

2.8. Cash Advance/Loan

2.8.1. Policies for Cash/Budget Advance
Working advance refers to advances granted to staff for official/business purposes. This may include advances for regional activities hosted by AIPP and mission cash advance.

1. Staff can request for working advances for purposes related to his/her work provided the request has been properly authorised by the relevant authorising person.
2. To get the working advance, the staff must fill up the form for Request for Budget/Cash Advance form. (Please refer to Annex 7 Request for Budget/Cash Advance form).
3. The Request for Budget/Cash Advance form for Regional activity should be submitted to the Finance staff at least two (2) weeks beforehand to ensure that Finance have sufficient time to withdraw the required funds.
4. The Request for Budget/Cash Advance form for Mission activity should be submitted to the Finance Officer at least three (3) days beforehand to ensure that Finance have sufficient time to withdraw the required funds.
5. No new advances will be given to staff who have outstanding cash advances unless exceptional approval has been given.
6. Working advances must be settled within ten (10) working days upon return to the office using the Cash Advance Liquidation Form. (Please refer to Annex 8 Cash Advance Liquidation Form). This should be supported by original receipts including duly signed Acknowledgement Form and currency conversion receipts. In addition, a Mission Report must also be submitted. If not, salary could be withheld and/or deducted until the advance is cleared/settled.
7. If original receipts are lost for any item that cost more than THB500, the Acknowledgement Form should be co-signed by the Programme Coordinator/DSG/with written explanation provided on the form.
8. Advances must be fully settled. Partial settlement of business advances is not acceptable.
9. Any amount of unused cash must be returned to Finance Staff together with other supporting documentation. All balances must be returned in THB, USD or EURO only.
10. Any settlement with receipts of more than two (2) months old shall NOT be accepted and staff members shall not be reimbursed.
11. Individual subsidiary ledgers shall be maintained for each staff member to facilitate monitoring of outstanding advances.
12. Write-off of any uncollectible balances must be approved in writing by the Secretary General.

2.8.2. Policies on Salary Advance

2.8.2.1. Salary Advance
Salary advance/loan refers to advances granted to staff for personal reasons.

1. Salary advance shall only be granted upon approval by the SG/DSG. This shall be supported by salary advance slip. (Please refer to Annex 9 salary advance slip).
2. The maximum amount for salary advance shall be equivalent to one month’s basic salary. Higher amounts can be considered on an exceptional case by case basis upon approval by the Secretary General.
3. The salary advance shall be payable within six (6) months through automatic monthly salary deduction and must be fully repaid by the end of December.

2.8.3 Policies on loans between Projects
Loan between projects is not encouraged. However, in case a particular project runs short of working funds to implement the project activities, the concerned project should consult with its donors first. If there is no scope for the donor to release funds due to some limitation on compliance to their requirements, a short period loan is allowed to ensure the smooth implementation of the project. Pre-approval from the donor loaning the funds is required in writing along with the loan value before any loan can take place. Loans between project should not extend beyond 6 (six) months and it should not delay the implementation of the loan providers project and activities.

*(Please refer to Annex 10 Application for loan between project).*

2.8.3 Procedures for Cash Advance & Liquidation of Advance.

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Advances</strong></td>
<td></td>
</tr>
<tr>
<td>Requisitioner</td>
<td>Prepares the request for Budget/Cash Advance form. This should be prepared in triplicate copies indicating the following:</td>
</tr>
<tr>
<td></td>
<td>• programme/project</td>
</tr>
<tr>
<td></td>
<td>• budget line/account code</td>
</tr>
<tr>
<td></td>
<td>• activity</td>
</tr>
<tr>
<td></td>
<td>• donor</td>
</tr>
<tr>
<td></td>
<td>• type of request (purpose or use)</td>
</tr>
<tr>
<td></td>
<td>• particulars</td>
</tr>
<tr>
<td></td>
<td>• amount</td>
</tr>
<tr>
<td></td>
<td>• currency</td>
</tr>
<tr>
<td></td>
<td>The form is distributed as follows:</td>
</tr>
<tr>
<td></td>
<td>• Original – attached to the payment voucher.</td>
</tr>
<tr>
<td></td>
<td>• Duplicate – kept by the Finance officer until liquidated.</td>
</tr>
<tr>
<td></td>
<td>• Triplicate – given to the requisitioner.</td>
</tr>
<tr>
<td></td>
<td>Submits the Request for Budget/Cash Advance form to the Authorised Person.</td>
</tr>
<tr>
<td>Authorising Person</td>
<td>Signs the Request for Budget/Cash Advance form as approved and returns the form to the requisitioner.</td>
</tr>
<tr>
<td>Requisitioner</td>
<td>Submits the request for Budget/Cash Advance form to the relevant Finance member of staff.</td>
</tr>
<tr>
<td>Finance staff</td>
<td>Checks the Request for Budget/Cash Advance form to ensure the amount requested is in accordance with the approved budget and project activities. Reviews the form for accuracy and completeness of information and appropriate supporting document(s). Prepares the payment voucher and attaches the “Request for Budget/Cash Advance form” thereto and then forwards to the Finance Manager for his/her approval.</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>Approves the payment voucher and returns the same to the Finance staff.</td>
</tr>
<tr>
<td>Finance officer</td>
<td>Prepares the cash or cheque. If cheque payment, sends to the appropriate cheque signatory for their signature together with the approved payment voucher.</td>
</tr>
<tr>
<td>Cheque Signatories</td>
<td>Verifies the cheque against the payment voucher and supporting “Request for Budget/ Cash Advance form” and if is in order, signs the cheque and forwards to the appropriate Finance member of staff.</td>
</tr>
<tr>
<td>Role</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Finance staff</td>
<td>Informs the staff of the release of cash advance. The staff signs the “Request for Budget/ Cash Advance form” and the payment voucher as cash received.</td>
</tr>
<tr>
<td>Settlement of Working Advances</td>
<td>Records the cash advance in the computerized accounting system. Files the first copy in the payment voucher folder and keeps the duplicate copy awaiting settlement.</td>
</tr>
</tbody>
</table>

**Advance Liquidation Form**

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requisitioner</td>
<td>Prepares the “Cash Advance Liquidation Form” indicating the following: • Project/Programme • Activity • Cash advance taken. • Details of expenses • Amount • Currency • Account code The approved cash advance form should be attached for checking and then sent to Finance.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Checks form, receipts and invoices for verification. Checks the Cash Advance Liquidation Form together with the supporting documents and if in order, signs the Cash Advance Liquidation Form as “Checked by” and returns the form to the requisitioner.</td>
</tr>
<tr>
<td>Requisitioner</td>
<td>Submits the Cash Advance Liquidation form and its supporting document to appropriate authorizing person.</td>
</tr>
<tr>
<td>Authoriser</td>
<td>Checks the “Cash Advance Liquidation Form” together with the supporting documents to see if the expenses are related to the project activities and within the approved budget. He/she then signs the Cash Advance Liquidation Form as approved and forwards it to Finance Staff.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Prepares the payment voucher and attaches the “Cash Advance Liquidation form” and the supporting receipts and then submits the form to the Finance Manager for approval.</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>Finance Manager checks the form and approves and returns to the finance member of staff.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Receives the excess cash if there is any cash due or prepares the cash for any reimbursement. The requisitioner will sign as received in the payment voucher for the reimbursement. Banking Finance Officer then forwards the payment voucher to the relevant Finance Programme staff member for recording in the computerized accounting system.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Files the payment voucher and its supporting documents in the relevant file.</td>
</tr>
</tbody>
</table>

**2.9. Payroll**

**2.9.1. Policies**

1. Payroll summary sheet should be properly approved by responsible persons before payment is made.
2. Salaries are paid to staff along with accompanying pay slip. *(Please refer to Annex: 13 Payroll summary sheet)*
3. Changes in salary rates should always be supported by approved contract/memo.
4. Personnel files are maintained by Administration for all staff. This should include personal information, contract of employment, benefit entitlements, etc. (for more details please refer to HR Manual.)
### 2.9.2. Procedures

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Manager</td>
<td>Prepares payroll summary and pay slips in duplicate copy - one for the staff and the other as file copy. Computes any salary deductions including loans from the provident fund. Submits to Executive Secretary for verification.</td>
</tr>
<tr>
<td>Executive Secretary</td>
<td>Management reviews the Payroll summary and if in order, signs as checked and verified and then forwards to the Deputy Secretary General/ Secretary General for approval.</td>
</tr>
<tr>
<td>Deputy Secretary General/Secretary General</td>
<td>Reviews the Payroll summary and if in order, signs as approved by and then forwards to the Finance Officer.</td>
</tr>
<tr>
<td>Finance Officer</td>
<td>Prepares the payment voucher, cheques and the list of staff with their bank account numbers and the net pay. Submits the payment voucher together with the Payroll summary to Finance Manager for approval.</td>
</tr>
<tr>
<td></td>
<td>Reviews and compares the payment voucher and the cheque with the payroll summary and ensures that details and amount are the same. Approves the payment voucher.</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>Forwards the cheques to the authorised signatories for signature.</td>
</tr>
<tr>
<td>Finance Officer</td>
<td>Brings the cheque and the list of staff with their bank account numbers and net pay to the bank for the transfer of AIPP bank account to the individual bank account of the staff.</td>
</tr>
<tr>
<td>Finance Officer</td>
<td>Distributes the pay slips by email to the staff. Request the summary payment to staff account and attaches this and the payroll summary and to the payment voucher.</td>
</tr>
<tr>
<td>Finance Officer</td>
<td>Records/inputs the transactions in the computerized accounting system based on the payment voucher. Files the payment voucher together with all its supporting documents in the monthly voucher folder in series (based on the voucher number).</td>
</tr>
<tr>
<td></td>
<td>Keeps a staff record of the accumulated amount of provident fund deducted from each member of the staff and the withdrawals made from the provident fund.</td>
</tr>
</tbody>
</table>

### 2.10. Fixed Assets

#### 2.10.1. Purchase of Fixed Assets

Fixed Assets are items with a useful life of more than one year. These include computers, communication equipment, vehicles, furniture and office equipment.

AIPP policy is to charge project related assets as expenses to the project’s budget in the year of purchase except for purchase of vehicles, building construction and renovation.
Purchase of equipment, furniture, vehicles, building construction and renovation with useful life of more than a year are capitalised and depreciated over the estimated useful lives of the assets using the straight-line method of depreciation.

All purchases of fixed assets should follow procurement procedures. All purchases of computer hardware and software must be legally licensed. All fixed assets should be recorded in the Fixed Asset Register and kept up to date by Administrative Staff.

2.10.2. Disposal of Fixed Assets

Guidelines for disposal of fixed assets are as follows:

- No asset can be sold without written approval of the Management team.
- Request to sell items for disposal should be made by the Administrative Manager and approved by Deputy Secretary General.

Sale of Assets:

- Written approval must be obtained from the Deputy Secretary General.
- For assets with purchase cost of THB 50,000 and below, an informal bidding will be performed by the Administrative Manager to AIPP staff and external parties.
- For assets with purchase cost of THB 50,000 to THB 300,000, a secret or formal bidding will be performed and at least two (2) competitive bids should be obtained. This is especially important for any sale of assets to AIPP employees or relatives as evidence of “fair market price” must be seen.
- For assets with original value of THB 300,000 or more, the sale will be subject to a formal auction.
- In the event of the sale of a motorbike or vehicle, the “Deed of Absolute Sale” Agreement must be completed, (this releases AIPP of any claims or liabilities that might occur after the sale). *(Please refer to Annex 14 - Deed of Absolute Sale).*
- All supporting documentation and funds received should be attached to the Receipt Voucher. A copy of the documentation should also be given to the Finance Officer for reference and filing purposes.
- Complete Asset sale/transfer slip. This is used to update the Fixed Asset Register with details of disposal, amount received, date sold, etc.

If the asset is donated to the community or another organisation:

- Written approval should be obtained from Deputy Secretary General.
- Obtain signed letters of acknowledgement from the community leader or the organisation to whom fixed asset was donated.
- If donation of motorbike or vehicle, complete the “Deed of Donation” Agreement – this releases AIPP of any claims or liabilities that might occur after the donation.
- A copy of the above documentation should be given to the Finance Officer for reference and filing purposes.
- Complete Asset sale/transfer slip. This is used to update the Fixed Asset Register with details of recipient, date donated, etc.

2.10.3. Fixed Asset Register

It is the responsibility of the Administrative Staff to update and maintain the fixed asset register and assign fixed asset codes and asset tags. The fixed asset register distinguishes between expendable assets (those charged wholly to expenses) and those that are recorded as fixed assets that are capitalised and depreciated.
The asset register should be kept in a spreadsheet held by the Administrative Staff. A copy of the capitalizable assets should be given to the Finance Manager. This will form the basis to compute the depreciation charge.

The following minimum information should be in the asset register:

<table>
<thead>
<tr>
<th>Date of purchase</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset code</td>
<td>Purchased under project (name of donor)</td>
</tr>
<tr>
<td>Location</td>
<td>Supplier</td>
</tr>
<tr>
<td>Serial number</td>
<td>Remarks</td>
</tr>
<tr>
<td>User (e.g., member of staff)</td>
<td>Description</td>
</tr>
</tbody>
</table>

2.10.4. Fixed Asset Count
The Administrative Staff shall conduct the following procedures when doing a fixed asset count at the end of the year:

1. Conducts an inventory of fixed assets using the previous year’s list as a guide. Another staff, preferably the Finance Officer, should witness the count.
2. Makes note of additions in the fixed assets list, i.e., any assets owned and counted that are not in the previous list (a note of the source or date/year of purchase if known, should be provided).
3. Makes note of deletions in the fixed assets list, i.e., any assets that are on the list but are no longer in the possession of the Offices or are broken. An explanation for assets lost should be provided.
4. The fixed asset register will be updated on a quarterly basis together with a physical check and count (noting all the additions and disposals). Deletions from the register can only be authorised by the appropriate authorising person.
5. A written report should be submitted to the DSG (Deputy Secretary General). Any discrepancies between the actual inventory count and the fixed asset list should be fully investigated and the appropriate necessary action taken to resolve this matter. (please refer to Section G Special Policies and Procedures - Lost or Stolen Assets).
6. The fixed asset count sheet should be signed by both the Administrative Staff and Deputy Secretary General as evidence of the actual count.
7. Prepares the updated fixed asset register based on the fixed asset count sheets and forwards one copy to the Finance Manager in a spreadsheet format.
8. Assigns fixed asset codes and tags on those additions noted which are not yet in the fixed asset list.

2.10.5. Insurance
It is a policy of AIPP to insure its major assets such as vehicles & motorbikes, furniture, computer and office equipment against possible fire, theft, and flood. The Administrative Manager should be consulted in the event of any possible claims.

2.10.5.1. Vehicle Insurance
AIPP doesn’t own any vehicles in order to keep costs to a minimum. However, AIPP enjoys the benefit of two vehicles (Administration staff) which are used to carry out AIPP business, e.g., immigration, ministry of labour trips, field trips, carrying passengers e.g., partners, members, etc.

To support staff with the cost of car insurance as well as ensure full insurance coverage for passengers, AIPP contributes 50% to the cost of their annual premiums up to a maximum contribution of THB10,000.

2.10.5.2. Property Insurance
All AIPP assets are covered by insurance against burglary, fire, and other kinds of natural disaster.
Insurance cover is based on the fixed assets valuation provided by the Administrative Manager. The Administrative Manager ensures that all fixed assets are updated for full disclosure of AIPP assets to the insurance provider. The Administrative Manager should ascertain the market value of valuable fixed assets to ensure adequate insurance coverage is obtained for all AIPP assets. The Administrative Manager should inform the Management team the total insurance cover for all AIPP assets.

### 2.10.6. Policies

1. The acquisition of any fixed asset requires prior approval based on the levels of authority outlined in *(Please refer to Annex 15 – Levels of Authority).*
2. All fixed assets shall be assigned specific identification numbers.
3. The cost of the fixed asset shall consist of the purchase price plus all other costs’ incidental to its acquisition.
4. All fixed assets with useful life of more than one year and with acquisition cost of less than THB300,000 categorized as computers, office equipment, communications equipment, motorbike shall be charged to expenses of the project’s budget in the year of purchase.
5. All fixed assets with useful life of more than one year and with acquisition cost of more than THB300,000 categorised as vehicles, building and building improvements shall be charged as capital expenditure and depreciated over their estimated useful lives.
6. Quotations are to be obtained for capital expenditures costing THB40,001.
7. All major repairs and maintenance costs to vehicles and buildings which amount to THB50,000 or more and which extend the life of the asset for more than one year shall be charged as capital expenditure.
8. For fixed assets disposal, written approval by management should be secured before any asset is disposed of. (for details, please see 3.3.9.2 Disposals).
9. A fixed asset may be retired from use because it becomes inadequate, superseded, or obsolete subject to approval from the management for either donation, auction or disposal.
10. A physical count of fixed assets shall be conducted at the end of fiscal year and reconciled with the general ledger balances.
11. All capital expenditure should be recorded in the Fixed Asset Register that is kept and maintained by Administrative Staff. Detailed schedules for fixed assets are prepared to monitor the total property owned and its movement.

### 2.10.7. Procedures

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upon purchase</strong></td>
<td></td>
</tr>
<tr>
<td>Administrative Staff</td>
<td>Updates the Fixed Assets Register with newly purchased fixed assets. Assigns asset codes and attach fixed asset tags on the asset.</td>
</tr>
<tr>
<td></td>
<td>Distributes items to the staff as necessary for use in the project/office.</td>
</tr>
<tr>
<td></td>
<td>Provides updated Fixed Asset Register every quarter to the Finance Manager for computation of depreciation.</td>
</tr>
<tr>
<td><strong>Upon disposal/sale</strong></td>
<td></td>
</tr>
<tr>
<td>Administrative Manager</td>
<td>Prepares request for sale or disposal of assets and submits to Deputy Secretary General for approval. Approval of sale and disposal will be based on the Levels of Authority. <em>(Please refer to Annex 15 – Levels of Authority)</em></td>
</tr>
</tbody>
</table>
Staff should ensure that they obtain a fair valuation of the assets as a basis for selling the assets in the letter of request.

<table>
<thead>
<tr>
<th>Role</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy Secretary General</td>
<td>Check the request for sale or disposal of assets, and if in order, approves the request and send back to Administrative Manager to proceed with the sale or disposal of assets.</td>
</tr>
<tr>
<td>Administrative Staff</td>
<td>Prepares the sale or disposal of asset based on approved request for sale or disposal. If sale of assets, requests at least 2 competitive bids in secret envelope from the staff or external parties for assets with acquisition cost of THB50,000 to THB300,000. Please proceed to step 6 for assets sold costing 50,000 to 300,000 Baht. For assets to be donated please proceed to Step 9. For assets with a purchase cost of THB300,000 and above an auction will be carried out. For assets below THB50,000 the Administrative Manager should announce to all staff first the assets to be sold and obtain bids through informal bidding by submission of bids in two (days) in a piece of paper with the following information.</td>
</tr>
</tbody>
</table>
| | • Date  
| | • Name of Staff  
| | • Name of Assets  
| | • Bid amount.  
| | • Signature  
| | If there are no written bids received, announces the sale to external parties and request for bids. |
| Staff/External parties | Submits in a piece of paper the bidding information required to the Administrative Manager. |
| Administrative Manager and Management Team | Opens the bids on the third day and announces the result to all staff/external parties. Awarding of the sale of assets will be based on the highest bidder or in comparison with the recommended fair value of the Administration Manager. Please proceed to Step 9. For asset costing Euro 500 and above please proceed to Step 6. |
| Administrative Staff | Announces the formal bidding to all staff and external parties for sale of assets costing THB50,000 to THB300,000. Bidding period will be 5 working days. |
| Staff/external parties | Submits formal bids for the assets to be sold in a sealed envelope. This should be addressed directly to the Administrative Manager or equivalent. |
| Administrative Manager and Management Team | Opens the bids at the end of 5th working day and selects the winning bidder. Awards the sale of assets to the highest bidder in comparison with the recommend fair market value of the Administrative Manager. Prepares bid analysis and submits to Deputy Secretary for approval. |
| Administrative Manager | For assets to be donated, prepares donation authority letter in two copies based on the approved request for donation of asset. Forwards to the Secretary General for approval. |
Deputy Secretary General Checks the document with the approved request for donation of assets; if in order, signs approved based on the levels of authority.

Administrative Manager Prepares the Asset Sale/Transfer slip for the items to be sold or donated based on the bidding analysis and donation approval letter and then updates the fixed asset register. Prepares the item for release to staff or external parties.

Staff/External parties Pays the bid amount for the asset purchased item to the Finance Staff.

Recipient Sign as received on the donation letter for asset donated.

Finance Officer Receives the cash from the customer/payee and then issues Official Receipt (OR) in triplicate. The first copy shall be given to the customer/payee, the second copy to be attached to the Payment Voucher. The third copy to be retained in the receipt book for reference purposes.

Staff/External parties Presents the Official Receipt (OR) to the Administration Manager for release of the asset.

Administrative Manager Releases the asset to customer/payee or donate based on the OR and approved donation letter.

2.11. Financial Reporting

2.11.1. Monthly Activities

2.11.1.1. Monthly Closing

Monthly Responsibility of Finance Staff

1. Prints the balance sheet and profit and loss statement for submission to Finance Manager for review and approval.

2. 20th of the following month - sends the financial report to the Project Coordinator. This shows the comparison of the actual against the budget. Programme staff should inform Finance of any errors that need to be corrected within one week.

3. End of the month – Closes the account.

Monthly Procedures

The following procedures should be performed at the end of each month:

1. The Project Coordinator reviews the financial report to see which budget lines are underspent and which budget lines are overspent (this is especially important towards the end of the financial year/project life).
   - Year to Date (YTD) actual expenditures against YTD budget (variance column) – showing the amount of budget that is left.
   - Year to Date (YTD) actual expenditures against Annual Budget (remaining budget column)
   - The Annual Budget column in the report should be the actual funding commitment from the donor.

2. Finance staff conducts consultation meetings on the financial status of each programmes/ with the respective programme staff. Each programmes coordinator is required to keep financial records of their activities and programmes.

3. Prepares monthly bank reconciliation statement for all bank accounts based on bank statements at project and programme level.

4. Performs cash count of all cash funds.

5. Finance Manager checks to ensure that the monthly financial reports are supported by the appropriate schedules such as cash count, schedule of advances, etc. and ensures
that the balances in the schedules reconcile with the balances in the monthly financial reports.

2.11.1.2. Monthly Financial Reports
The following are the monthly financial reports and schedules that need to be prepared:
1. Balance sheet
2. Profit and loss
3. Programme/Project financial reports
4. Bank reconciliation statements for all bank account
5. Cash count sheet
6. Schedule of outstanding cash advances - Administrative Fund/overhead
7. Schedule of outstanding staff salary advances/loans - Administrative Fund/overhead

2.11.2. Quarterly Activities
2.11.2.1. Quarterly Procedures
1. Prepare the quarterly financial reports for submission to Management team.
2. Prepare quarterly report of fund received and expenditure versus budget for submission to the Secretariat.
3. Prepare quarterly bank reconciliation statements for all bank accounts based on bank statements and bank register at project level and quarterly at program and organization level.

2.11.2.2. Quarterly Financial Report
The following are the quarterly financial reports and schedules that need to be prepared:

- Quarterly report on fund status

2.11.3. Semi-Annual Procedures
2.11.3.1. Semi-Annual Procedures
The following procedures should be performed at the end of six months (half year):

- Perform mid-year review of the budget.

2.11.3.2. Semi-Annual Reports
The following are the semi-annual reports that need to be prepared:

- Revised budget
- Overall Fund status

2.11.4. Annual Activities
2.11.4.1. Annual Procedures
The following procedures should be performed at the end of the year:
1. Conducts physical count of all fixed assets and updates the fixed asset register.
2. Perform year-end closing procedures.
   - All expenditures incurred as of December 31 are accrued in the books during the financial year.
   - Advance payments for materials and supplies are recorded as prepayments as of December 31. These prepayments should, however, be recognised as expenditures in the following financial year.
   - Appropriate expenditures for projects which are closing at the end of the financial year are accrued.
3. Prepare year-end financial report pack that includes the annual financial reports and supporting schedules.
4. Prepare the staff provident fund schedule.
2.11.4.2. Annual Reports
The following are the annual reports and schedules that need to be prepared:
1. Annual financial reports (Balance Sheet and Profit & Loss Statement)
2. Bank reconciliation statement for all bank accounts
3. Schedule of all balance sheet accounts, i.e. accounts receivable, loans to staff, advances to staff, advances to partners, accounts payable, staff provident fund payable, accruals, etc.
4. Fixed Asset Register.
5. Updated provident fund schedule.
6. Consolidate the overall fund status.
3. BUDGETING

3.1. Definition and overall approach to budgeting

Budgeting is defined as a systematic and formalised approach for accomplishing the planning, coordination, and control responsibilities of management. It is systematic in the sense that the budgeting process follows orderly step-by-step procedures. It should be formalised so that the management functions of planning, controlling, coordinating and decision making that are integrated into the budgeting process can be carried out in a timely, systematic, logical, and consistent manner.

A budget describes the expected costs of one set of activities. Budgets very often have to be revised part way through a project. This happens when the activities that are actually carried out change from those activities that were originally planned.

3.2. The role of budgeting and its importance

Budgeting has a vital role to play throughout the life cycle of every organisation. Funds are the life blood of programmes/project and the organisation and it is controlled through a rigorous budgeting and reporting process. Budgeting is a fundamental element of all planning and monitoring.

In the planning stages, it is necessary for the programme/project coordinators to have an accurate idea of the true cost of the programme/project.

Without a realistic estimate of costs, there is no way of comparing the output of the programme/project to the resources required. This would hinder senior management from making the correct strategic decisions about how best to use their limited resources. The budget is a crucial element used to facilitate financial negotiations with donors for external funding.

An accurate budget is required to support good effective financial controls, the budget is used as part of the evaluation process of projects.

The process of drawing up and agreeing a budget has three main purposes:

- Priorities for the coming month/year are identified.
- The authority for staff to carry out activities and incur expenditure is established.
- Comparison of actual income and expenditure against budget can be made by management at regular interval and forms an important management control technique.

All transactions should align with the activities that are stated in the budget. Expenditure should not normally exceed the budgeted amount and income should conform to the anticipated amount in the budget.

3.3. Budget Preparation

(Please refer to Annex 16 budget preparation)
3.4. Management Responsibilities

AIPP management is responsible for establishing guidelines, policies and procedures for budget preparation, implementation, control, and reporting in order to maintain good financial management.

a. Management team specifies the organisation’s overall objectives, establishes policies, guidelines, and strategic action plans to serve as guidelines in the budgeting process.

b. The responsibility for preparing the budgets rests solely on the concerned programme staff managing the project since they are the closest ones to the activities. Finance is responsible for training and providing guidance, expertise and necessary support while developing project budgets. Finance leads the planning and budgeting process.

c. The Management team approves the proposed budget.

d. The approved budget is then communicated by Finance to all relevant stakeholders. The approved budget constitutes the authority to carry out the activities contained in the budget.

e. Budgeting is a continual process and budgets should be revised as necessary on a proactive basis along with the required approvals.

3.5. Policies

1. Project expenses like project salaries, training and workshops, travel, transportation, monitoring and evaluation, equipment, tools and supplies, materials and other project related expenses should be budgeted based on historical cost-plus percentage of inflation. Charging of expenses to these items should be based on actual cost of the project properly supported with salary slips, seller’s receipts and invoices or other relevant supporting documents.

2. Administration and management expenses should also be budgeted based on historical data with proper inflation added to the budget.

3. Salaries should be budgeted based on AIPP or partner salary scale or at least following the minimum wage under Labor Law. Staff benefits should be based on AIPP Human Resource policies.

4. Travel and transportation should be budgeted based on the existing AIPP policies or partner Operations Manuals, e.g., food allowance, mileage allowance rate for using personal vehicles, etc.

5. Budget Holders should coordinate closely with Finance Staff to ensure the budget is fit-for-purpose and that the correct account and project codes are used. This will ensure that the budgets are realistic, reasonable and recorded correctly in the accounting system.

6. Should any new accounts or project codes be required, these should be coordinated and communicated properly with the Finance Staff to establish common understanding of the nature of budget line item / accounts/project codes.

7. Budget notes should be prepared by the Budget Holder and Finance Staff to give more detailed information on how the budget lines were calculated, e.g., cost per person, airfare costs, etc. This will facilitate better understanding of the budget and proper charging of the actual expenses as well as meet expected reporting requirements. It should provide sufficient information in case the donor requires more details.

8. AIPP budgets are prepared annually by the budget holder in coordination with Finance.

9. All budgets prepared should be submitted to Finance for review and consolidation. The consolidated budget is then submitted to the management team for discussion and then onto to the Executive Council for formal approval.
3.6. Procedures

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme/Project Coordinator/officer</td>
<td>Obtain relevant information from the Finance unit like historical cost of previous projects, donor approved budget, standard budget format, chart of accounts and other documents needed for budget preparation.</td>
</tr>
<tr>
<td></td>
<td>Based on the strategic plan, approved donor budget, project activities, complete budget lines for the life of the project using the spreadsheet provided by the finance unit.</td>
</tr>
<tr>
<td></td>
<td>Salaries for should be based on AIPP salary scale and adjusted where necessary. Staff costs should include all benefits not just basic salary.</td>
</tr>
<tr>
<td></td>
<td>Purchase of capital assets should be based on current purchases prices. Liaise with Operations Officer/Finance Officer for current prices.</td>
</tr>
<tr>
<td></td>
<td>Prepare budget notes to justify expenditure.</td>
</tr>
<tr>
<td></td>
<td>Submit to the Finance to review and check computations, use of account/ budget codes and reasonableness of the budget.</td>
</tr>
<tr>
<td>Deputy Secretary General</td>
<td>Review submitted budget and ask questions as appropriate.</td>
</tr>
<tr>
<td></td>
<td>Submits to Finance for consolidation.</td>
</tr>
<tr>
<td>Finance Team</td>
<td>Discusses with responsible Programme Coordinators/officers seeking clarification where required before submission to Management Team for review. Revise, correct or change, as necessary in consultation with the programme team</td>
</tr>
<tr>
<td>Management Team</td>
<td>Review the budget proposal and discuss as necessary, obtaining extra information (if required) before presentation to the Executive Council.</td>
</tr>
<tr>
<td>Executive Council</td>
<td>Review the budget and upon recommendation of the management team, approves the budget.</td>
</tr>
</tbody>
</table>

3.7. Budget Monitoring

3.7.1. Budget Monitoring

Good financial management is about keeping track of where funds (income) has come from and what it has been spent on. Monthly project/programme reports provide valuable information about spending patterns and assist with making budget revisions and forecasts, as well as supporting important decisions.

Why Monitor the Budget?

It is essential to closely monitor the budget because:

- We may be granted additional funding during the reporting period from the donor, or we may have surplus funds due to activities costing less than budgeted. In such instances, we may wish to meet some requests for additional funding that had previously been put on hold or new requests. As always, we must approach the donor for authorisation for any variation of agreed and budgeted activities.
- Unexpected expenditure may occur, or additional staff may be required to carry out existing or new/enhanced project activities.
• There may be shortfall in expected income which leads to inadequate funding for projects.
• Enables management to take remedial action(s) as required.

3.7.2. Policies on Budget Monitoring
1. Every month finance prepares financial reports containing budgets. Standard reports are used to monitor and track budgets and are prepared using AIPP’s Chart of Accounts.
   In some instances, we are unable to use the standard reporting format as the donor requires a specific format, e.g., EU reporting. In this instance we will create specific reports to meet donor requirements. Finance update reports with actual expenses against the budget of the programmes and submit to the Project Coordinators for checking. Programmes should provide explanations where variances are +/- 10% (in each budget line) to Finance. Any errors should be advised by the programme team to Finance for corrections and final revision before sharing with the programme team. The final report should be saved in the appropriate folder/directory and marked as final.

2. Every quarter the Finance submits quarterly finance reports to Programme Coordinators. Programmes Coordinators are required to provide explanation on variances.

3. Mid-year budget reviews are performed to ensure that programmes performing in line with the planned activities and necessary budget revisions, or reallocation are being made in the budget. Finance leads this review.

4. Finance prepares a consolidated summary budget as part of the annual planning process. This is shared with the Secretariat and forms part of the annual report.

3.7.3. Budget Monitoring Procedures

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Staff</td>
<td>Receives the approved budget for each donor from the Programme Coordinators.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>At the end of each month prepare the finance report and distributes to relevant staff as per the accounting timetable. In addition, every quarter Finance prepares and distribute the donor fund status report. Leads mid-year review of programmes/projects.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Highlight budget variances +/-10% that require explanation by programme/project staff.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Supplies transaction details to budget holders to assist them with understanding and to provide necessary explanations.</td>
</tr>
<tr>
<td>Project Coordinator, Programme Coordinator</td>
<td>Checks and reviews the monthly and quarterly reports focusing on the budget variances +/- 10%. Verifies the transactions contained in the report and coordinates with Finance for any clarifications and adjustments required. Provides explanations for variances.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Prepares Journal Voucher for any required adjustments and submits to the authorising person for approval.</td>
</tr>
<tr>
<td>Authorising Person</td>
<td>Checks the Journal Voucher for the reason for the adjustment and if in order, signs as approved.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Records/inputs the adjustments into the accounting system.</td>
</tr>
<tr>
<td>Project Staff</td>
<td>Discusses with team and Finance the budget variances.</td>
</tr>
</tbody>
</table>
Proposes budget reallocation if required based on the revised strategic plans for the next six months. Submits the revised budget to the Programmes Coordinator first for review and then to Management for review and approval. Proceed to Step 13

<table>
<thead>
<tr>
<th>Role</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme Coordinator</td>
<td>Reviews the quarterly financial reports noting the budget variances and explanations. If in order, approves the report.</td>
</tr>
<tr>
<td>Management Team</td>
<td>Reviews the revised budget submissions, clarifies or revises as necessary in coordination with the Budget Holder and if in order, approves the revised budget. Sends back to Programme Coordinator to share with donor for final approval.</td>
</tr>
<tr>
<td>Programme Coordinator</td>
<td>Sends the final approved revised budget to the donor for approval.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Receives the revised budget and updates it in the accounting system and appropriate reports.</td>
</tr>
</tbody>
</table>

4. PARTNER SUPPORT ACCOUNTING

4.1. Definition & Characteristics
AIPP selects appropriate partners to carry out/assist with required programme activities.

4.1.1. Characteristics of Partners:
Partners must be from AIPP member countries only and are usually member organisations (although this isn’t mandatory). They have authority to make administrative and programme decisions including determining who is eligible for assistance (beneficiary selection) in carry out agreed activities. Partners’ performance is measured against agreed programme/project objectives. Responsible for adhering to programme/donor compliance requirements and AIPP policies. Use funds responsibly to carry out agreed programme activities.

When AIPP provides grants to partners, AIPP is the primary recipient, and the sub-grantee is the partner. Policies and procedures on sub-grants are developed to address general requirements and they are applicable to all funding sources.

4.1.2. Partner Financial Responsibilities:
Partners are required to submit financial reports, transaction listing (detailing expenditure) and receipts in a timely manner in accordance with the MoA. Partners are required to justify expenditure and ensure original receipts are complete and translated into English. Any expenses not covered by programme activity budgets will be disallowable.

AIPP in turn has a responsibility to assess all Partner Support budget requests/proposal in the same manner. A thorough review of the proposed budget should include consideration of the appropriateness of items included and the reasonableness of the budgeted prices, based on AIPP experience of prior Partner Support budgets submitted and approved budget with the donor. (Please refer to Annex 18 for Budget Review Guidelines) AIPP will review the financial report the partner submits.

AIPP requires partners to provide budget variance explanation for any variance of +/-10% against each budget line.
AIPP based on its programmes needs assess the requirements of prospective project that the donors are offering. AIPP will discuss this with its partners in different regions based on their focus and strategies to gauge interest. Interested partners will work closely with AIPP to develop the proposal.

Proposed budget prepared by partners should be submitted to AIPP for assessment and review.

Review will be carried out by Finance. and relevant programme teams (Please refer to Annex 18 – Budget Review Guidelines) who then work together to prepare the budget and proposal for submission to the donor.

4.2. Accountabilities
AIPP is fully responsible and accountable for the funds granted to the partner. AIPP is required to ensure that the partner spends the funds in accordance with the applicable AIPP finance policies, donor conditions, laws/regulations.

With respect to financial management aspects of partner support, AIPP must ensure that:
1. The required agreement or contract is required to be signed by AIPP and partner authorised persons.
2. The partner organisation has the financial capability to account for the funds received and disbursed under the Partner Support in accordance with the AIPP’s policies, applicable regulations and standard accounting practices – see section 4.5.
3. Funds are disbursed to the partner in appropriate amounts to ensure funds are available on a timely basis for programme implementation, but not excessively in advance such that the partner could utilise the funds for alternative purposes – see section 4.9.
4. Regular, timely, approved financial and programme reports are received to support prior expenditures and to justify additional disbursements based on the TOR signed between AIPP and its partners.
5. Fixed assets purchased with AIPP Partner support funds is controlled and appropriately transferred or disposed of at termination of the agreement.
6. Internal and external audits are scheduled and performed as required in the Contract or MoU to maintain confidence in the partner reports and as required by AIPP or donor requirements. In addition, AIPP must ensure that prompt corrective actions are taken by the partner on any audit findings.

(Please refer to Annex 19 for Partner File Checklist) of what must be kept in each separate partner file.

4.3. Contracts & Agreements
AIPP should ensure that all grants provided to partners have been prepared in line with contracts/agreements. The document must be complete and duly authorised by AIPP and the recipient organisation) prior to the release of any funds to the partner.

The contract should reference AIPP’s policies on anti-corruption, financial management (financial policy), gender, disability which partners are required to follow. The contract/agreement details specific roles, responsibilities and obligations of each party (Please refer to Annex 20- Partner Agreement)
4.4. Finance Reviews & Partner Assessments
AIPP promotes high level of responsibility and accountability within AIPP and for its donors. AIPP will assess each partner to ensure that they have the financial capability to implement and account for the programmes or project being funded.

Financial capability assessment will be performed by Finance before signing any contracts. The extent of the assessment will depend on the size of the potential partner support but should ensure that AIPP has a reasonable level of comfort that the recipient can perform the required accounting and implement necessary controls. Refusal to provide AIPP with financial reports in a timely manner is a strong indicator that the AIPP should not work with the potential partner.

*(Please refer to Annex 21 Finance Review Checklist)* for pre- and post-award review questions of partners.

It is understood that AIPP does not always have a wide range of choices of partners. In addition, in many countries and/or with newly developing local NGO’s, the required skill level may not be immediately available. In these cases, AIPP should ensure that developing basic financial skills are part of the programme’s objectives, more frequent scrutiny of financial tasks and programmes advances are more closely monitored and controlled. Funds will not be reimbursed unless all criteria are met.

4.5. Monitoring & Reporting
The Partner Support agreement/contract should detail all of the accounting, financial management and monitoring procedures that the partner is required to comply with. In all cases these must comply with AIPP accounting policies and procedures, International Financial Reporting Standards (IFRS), and relevant donor regulations and requirements.

Partner monitoring includes both programmes implementation and financial monitoring and controls. AIPP staff shall establish the programmes evaluation criteria, reporting requirements and scheduled field visits and evaluations. Please refer to Partnership policy for more details.

An effective financial monitoring system should be put in place to ensure that all funding is accounted for accurately and on a timely basis. AIPP should monitor actual to budget performance and ensure that any potential over spending is addressed. In addition, depending on the record and size of the partner organisation, AIPP may require a close monitoring system on cash balances, asset management and disbursements to ensure that funds are not being diverted to non-programmes activities, misused or mismanaged in any way. *(Please refer to Annex 22 Finance Monitoring Procedures)*

4.6. Fixed Assets
Partner Support agreement/contract should include details on allowable fixed assets, and the plan for the assets at the end of the project period. In addition, AIPP should ensure that the partner is aware of all procurement requirements and restrictions that partners need to comply with.

Following are procedures that the partner needs to comply with in relation to fixed assets:
1. Partners are required to maintain a fixed asset register to track fixed assets. Asset with an economic life of more than one year should be recorded in the fixed asset register.

2. Asset register shall be maintained accurately and shall include the following information:

<table>
<thead>
<tr>
<th>Purchased date</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset code</td>
<td>Purchased under project (name of donor)</td>
</tr>
<tr>
<td>Location</td>
<td>Vendor / Supplier Name</td>
</tr>
<tr>
<td>Serial number</td>
<td>Remarks</td>
</tr>
<tr>
<td>User</td>
<td>Description</td>
</tr>
</tbody>
</table>

AIPP and its partners will need to determine any laws or regulations that apply to the donation of assets to the local NGO’s. Some countries may require that all fixed assets be donated to the government (government ministries they work with) or if donated to the local NGOs, that the custom duties are paid, if the title to the assets is not retained by the international NGO. AIPP may wish in some circumstances to retain the title until the viability or capabilities of a local NGO have been reasonably assessed.

### 4.7. Audits

Audits for partner programme/project support activities are generally performed at AIPP or regional level. AIPP hires external auditors to perform project audits including partner support for submission to AIPP donors. External auditors perform the audit based on reports and supporting documents submitted by AIPP and its partners at AIPP Office. Upon availability of project funds, partners will engage with an external accountancy firm to carry out a project audit. Partner will share this audit with AIPP who will then consolidate into overall project audit as supporting documentation for the donor. The audit must be written in English.

AIPP requires audit for sub-grants at partner level based on the requirements of its donors and agreement/contract with its partner organisations in order to ensure that funds released to partners are used properly and in accordance with the funding agreement and approved budget, AIPP accounting policies and procedures and International Financial Reporting Standards (IFRS).

When a project audit is required with the partner organisation, the selected auditors will carry out the audit as per the donor/contract requirements. AIPP’s responsibility is to ensure that partners follow audit requirements. AIPP may select or approve the selection of the external auditor. Refusal by the recipient to participate or co-operate in internal or external audits can result in termination of the Partner Support agreement.

Audited or not, the partner must maintain records in accordance with the AIPP Finance Manual on Record Keeping and Retention.

### 4.8. Fund Management

AIPP requires partners to be fully accountable for the funds given under the grant because it is responsible for the safeguarding of donors’ funds from loss and misuse. The terms negotiated with the partner for release of cash should balance the protection of the funds with the programme needs. The agreement/contract will detail payment terms and conditions. AIPP works on a grant basis. It is generally required for AIPP to release funds so that the partner can proceed with the implementation of programmes. AIPP must consider the following guidelines before negotiating payment terms with partners.
1. Prior to release of funds to any partner, AIPP must have received funds from the donor for the grant under which the Partner Support is being funded.
2. Funds are released based on the funding schedule outlined in the contract/agreement and must comply with all contractual requirements.
3. Funds shall be used strictly and exclusively for the purpose of approved projects. Approval from AIPP is required for any use of funds outside of the contract or ToR.
4. Funds for the partner will be released upon request by the Project/Programme Coordinator and approved by the relevant authorised persons for based on the approved disbursements schedule.
5. Partners shall open a separate bank account if the project fund is USD 50,000. However, if there is specific requirement of donors, then project partners will have to open a separate bank account for fund below USD 50,000. In both cases, partners are required to have at least three signatories and require two (2) signatures for every withdrawal of funds.
6. In some member countries such as in Bangladesh and India, due to political reasons and specific requirements for organisation to have (Foreign Contribution Regulations Act (FCRA) to transfer fund, AIPP transfers fund to partners via Western Union or even cash in hand. Sometimes, the fund may also have to be transferred to personal account.
7. The total amount of cash released to the partner cannot exceed the approved budget.
8. Official receipt or acknowledgement shall be obtained from partners upon receipt of funds released or transferred to partners’ bank accounts.
9. All interest income earned from bank accounts should be used wholly for project activities.
10. Within 30 days of the end of the contract period, the partner is required to reimburse AIPP for any unspent funds.
11. Partners are responsible for any gain/loss on foreign exchange transactions.
12. The Partner Support agreement should include a cash installment schedule to facilitate cash requirements planning.
13. Partner support policies form part of the terms and conditions of the partner agreement or TOR.
14. Serious violations of the terms and conditions of the partner agreement, support policies or TOR will be grounds for the termination of partnership contract and may include other form of penalties and legal action by AIPP.

4.9. Accounting for Partner Support

4.9.1. Recording
Partners are required to capture all financial transactions from the inception of the project right through to completion.

When the funding agreement is signed by AIPP and the partner, no entry is recorded. When the grant is released to the partner it is recognized in AIPP’s accounts. When financial reports are received from the partner, these expenses are recognised, and partner accounts receivable accounts are adjusted accordingly. AIPP Finance check the financial reports and schedules to ensure completeness and accuracy and then reconcile the fund balance with the cash and receivable accounts. At the end of the project, the partner submits final financial project report, cash is returned, or reimbursed (as appropriate).

For example:
AIPP grants one local NGO (Partner A) in Thailand THB 400,000 on January 1, 2015 for the period 01 January to 31 December 2015. In January 2015, 50% of the grant was released for the next three months project operation. Every quarter partner submits the required financial reports and schedules to AIPP and project expenses reported at THB 80,000. The following entries will be made.

| Dr. 11400 Partner advance | 400,000 |
| Cr. 2100 Cash in bank | 400,000 |
| **To record transfer of funds to the partners (Write Check in QB)** |

| Dr. 51XXX Direct Project Cost | 70,000 |
| Dr. 52XXX Indirect cost | 10,000 |
| Cr. 11400 RO Partner Advance | 80,000 |
| **To record initial project expense based on the financial report and supporting documents submitted by the partner (Journal Entry in QB)** |

At the end of the year, where the partner has cash or funds remaining for the project, AIPP accounts for these funds or balance as either partner advance or partner payable.

When cash is returned to AIPP for cash returns or cash reimbursements are to be made to the partners, the following entry will be made:

**Cash Returns**
At the end of the project, the total partner advance remaining is THB 100,000 but the project expense is only THB 80,000, a cash returns was received from the partner at THB 20,000.

The following are the suggested entry:

| Dr. 51XXX Direct Project Cost | 70,000 |
| Dr. 52XXX Indirect cost | 10,000 |
| Dr. Cash in bank | 20,000 |
| Cr. 11400 Partner Advance | 100,000 |
| **To record partner expenditure and cash returns at the end of the project (Write Check in QB).** |

**Cash Reimbursements**
At the end of the project, the total partner advance remaining is only THB 100,000 but the project expense is THB 125,000, a cash reimbursement was made the partner at THB 25,000.

The following are the suggested entry:

| Dr. 51XXX Direct Project Cost | 115,000 |
| Dr. 52XXX Indirect cost | 10,000 |
| Cr. Cash in bank | 25,000 |
| Cr. 11400 Partner Advance | 100,000 |
| **To record partner expenditure and cash reimbursements at the end of the project.** |

**4.9.2. Reporting and Documentation**
The following are the reporting and documentation policies of AIPP for all its partners:

1. AIPP requires the partners to submit the following financial reports and schedules 15 days from the completion of the quarter, or six months or from the reporting period:
b. Supporting documents such as vouchers, original receipts, invoice and other supporting documents.

c. General Ledger detailed transaction listing.

d. Fund receipt statement/bank statement

2. The partner is required to retain financial records and supporting documentation for 10 years.

Partners are required to follow or comply with the requirements of the Standard Provisions for Partner Support as outlined *(Please refer to Annex 23 Standard Provision and Annex 24 Guidelines on Financial Report and Documentation)*

**4.9.3. Procedures**

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project/Programme Coordinator</td>
<td>As soon as he/she receives notice of fund request from a particular partner, he/she immediately notifies Finance.</td>
</tr>
<tr>
<td>Project/Programme Coordinator</td>
<td>Prepares the disbursement form that shows the following information: programme/project name activity fund amount &amp; currency account code</td>
</tr>
<tr>
<td>Project/Programme Coordinator</td>
<td>Attaches the Terms of Reference (ToR) and the request from partner to the Disbursement form, signs the disbursement form and forwards to the appropriate authoriser for approval.</td>
</tr>
<tr>
<td>Authoriser</td>
<td>Approves the disbursement form and forwards to Finance to transfer funds to the partner.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Arranges with the bank for the transfer of funds to the partner.</td>
</tr>
<tr>
<td></td>
<td>Prepares the payment voucher for the transfer of funds.</td>
</tr>
<tr>
<td></td>
<td>Attaches the Terms of Reference (ToR) and the disbursement form to the payment voucher and forwards to the Finance Manager for approval</td>
</tr>
<tr>
<td>Finance Manager</td>
<td>Reviews the payment voucher and compares with the ToR and disbursement form. If everything is in order, approves the payment voucher.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Records the payment voucher to the computerized accounting system.</td>
</tr>
</tbody>
</table>

**Upon Receipt of Financial Report form Partners**

<table>
<thead>
<tr>
<th>Accountable Personnel</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project/Programme Coordinator</td>
<td>Upon receipt of the financial report from partner, checks the accuracy of the activities, the project title, reporting timeframe and the budget variance. If all in order, forwards the report to Finance.</td>
</tr>
<tr>
<td>Finance Staff</td>
<td>Convert the partners report to THB currency, prepares the payment voucher indicating the expenses included in the partner financial report. Indicates the project name and the expense account code.</td>
</tr>
</tbody>
</table>
Finance Staff | Signs the payment voucher and forwards to the Finance Manager for approval.
--- | ---
Finance Manager | Reviews the payment voucher and compares with the partner financial report. If everything is in order, approves the payment voucher.
Finance Staff | Records the payment voucher to the computerized accounting system.

5. ORGANISATIONAL FUNDS

5.1. AIPP Administrative Fund

Sources of Funds (Income)
- Contributions from programmes/project (overhead cost)
- Member fees
- Coordination/facilitation/documentation fees
- Consultancy fees
- Bank interest
- Gains from exchange rate
- Private contributions

Uses of Funds/Administrative Fund budget

Administrative Cost
- Operational Cost
- Office supplies and stationery
- Electricity and water supplies
- Transportation
- Office Maintenance
- Insurance
- Communication
- Telephone fax and internet, online meeting subscription services
- Postage and stamp
- Furniture and Equipment
- Office furniture and equipment
- Computer and related IT costs
- Finance related.
- Tax
- Audit fees and audit related costs
- Contribution – loss/gain exchange rate
- Social Security payments
- Membership & Bank fee
- Bank charges
- ILC membership fee
- Newspaper and subscription fees

Secretariat Welfare and Emergency Cost
- Staff, volunteer and social events
- Gifts/contributions, staff training and development
• Volunteer related costs
• Contributions for members and volunteer activities
• Networking and fund raising
• General Emergency Support
• Contribution for special events/occasions
• Natural disaster support to member organisations
• Contingencies and unforeseen expenses
• AIPP Foundation/Advisory Board related cost
• Travel expenditure and other expenses

**Human Resource Fund.** This cost will cover staff salaries in the event there are insufficient funds in the project fund and during the period waiting for the approved funds. This will be funded by contributions from external organisation for AIPP’ coordination fees, facilitation fees, documentation support, interpreter fee, rental of translation equipment, donations, publications, etc. AIPP will manage up to USD 80,000 with any surplus will be transferred to the Emergency Fund.

**5.2. Emergency Fund**
This was established to cover expenditure relating to emergency support to Indigenous Human Rights Defenders (IPHRDs) and those supporting IPHRDs. This may include travel cost, fact finding mission, case documentation, providing legal support, etc. This fund will receive funding from individual projects under the ‘Emergency Fund’ activity.
6. FOREIGN CURRENCY TRANSACTIONS

Foreign Currency Policy and Procedures.
AIPP operates in different countries where foreign currency is used for at least some if not the majority of transactions. The funding for different programmes may be in another currency different from the currencies of AIPP. Thus, it is important to provide finance staff with the necessary knowledge to manage and account for foreign currencies.

6.1. Foreign Currency Management
AIPP should manage its foreign currency to reduce the risk and thereby minimise exchange gains and losses. It needs to monitor the impact of exchange rate changes to:
- determine if the exchange rate change necessitates a change in the spending plans for the programmes.
- provide accurate and consistent accounting to donors.

To minimise exchange risk, AIPP is required to keep foreign currency balances to a minimum. Foreign currencies are all currencies other than the reporting currency. Thai Baht is our reporting currency and the one recorded in our accounting system. AIPP only have THB bank accounts and keep foreign currency cash at minimum levels to avoid exchange rate exposure and minimise risk.

AIPP policy is to keep THB 30,000 and USD 5,000 in cash with all remaining funds held in THB bank accounts.

6.2. Foreign Currency Policies
1. The reporting currency of AIPP is Thai baht. Financial reports submitted to the donors are usually in US dollars or the currency specified by the donor.
2. Transactions should be recorded in the accounting system in the reporting currency of the transaction.
3. Functional currency transactions are recorded in the accounting system at the exchange rate prevailing at the transaction date (transaction rate).
4. Funds received from donors are converted at the prevailing rate on the day of the transaction. In the event where multiple funds are transferred from the donor, then the average rate (based on the total funds transferred) will be the rate used for reporting purposes.
5. Balance sheet accounts are revalued at the end of the financial year using the translation rate. Fixed assets are not revalued but are held at their historical rate.
6. Foreign exchange gains and losses on transactions are charged to the relevant programme under general expenses.
7. In the event that funds need to be returned to the donor, the exchange rate used should be the current exchange rate (THB to donor currency) rather than the original transferred rate. This is to prevent AIPP being subject to FX gains/losses.
8. Finance should maintain adequate documentation of exchange rates used during the month with the following supporting documents:
   - Bank receipts, or receipt for the cash exchange, if exchange not done with the bank
   - When no conversions have occurred in the month, a copy of the bank exchange bulletin or bank notification of the rate.
**Definitions of terms:**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting Currency</td>
<td>The currency in which the financial statements are prepared.</td>
</tr>
<tr>
<td>Transactional Currency</td>
<td>The original currency of the transaction. Example – if an invoice is received in US Dollars, this is the transactional currency. As AIPP’s functional currency is in THB, the expense is recorded is converted into THB at the Bank of Thailand transactional date and entered into the QuickBooks accounting system. For bank transfers the rate used is the actual FX transfer rate.</td>
</tr>
<tr>
<td>Functional Currency</td>
<td>A functional currency is the main currency that a company conducts its business. As companies transact in many currencies but report their financial statements in one currency, the foreign currencies have to be translated into the functional currency. In the case of AIPP, we receive funds that are transferred into THB to carry out project activities. AIPP spend a significant amount of money in THB and hence AIPP’s functional currency is THB.</td>
</tr>
<tr>
<td>Transaction Rate</td>
<td>The rate used to convert foreign currency to the reporting currency. This is the exchange rate prevailing at the time of transaction.</td>
</tr>
<tr>
<td>Translation rate</td>
<td>The rate used in revaluing the balance sheet accounts at the end of the financial year. This rate is the bank selling rate at balance sheet date. If there are no official rates available, the translation rate used is the rate received for the last currency exchange during the year.</td>
</tr>
</tbody>
</table>

**6.3. Accounting for Foreign Exchange Losses & Gains**

6.3.1 Balance sheet assets and liabilities are revalued at the end of the financial year using the translation rate. The revaluation and exchange gain or loss is calculated by restating the reporting currency equivalent of the foreign currency assets and liabilities to the new exchange rate.

**Example:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thai Baht amount based on US Dollar amount</td>
<td>THB 30,000 = $1,000</td>
</tr>
<tr>
<td>Balance sheet exchange rate</td>
<td>THB 32 = $1</td>
</tr>
<tr>
<td>US Dollar value of Thai Baht with the new rate</td>
<td>THB 30,000/32 = $937.50</td>
</tr>
<tr>
<td>The difference between the original base and the new base is the exchange loss of $62.50</td>
<td></td>
</tr>
</tbody>
</table>

In case of land and buildings, the revaluation will be done every 5 years.

6.3.2 The asset will be revalued to the new exchange rate. After revaluation, the financial statements will show a balance of $937.50 (financial statements are reported in U.S. dollar). AIPP will record an exchange loss of $62.50.
6.3.3 The accounting entry to record the revaluation and the exchange loss is shown below:

Dr. Foreign exchange loss
Cr. Cash in bank

If the revaluation resulted to an exchange gain, the amount is credited to Foreign exchange gain.
7. AUDITS

7.1. Donor Required Audit
In most cases, the donor would require the project records to be examined by external auditors to ensure that donor’s funds were properly spent for its intended purpose.

The Finance Manager must coordinate with the Programme/Project Coordinators in preparation for the audit. All financial records and communications with the donor/s must be prepared ahead of time.

Copies of the following communications to donors must be forwarded to Finance for reference purposes:
- Changes in project’s plans and activities
- Donor’s written approval for budget revisions
- Changes in staffing structure
- Amendment to the contractual agreement

7.2. External Audit
In most countries, organisations which are registered with the government are required to submit the audited financial statements certified by external auditors. The Finance Manager is responsible for coordinating this with Programmes/Project Coordinators in preparation for the external audit.

Audit report pack must be prepared by the Finance Manager. This includes the following:
- Finance report pack:
  - AIPP Annual financial reports (Balance Sheet and Profit & Loss Account).
  - Bank reconciliation statement for all bank accounts.
  - Schedule of all balance sheet accounts, i.e., accounts receivable, loans to staff, advances to staff, advances to partners, accounts payable, staff provident fund payable, accruals, etc.
  - Fixed Assets Register.
- Bank confirmation for all bank accounts.
- Revolving cash fund certification for all cash funds.
- Contracts and agreements.

AIPP will send an open call for application every 5 years. The selected audit firm can audit for maximum of five consecutive years, with the contract signed on annual basis based on the auditors performance.

7.3. Internal Audit & Financial Monitoring
AIPP as part of its monitoring activity, shall perform finance monitoring of their partners.

1. Financial monitoring is conducted to ensure that the financial policies and procedures being followed in the Partners’ Offices are in accordance with the approved Finance Manual. For
the detailed finance monitoring procedures *(please refer to Annex 22 Finance Monitoring Procedures)*.

AIPP should carry out internal audits for each of their partners on a regular basis. Internal Auditing is an independent, objective assurance and continuing activity designed to add value and improve the partners’ operations. It helps the partners accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of internal controls and operational efficiency.

An internal audit is broader in scope as this is not limited exclusively to financial audit but also covers operations and systems. Internal audit will also be testing for compliance with the other AIPP policies, e.g., gender, anti-corruption, etc.
8. RECORDS MANAGEMENT & RETENTION

8.1. Records Management

8.1.1. Financial Documents

It is important that all financial records are properly filed in chronological and numeral sequence and secured for audit and reference purposes. Inventory listing of accounting forms are kept for proper monitoring.

**Following are important financial records that need to be kept by the Finance Staff:**

- Payment vouchers and supporting documents.
- Official receipts and receipt vouchers that document all types of funds received by AIPP.
- General Ledger Listing, this is a detailed listing of all AIPP’s financial transactions.
- Monthly financial report, this report indicates project’s actual expenditures, budget, variance, and its remaining fund per budget line item as of a given period.
- Fixed Assets Register – listing of all fixed assets held by AIPP.
- Financial Correspondence – relevant narrative documents supporting legitimacy of financial transactions and management decisions.
- Staff employment agreements, job descriptions, documents and contractual agreements between AIPP and its staff and the duties/responsibilities of staff.

**Additional Recommended Files to be kept:**

- Cash count sheet, documents actual cash count held in the safe at month-end.
- Contract agreements with partners, consultants, etc, contractual agreement between AIPP and its partners/consultants to perform agreed duties as agreed with the projects’ donors
- Audit reports, result of the examination conducted by external auditors.
- Documentation for sale or disposal of assets, documents all sales/disposals of AIPP fixed assets such as deed of absolute sale for vehicle, deed of donation, etc.

8.1.2. Data Back-up

**Objectives**

1. To ensure that all financial records and documents in soft copy format are backed-up on a regular basis and kept in a safe place.
2. To ensure that all back-up files are not corrupted and stored.

**Definition of files to be backed up and frequency of back-up.**

1) Accounting system back-up files – this pertains to the back-up files of the accounting software that AIPP is using (e.g., QuickBooks).
   Frequency of back-up: Weekly

2) Financial reports and monitor sheet – monthly, quarterly, annual financial reports (e.g., Balance Sheet and Profit & Loss Account) and monitor sheets prepared Frequency of back-up: Monthly

3) Financial reports and schedules for donors – this pertains to all financial reports and schedules prepared and submitted to donors. These financial reports are based on the required format by donors and are normally prepared in Excel files organised by folder. Frequency of back-up: Monthly
4) Bank reconciliations, cash counts, schedule of receivables – this pertains to monthly bank reconciliations prepared by the Finance Staff supported with copies of bank statement, bank register, monthly cash counts of all cash funds and schedule of receivables or cash advances with details of the name of the staff and amounts.

Frequency of back-up: Monthly

8.1.3. Retention period

1. Financial records and documents should be kept for at least ten (10) years and in accordance with international standards on recordkeeping and Thai laws.

8.1.4. Person responsible for back up procedure and storage

1. Finance staff are responsible for performing back-ups and maintaining financial records and documents.

Procedures

1. Finance staff should perform backup procedures for all the financial records and documents required using an external hard drive.
2. Folders should be created using the information below.

<table>
<thead>
<tr>
<th>Hard drive:</th>
<th>Type of Document:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Records and Documents:</td>
<td>Date:</td>
</tr>
<tr>
<td>Year(s):</td>
<td>Name of Document/File:</td>
</tr>
</tbody>
</table>

3. The back-up procedure should be carried out as per the aforementioned schedule.
4. The external hard drive should be kept in a safe place.
5. The Finance Manager backs-up the finance area of the server on an external drive.
6. On a quarterly basis, Finance performs random tests to ensure accounting system files have been backed-up, are easily accessible and haven’t been corrupted.

8.2. Retention of Financial Documents

Objectives

1. To have a clear policy on retention of financial records and documents.
2. To organise proper filing and documentation of financial records/documents.
3. To maintain financial records and documents in adherence to donor, government, and international standards on document retention requirements.

8.2.1. Types of documents to be retained and location.

Finance staff in regional and country offices are responsible for retaining the following documents:

a) Finance vouchers and supporting documents, all payment, receipt, journal vouchers and other accounting forms together with its supporting documents, e.g., receipts, invoices, quotations, quotation summaries, distribution lists and other supporting documents prepared by finance staff.

b) Financial reports and monitor sheets, monthly consolidated financial reports (e.g., Balance Sheet and Profit & Loss Account) and monitor sheets.

c) Financial reports for donors – financial reports and schedules prepared and submitted to donors.
d) **General Ledger Transaction Details**, this pertains to list of transactions by account to support the amounts reported in the financial reports.

e) **Bank reconciliations, cash counts, schedule of receivables**, monthly bank reconciliations prepared by the accountant supported with copies of bank statement, bank register, monthly cash counts of all cash funds and schedule of receivables or cash advances with details of the name of staff and amounts.

f) **MOAs, Donor contracts and other contracts**, relates to Memorandum of Understanding signed by AIPP and the government or ministries, donor contracts and other contracts like rental, consultancy and other contracts.

Original contracts should be held in a secure place. Copies can be made of the original contracts and held in files that are easy to access for reference and verification purposes. Current year financial documents are kept in the secured finance room which is locked at the end of each day. Previous years financial documents are kept in a locked record room (whose access is restricted to selected authorised personnel).

### 8.2.2. Retention period
Retention period of financial documents shall be ten (10) years in accordance with the requirements of the Thai government or the number of years required by the donor whichever is longer.

**Procedures on Transfers/Movement/Storage of documents**

a. No documents shall be taken from the finance room or record room unless duly authorised by the Finance Manager.

b. All documents withdrawn from the finance room or record room shall be recorded properly in the document logbook.

c. Upon return of the documents, these shall be recorded in the document logbook and signed by finance staff as received.

d. All documents borrowed from the finance room or record room should be kept secure and returned as soon as the purpose for borrowing has been achieved.

e. Financial documents are arranged by year and in chronological and serial order.

f. Contracts and agreements are filed by year and in chronological order.

g. A master list should be prepared that contains all the documents kept in the record or document room.

h. A logbook should be maintained to record the receipt and withdrawal of documents in the record room.

This policy should be communicated to relevant personnel to ensure that all accounting documents are retained accordingly.

### 8.3. Turn Over of Accounting Records
AIPP anticipates that there will be staff turnover in finance. In order to ensure that financial records are properly kept, and verifiable within the period required for record keeping, a proper handover of accounting records should be made to new staff as part of the staff orientation. Financial documents including data back-ups of financial reports and schedules should be handed over to new staff to facilitate operational continuity.

The finance handover checklist should be used.
9. SPECIAL POLICIES & PROCEDURES

AIPP expects its employees to maintain the highest standards of ethical conduct and comply with all applicable laws and accounting principles.

AIPP has established an anti-corruption policy that outlines the policies and procedures with regard to standards of conduct governing the performance of all AIPP officers, staff and member-organisations and partners. These include compliance with all domestic and foreign laws prohibiting improper payments, gifts, or incentives/inducements of any kind to and receive from any person or agencies (private and public sectors). This policy is also applicable to any dealings with any government and its agencies. This policy can be revised as needed and agreed by the Executive Council (EC) and/or simple majority of the members to make it more relevant and appropriate taking into account changes within and outside of AIPP. All members, partners and staff are required to comply with this policy.

9.1. Irregularities & Fiscal Improprieties

Some examples of fiscal improprieties include:

1. Unauthorised or unethical use of AIPP funds.
2. Fraudulent accounting or reporting.
3. Improperly gaining or potentially gaining any financial or non-financial benefit.
4. Illegal or unethical fiscal activities

9.1.1. Fraudulent Accounting and Reporting

Manipulation of accounting entries and records is one example of fraudulent accounting. Accounting records can be manipulated by destroying, defacing, concealing or falsifying accounting records or knowingly furnishing false information and accounting entries can be manipulated by overstating or understating amounts through a journal entry.

9.1.2. Improperly Gained Financial Benefits

In the course of the work duties, AIPP staff may face situations where commissions, gifts or bribes are offered by any person seeking contractual, business, or financial relationship with AIPP e.g., suppliers, vendors or contractors.

Staff are not permitted to accept cash for any unauthorised use. AIPP staff should not benefit directly or indirectly from any incentive offered by the supplier, vendor, or contractor.

Commission

A commission is a percentage of sale (or contract price) paid by the suppliers or contractors to a person facilitating the transaction. It may also involve improper changing of amounts on receipts or invoices to amounts higher than what was actually paid.

Employees are NOT permitted to personally accept commission from suppliers or contractors of AIPP. When commission is offered, employees must:

Ask the seller to indicate the commission in the invoice as a discount (or reduction) from the total price of the goods or services. Staff should note this discount on the receipt or invoice.
Gifts and Gratuity
A gift or gratuity (gift of money) is a gesture of friendship or appreciation toward AIPP or its staff. However, gifts or gratuity given to influence the decision of AIPP staff may be a bribe (see next section). It is important to understand the reason for the gift.

Since employees are paid salaries by AIPP, asking or acceptance of gifts is **NOT** permitted. Any gift of money should be considered as a discount and should be noted as reduction on the receipt or invoice from the supplier or service provider.

Traditional custom offerings with a value of less than 3,000 baht will be an exception e.g., offering a food hamper at new year.

Bribes
A bribe is any offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to improperly influence the actions or decisions of another party to gain and retain the vested interest. Anything of value that includes cash, gifts, and services.

Bribing is strictly prohibited in AIPP. All employees must demonstrate integrity, transparency, and honesty in their work.

9.1.3. Illegal or Unethical Fiscal Activities
The following list of definitions includes the most common type of irregularities.
**Corrupt practice** means abuse of any entrusted power for personal gain and financial benefit in both private and public services and businesses undermining good governance and the rule of law.

**Facilitative Payments** means small sums paid to government officials or any other parties to facilitate or expedite the action or routing.

**Fraudulent practice** means any action intended to deceive another party in order to improperly obtain a financial or other benefit or avoid an obligation.

**Collusive practice** means any secret agreement/arrangement between two or more entities without the knowledge of a third party, designed to improperly influence the actions of the third party.

**Coercive practice** means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or its property, or persons closely related to a party, to improperly influence the actions of that party.

9.1.4. Disciplinary Action
A Disciplinary Committee (DC) consisting of no more than five (5) members from EC members and a designated person from the AIPP Advisory Board. The Chairperson of the EC will head the DC together with the designated person in the AIPP Advisory Board along with three other members from the EC or the Board.

The DC will review the findings of the investigation and decide on appropriate disciplinary actions to impose on the guilty party.
Based on its investigation and sanctions, the EC will take appropriate actions against the corrupt person/officer/entity. The EC will inform the Secretary General for necessary actions particularly for corrupt practices within the secretariat. EC will decide and take actions to matters related to AIPP members and partners in consultation with SG and Programme Committees, if necessary.

In most of the cases, EC and AIPP Advisory Board will handle the case of corruption internally in consultation with SG and secretariat, as appropriate. If the case is serious and requires legal process like a court case, a reliable lawyer will be hired for additional legal support, as required.

**Range of Sanctions**

a. Letter of Reprimand/Warning – where there is a lack of oversight, or for isolated or minor violations of prohibited practices.

b. Restitution/Financial Remedies – where there is a quantifiable amount to be restored.

c. Termination of contracts.

d. Denial of further financial support.

e. Legal action as appropriate.

**9.2. Approval of Expenses Benefiting Staff**

All staff authorised to approve Procurement Decision Forms (PDF), or Payment Vouchers must ensure that another authorised person approves the transaction where there is any possibility of “personal” benefit, gain, or conflict of interest.

Another authorised member of staff should approve the transaction.

- where any member of staff is involved in any “financial” aspect of a transaction such as
  a. If the staff member is collecting cash from cashier.
  b. Negotiating the price with suppliers.
  c. Buying goods.

- where a staff member gains any (even if only small) benefit from a transaction:
  a. Purchase of mobile phone for AIPP use that can also be used personally.
  b. Purchase of resource books for AIPP use that are also of personal interest.
  c. Restaurant meals charged to AIPP that also include the staff personally.
  d. Approving a benefit (i.e., utilities) that relates to the AIPP staff rented house.

- Where there is a personal benefit/gain - requesting another member of staff to prepare the Payment Voucher for you to approve, is not permitted.

- Where the other party in the transaction is “related” (spouse, relative, close friend) in any way to the member of staff:
  a. Approving staff relative’s costs as a consultant to AIPP.
  b. Buying stationery from the staff’s close relative’s stationery shop.

It is important to avoid a conflict of interest or even a “perceived” conflict of interest (meaning that an outsider might reasonably think that the member of staff or the staff’s relative/friend are personally gaining in the transaction).

AIPP staff are expected to be transparent, honest and open about transactions where there is any personal gain or benefit. If you are unsure or have any doubt, please ask another authorised person to approve.
9.3. Lost & Stolen Assets

9.3.1. Rationale
Staff must exercise responsibility and care for AIPP assets assigned to them in the course of fulfilling their work responsibilities. Where assets are lost or stolen, the following guidelines should help establish where the responsibility should lie:

9.3.2. Guidelines
The guidelines below are intended to provide the principles that will govern decisions regarding the loss or stealing of assets.

1. If the asset is lost/stolen within the AIPP office or during the carrying out of duties.
   - If loss is due to carelessness or neglect of staff, then staff will be held personally liable for the cost of the replacement.
   - If staff have exercised a reasonable standard of care, and an asset is still lost or stolen, then they will not be held personally liable.
   - If the value of any equipment provided to staff is within THB 2,000 then staff will not be liable to replace the item. However, this will only be permitted once a year.

2. In the unlikely situation that the asset is lost during personal use, then the staff will be held personally liable.
   Example: Borrowing of AIPP laptop for personal use, and the asset was lost or stolen, then the staff member will be held personally liable for the loss.

3. If the value of any equipment provided to staff is within THB 2,000, then the staff member will not be held personally liable to buy a replacement. However, this will only be permitted once a year.

4. If personal assets of staff are lost as a direct result of work-related activities, some form of partial reimbursement may be considered. This is at the discretion of AIPP Secretary General and will be considered on a case-by-case basis.
   - size of the loss in dollar terms.
   - degree of care exercised by the staff member.
   - reason for use of personal assets in the case of AIPP work.
   - personal financial situation of the staff member.

9.3.3. Review and Approval
Where the staff are held to be responsible for the loss of AIPP asset, the amount that needs to be paid AIPP requires the approval of the Secretary General.

If in any event that insurance company covers the cost of the lost asset, the deductible amount from the amount insured will then be reimbursed by staff to AIPP.

Regarding payments for lost/ stolen assets, two options are available.

1. Onetime payment or salary deduction if the cost is 50% of monthly salary or less.
2. Deduction of an agreed amount regularly from the staff salaries if the cost is more than 50% of the monthly salary.
10. FINANCIAL RISKS

10.1. Purpose

10.1.1. The purpose of this policy is to set the outline for the risk that AIPP is prepared to take with regards to AIPP's financial assets and liabilities. The policy specifies the principles that apply to identifying, measuring, managing following up and reporting these risks.

10.1.2. This policy describes the lowest acceptable level for risk management and control. These minimum standards do not cover all possible situations, and do not limit the responsibility of Unit Heads for identifying, measuring, managing, following up and reporting financial risks within their units.

10.2. Definition

Risk is uncertainty about future events and their negative effects on the operations, assets, or reputation of AIPP. The management of financial risks entails identifying, measuring, following up and reporting risks.

- AIPP's financial risks consist of credit risk and liquidity.

Liquidity Risk:
The exposure to loss because of the inability to meet cash flow obligations in a timely and cost-effective manner:

- risk of a temporary cash flow problem.
- risk arising from the organisation’s inability to meet its obligation when they become due.

Liquidity Risk may arise because of:

- Mismatches in cash flows
- No contingency plan to cover unexpected fund withdrawals during financial stress, emergency cases.

Credit Risk: The exposure to actual loss or opportunity cost because of default (or other failure to perform) by a legal entity (the debtor) with which the organisation has financial transactions.

10.3. Risk Assessment

The overall process of risk analysis and evaluation.

Risk Assessment Steps:

1. Identify risks, e.g.
   - Internal controls and quality of reporting.
   - Lack of supportive government regulations on NGOs
   - Mismatch between our donor promises and programmes quality/impact
   - Low ability and competitiveness of organisation to attract and retain good employees.

2. Assess the potential impact and likelihood of occurrence. The potential areas of impact could be programmes operation efficiency, funding and employee retention and capabilities.

3. Prioritise risks and select the criteria to assess each risk.
4. Develop recommendations to mitigate risks for examples:
   - Improve contact/communication between donor stakeholders and programme staff in the field throughout the entire programme’s lifecycle.
   - All programmes should incorporate risks in their reporting.
   - Review salary and benefit structure and working conditions/environment.

5. Implement risk mitigation plan for examples:
   - Communicate the risk analysis to all parties’ concern and gather necessary inputs.
   - Regularly review the mitigation and the risk analysis, considering any internal and external changes required.
   - Integrate risk management in the key performance indicators of the Programme Coordinators and Managers and measure progress regularly.
   - Strengthen policy responses to potential external risks.
   - Integrate risk analysis and consideration of risk drivers in the strategic management process at all levels.

6. Formalise reporting on risk-related issues throughout the organisation.
   To manage risk properly, appropriate documentation is required. Staff members conducting or accountable for the activity shall in the first instance conduct the risk assessment and complete the documentation. The risk assessment and documentation are to be reviewed and accepted by the manager or next in line supervisor of the area conducting or accountable for the activity.

Projects, Operations, Programmes and Units are required to maintain risk registers insofar as risks impact on their respective responsibilities. Information from these registers is to be given to the Internal Audit Manager who will develop and maintain an Organisation wide risk register. As a minimum, the risk register, treatment schedule and action plan will be maintained.

For each risk identified, a risk register records:

<table>
<thead>
<tr>
<th>Source;</th>
<th>Consequences and likelihood;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature;</td>
<td>Initial risk rating;</td>
</tr>
<tr>
<td>Existing controls;</td>
<td>Vulnerability to external or internal factors.</td>
</tr>
</tbody>
</table>

A risk treatment and action plan that documents the managerial controls to be adopted and contains the following information:

<table>
<thead>
<tr>
<th>1) Who has responsibility for the implementation of the plan;</th>
<th>Implementation timetables; and</th>
</tr>
</thead>
<tbody>
<tr>
<td>What resources are to be used;</td>
<td>Details of the control mechanism; and</td>
</tr>
<tr>
<td>Budget allocations;</td>
<td>Frequency of review of compliance with the treatment plan</td>
</tr>
</tbody>
</table>

10.4. Risk Management
10.4.1. The management of financial risks at AIPP shall aim to limit potential losses on the AIPP's financial assets so that the AIPP is always able to perform its tasks and meet its commitments.
10.4.2. All financial risks shall be quantified using the measurements that are most appropriate for the management and control of the respective types of risk.

10.4.3. Decisions that entail fundamental changes in the management of the AIPP’s financial assets and liabilities shall be preceded by a preparatory procedure in which all the divisions concerned shall participate and it shall be approved by EC.

Risk management is a continuing process so the management and concerned staff should keep track of the inherent risk of the organisation, measure the risk and evaluate regularly.

**10.5. Responsibility for Risk Management**

**General:**
All staff are responsible for the effective management of risk including the identification of potential risks. The Management (at all levels) is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

**Executive Council:** The Executive Council is accountable for ensuring that a risk management system is established, implemented, and maintained. Assignment of responsibilities in relation to risk management is the prerogative of the members of the Executive Council.

**Management Team:** The Management Team members are accountable for strategic risk management within areas under their control including the delegation of the risk management process to Operational/ Programme managers. Collectively the Management Team is responsible for:

- The formal identification of strategic risks that impact upon the Organisation’s mission.
- Allocation of priorities.
- The development of strategic risk management plans; and
- Reviewing progress against agreed risk management plans and communication of this to the Audit Committee and organisation.

**Programme Managers and Unit Managers** are accountable to the Secretary General for:

- Implementation of policy within their respective areas of responsibility.
- Annual reporting on the status of the risk register, insofar as it impacts on their respective responsibilities, as part of the annual planning and review cycle.
- Ensuring compliance with risk assessment procedures.

**Administrative -Finance Coordinator:** In addition to the functions as a Unit Head, this officer will be accountable for the organisation insurance portfolio and will ensure that a risk management plan is completed for the organisation’s financial transactions.

**Executive Secretary:** In addition to the functions as an Office Head, this position will remain accountable for the occupational health and safety and workers compensation portfolio, procedures, and administration.
11. FORMS & DOCUMENTS

11.1. Disbursement Form

<table>
<thead>
<tr>
<th>Prepared by:</th>
<th>Any Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency:</td>
<td>As needed</td>
</tr>
</tbody>
</table>

11.1.1. Description
Disbursement Form is a request form to make any bank transaction payment to a third person (partners for transfer of funding, service providers for payment of consultancy fees, etc.). This form contains the following information:
1. The name of the organisation/partner/individual.
2. Programme and project to be charged.
3. Activity.
4. Amount requested and currency.
5. Bank account details.
6. Name and of the requesting staff, and date requested.
7. Name and signature of the officer who checks verifies, and the date verified.
8. Name and signature of the approving officer, and date approved.

11.1.2. Preparation
1. Staff prepares the Disbursement Form based on the request of the budget holder.
2. Complete information of the bank necessary to transfer the fund.
3. The reviewing officer signs the form as verified and indicates the date of the review.
4. The approving officer signs the form as approved and indicates the date of approval.
5. For fund transfers to the partners, the Finance officer prepares the bank remittance form and transfers the fund to partners.

11.2. Request for Budget/Cash Advance

<table>
<thead>
<tr>
<th>Prepared by:</th>
<th>Any Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency:</td>
<td>As needed</td>
</tr>
</tbody>
</table>

11.2.1. Description
Request for Budget/Cash Advance is request form for budget for activity, travel, purchasing equipment, materials, supplies, etc. The advance is to be liquidated within the timeframe indicated in the policy.
Request for Budget/Cash Advance shows the following information:
1. Requestor full name and date.
2. Programme/Project and budget item.
3. Funded by (source of funds).
4. Type of request – check the corresponding box.
   - Attend meeting.
   - Conduct project activity.
   - Programme/project monitoring/evaluation.
   - Purchase goods/services.
   - Others (specify).
5. Particular details.
6. Amount.
7. Prepared, verified and approved by respective personnel.

**Preparation**
1. Staff requestor prepares the request for budget/cash advance when there is something to be paid or purchased.
2. Requestor completed the required information in the form and submits to the concerned reviewing and approving officers for review and approval.
3. Submits the form to the Finance Officer for release of cash.

### 11.3. Official Receipt

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Finance Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>As collection is received by the Finance Officer</td>
</tr>
</tbody>
</table>

#### 11.3.1. Description
Official receipt (OR) is prepared to support all collections made by the organisation except funding from donors. It is a preprinted, pre-numbered form and issued sequentially. An official receipt shows the following information:
1. The date the official receipt is prepared.
2. The name and address from whom money is received.
3. The amount received in figures.
4. A description of the transaction.
5. The type of receipt - donor, project, other account.
6. The name and signature of the person receiving the cash.

#### 11.3.2. Preparation
1. The Finance Officer prepares the OR in triplicate to be distributed as follows:
   i. Original – from whom money is received (donor, payor, staff).
   ii. Duplicate – to be attached to Receipt Voucher.
   iii. Triplicate – to be retained in the OR booklet for reference purposes.
2. The OR is issued sequentially and dated on the date the collection is received.
3. The Finance Officer signs the OR upon preparation or receipt of cash.
4. The OR is attached to the receipt voucher which is the basis in recording.

### 11.4. Receipt Voucher

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Finance Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every time donor funding and other collections are received</td>
</tr>
</tbody>
</table>

#### 11.4.1. Description
Receipt voucher is a form used to document every fund received from the donors/funders and used to record all other collections received. The receipt voucher is preprinted form which contains the following information:
1. The date of preparation and voucher number
2. The name of the donor/organisation/individual from whom funds are received.
3. Project Name
4. Type of payment - whether by cash or cheque and the cheque number
5. Description of the amount received.
6. Account code and account name.
7. Amount and currency.
8. Name and signature of the staff who prepared the request.
9. Name and signature of the reviewing and approving officer.

Preparation
1. The Finance officer prepares the Receipt Voucher upon receipt of funding and all other collections.
2. The Finance Officer signs the receipt voucher in the “prepared by” column.
3. Submits to the reviewing and approving persons for signature in the “checked by and approved by” columns.

11.5. Payment Voucher

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Finance Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>As disbursements, request for budget/cash advance and settlement of cash advance is required and authorised.</td>
</tr>
</tbody>
</table>

11.5.1. Description
Payment Voucher (PV) is a form prepared by Finance Officer to support every payment made by the organisation. The PV is numbered as issued in alpha-numerical sequence indicating the letter representing the type of transaction and number representing as year, project and the voucher number.

Thus, PV 16-27-002 means that is a payment transaction where the numbers represent:

| PV: Type of transaction | 16: Year | 27: IWGIA (project) | 002: Voucher Number |

Payment Voucher is a preprinted form which contains the following information:
1. The date the voucher is prepared.
2. The payment voucher number.
3. The name of the payee.
4. The project to be charged.
5. A brief description of the transaction.
6. The amount paid in figures and currency.
7. The account code and account name.
8. The manner of payment, whether in cash or in cheque and the cheque number.
9. The name of the person who prepares, verifies and approves the voucher and the name of the person who receives the payment.

11.5.2. Preparation
1. Requesting staff member prepares the PV for every payment transaction.
2. Assigns a number in alpha-numerical sequence.
3. Fills up the required information in the payment voucher.
4. Signs the “prepared by” column.
5. Submits to the reviewing and approving persons for signature in the “checked by and approved by” columns.
6. Pays the money and requests the payee to acknowledge receipt by signing as received on the payment voucher. Stamps “Paid” on PV and supporting documents upon payment.

11.6. Reimbursement Form

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Requesting Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>As needed</td>
</tr>
</tbody>
</table>

11.6.1. Description
Reimbursement Form is a summary sheet of the office related expenditures paid by a member of staff out of his/her own personal fund. The original receipts/acknowledgement form must be attached to the form. Reimbursement form should detail the following information:
1. The name of the member of staff making the reimbursement request.
2. Project to be charged.
3. Activity.
4. The date of reimbursement.
5. The description of the expenditures.
6. The amount in words, figures and currency.
7. Name and of the requestor, and date requested.
8. Name and signature of the approving officer, and date approved.

11.6.2. Preparation
1. Requesting member of staff prepares the Reimbursement Form indicating the complete information.
2. Requesting member of staff signs the form in the “submitted by” column.
3. Submits the request to the approving officer for signature in the “authorised by” column.
4. Submits the form to the Finance Officer for release of cash.

11.7. Participant Reimbursement Form

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Any member of staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>As needed</td>
</tr>
</tbody>
</table>

11.7.1. Description
Participant Reimbursement Form is a summary sheet of the expenditures incurred by the participants who are attending AIPP activities. The original receipts/acknowledgement form must be attached to the form. Participant Reimbursement Form should contain the following information:
1. The name of the participant and his/her email.
2. The name of the participant’s organisation.
3. Activity.
4. The date of reimbursement.
5. The details of the expenditures.
6. The amount in local currency and the equivalent in US Dollars.
7. The exchange rate used.
8. Name and signature of the approving officer and the date approved.
9. Name and signature of the Finance officer making the payment and the date paid.
11.7.2. Preparation
1. The participant prepares the Participant Reimbursement Form indicating the complete information.
2. Submits to the approving officer for signature in the “authorised by” column.
3. Submits the form to the Finance Officer for release of cash.
4. Signs the form in the “received by” column.

11.8. Cash Advance Liquidation Form

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Staff who requested for the cash advance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Staff who requested for the cash advance</td>
</tr>
</tbody>
</table>

11.8.1. Description
Cash Advance Liquidation Form is a summary of all expenses incurred in the activity for which cash advance was taken. The original receipts/acknowledgement form must be attached to the form.
Cash Advance Liquidation Form should contain the following information:
1. The date of cash advance liquidation.
2. Programmes/Project to be charged.
3. Activity.
4. The name of the member of staff making the liquidation.
5. The amount of cash advance taken.
6. The description of the expenditures.
7. The amount in US Dollars and in Thai Baht.
8. The relevant account codes.
9. Name of the reviewing officer, signature and the date of verification.
10. Name and signature of the approving officer and the date of approval.

11.8.2. Preparation
1. Member of staff prepares the Cash Advance Liquidation Form indicating the complete information.
2. Requesting staff member attaches all the supporting receipts to the form and signs the form in the “prepared by” column.
3. Submits to the reviewing officer for signature in the “checked and verified by” column.
4. Submits to the approving officer for signature in the “authorised by” column.
5. Submits the form to the Finance Officer together with the excess cash to be returned, if any.

11.9. Acknowledgement Form

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Any member of staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every time an expense is incurred, and a receipt is not available or not possible to obtain.</td>
</tr>
</tbody>
</table>

11.9.1. Description
Acknowledgement Form is used to properly document expenses that have no receipts because it is not possible or available to obtain. The form is used for the following purposes:
• Payment to human resource/individual service provider such as translator cost, interpreter, editor, etc.
• Payment of minor expenditures such as food, taxi that do not provide receipts.

The acknowledgement form is preprinted form which contains the following information:
1. The date of preparation.
2. The name and address of the payee.
3. The description, quantity, unit cost and amount of the item/service paid.
4. Name and signature of the staff who certifies the expense.
5. Name and signature of the person who substantiated and approved the expenses.
6. Name and signature of the person who received the payment.

11.9.2. Preparation
1. If payment is made to third parties, the Finance Officer prepares the Acknowledgement Form with sufficient information. If payment is made to AIPP staff, the requesting member of staff prepares the Acknowledgement Form and submits to the Finance Officer for signature in the “certified by” column.
2. Submits to the approving person for checking and approval.
3. The approving officer checks and approves the expenses and signs in the “Approved by” column.
4. The payee signs in the “received by” column as acknowledgement of receipt of payment.
5. The acknowledgement forms are attached the payment voucher as supporting document of the expense or supporting document of the advance settlement.

11.10. Payroll Summary

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Finance Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every Payroll Period</td>
</tr>
</tbody>
</table>

11.10.1. Description
The payroll summary is a summary of total earnings and the net amount payable to all staff. It serves as the basis for the preparation of the payment voucher as well as the individual pay slips. The payroll summary shows the following information:
1. Payroll period covered.
2. Full name of each current member of staff.
3. Money columns for the details of gross earnings of each member of staff.
4. Money column for the details of amounts deducted from each member of staff’s earnings.
5. The net amount due each member of staff.

Preparation
1. The Finance Manager prepares the payroll summary payroll for the relevant period.
2. Computes for all gross earnings, salary deductions and net pay for each member of staff.
3. Signs the “prepared by” column.
4. Forwards to the authorising person for their approval.
5. Prepares the payment voucher and the list of staff with the corresponding net pay.
6. Submits the cheque and list of staff to the bank for the transfer of cash to the individual bank accounts of staff.
11.11. Pay Slip

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Finance Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every Payroll Period</td>
</tr>
</tbody>
</table>

11.11.1. Description

The pay slip is prepared to support salary payment to every staff at the end of the payroll period. It is prepared in duplicate based on payroll summary - the original goes to each member of staff and the duplicate is retained as an accounting file copy. The pay slip shows the following information:

1. Full name of staff member.
2. Position.
3. Date.
4. Payroll period covered.
5. Details of deductions and the gross pay.
6. Details of deductions and the net pay.

Preparation

1. The Finance Manager prepares the pay slip in duplicate based on pay payroll summary.
2. The original is given to the staff as a statement of his earnings and deductions for the period. The duplicate is signed by the staff to acknowledge receipt and returned to the Finance Manager.
3. The pay slips, together with the corresponding payroll summary, are attached to the payment voucher and filed in the finance folder.

11.12. Asset Sale/Transfer Slip

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Administrative Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every time an asset is to be sold or transferred or donated to another location or entity.</td>
</tr>
</tbody>
</table>

11.12.1. Description

Asset sale/transfer slip is used to document the sale of AIPP assets or when the assets are being donated to another organisation or entity. This form will be used to update the asset register. The asset sale/transfer slip form contains the following information:

1. The asset code, description, quantity and total cost of the assets to be sold, transferred or donated.
2. The information of staff name and project where the asset originated from.
3. The information of staff name and project/organisation where the asset will be transferred/donated.
4. Signatures of staff who transferred and received the asset,
5. Amount of money received for assets sold.
6. Name and signature of the authorising person who approves the sale/transfer or donation of the asset.

11.12.2. Preparation

1. The Administrative Manager prepares the asset sale/ transfer slip and completes the required information of the items to be sold/ transferred or donated.
2. Records information regarding the origin of the asset and the new location/owner of the asset.
3. Records the amount received for assets sold.
4. The approving officer approves the form which will be used to update the asset register.

11.13. Food allowance Payment Form

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Any Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every time staff are entitled to claim food allowance.</td>
</tr>
</tbody>
</table>

**11.13.1. Description**
The Food allowance Payment Form is a form for staff to claim food allowance expenses. The rate of the food allowance is based on AIPP’s policy. The completed form should contain the following information:

<table>
<thead>
<tr>
<th>Date</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project/Programmes</td>
<td>Account Code</td>
</tr>
<tr>
<td>Activity</td>
<td>Departure and Return Date</td>
</tr>
<tr>
<td>Total meal</td>
<td>Food allowance rate/meal</td>
</tr>
<tr>
<td>Amount claimed</td>
<td>Requested By</td>
</tr>
<tr>
<td>Checked By</td>
<td>Approved By</td>
</tr>
</tbody>
</table>

**Preparation**
The requesting member of staff prepares the Food allowance Payment Form by completing the information in the form in accordance with AIPP’s food allowance rate.
1. Attaches the travel itinerary (if applicable) to the form and forwards it to the relevant Programme Coordinator/DSG/SG for their approval.
2. Submits the completed form to Finance Officer to check and release the payment.

11.14. Purchase Requisition

**Note: for detailed Procurement guidelines and procedures please refer to the separate Procurement Policy document.**

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Any Staff Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Every time a staff member purchases goods, services, or consultancy.</td>
</tr>
</tbody>
</table>

11.14.1. Description
The Purchase Requisition form serves as a request for the use of hotel, services, items or goods to be purchased for the organisational activities or office operations. The Form is submitted to the Administrative Manager for procurement processing. The Purchase Requisition Form contains the following information:

<table>
<thead>
<tr>
<th>Name of Staff Member</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project/Programme</td>
<td>Activity</td>
</tr>
<tr>
<td>Details of Office Supplies/ Materials / Stationaries/Publications</td>
<td>Details of Equipment/Service/ Consultancy</td>
</tr>
<tr>
<td>Details of Hotel/Venue</td>
<td>Estimate Budget</td>
</tr>
<tr>
<td>Justifications and Specifications</td>
<td>Account Code</td>
</tr>
<tr>
<td>Requested/Purchased By</td>
<td>Approved By</td>
</tr>
</tbody>
</table>
11.14.2. Preparation

Purchase of Office Supplies/ Materials / Stationaries/Publications

a. For the purchase of Office Supplies/ Materials / Stationaries/Publications, staff member informs the Logistic Officer by email or verbal communication. Logistic Officer compiles the purchase request for Office Supplies/ Materials / Stationaries / Publications in the Purchase Requisition Form and ensures the requester signs in “Requested By” column.
b. Logistic Officer signs in the “Request/Purchase By” column and adds the date and employee’s job title.
c. Submits the approved form to the Administrative Manager for their approval.

11.14.3. Purchase of Equipment/Service/Consultancy/Hotel and Venue

a. Staff member completes the information in the Purchase Requisition Form and signs in “Requested/Purchase By” column.
b. Submits to the Programme Coordinator/DSG/SG/Administrative Manager for their approval.
c. Submit the completed form to the Logistic Officer to begin the procurement process.

11.15. Procurement Summary (PS)

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Administrative Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Any purchase that requires procurement.</td>
</tr>
</tbody>
</table>

11.15.1. Description

The Procurement Summary form summarises information obtained from suppliers. This information includes the name of the supplier, contact address, telephone numbers, description of the item(s) to be purchased, brand, price quoted, warranty given, terms of payment, etc. It also provides the final decision of which supplier/firm/item with accurate specification to be purchased. The Procurement Summary contains the following information:

<table>
<thead>
<tr>
<th>a) Name</th>
<th>b) Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project/Programme</td>
<td>Activity</td>
</tr>
<tr>
<td>Budget Available</td>
<td>Account Code</td>
</tr>
<tr>
<td>Supplier Summary</td>
<td>Decision Summary</td>
</tr>
<tr>
<td>Prepared By</td>
<td>Approved By</td>
</tr>
</tbody>
</table>

11.15.2. Preparation

1. The Administrative Staff prepares the PS for the item/service/hotel to be purchased based on all the price quotations obtained from the suppliers.
2. The Administrative member of staff writes down the recommendation and the name of supplier selected and the justification for the choice of supplier.
3. Signs the PS in the “prepared by” column and submits the PS to the relevant authorising person.
4. The authorising person reviews the selection made and accompanying justification and if it is in order, approves the PS.

11.16. Application for loan between Project Templates

<table>
<thead>
<tr>
<th>Prepared by</th>
<th>Member of Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Any time when loan is needed.</td>
</tr>
</tbody>
</table>
11.16.1. Description
The Application for loan between project templates gives details of the load between projects or from the organisation fund and details of when the loan will payback. The Application for loan between project templates contains the following information:

<table>
<thead>
<tr>
<th>Requested by (Name)</th>
<th>b) Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>c) Programme:</td>
<td>Name of the project:</td>
</tr>
<tr>
<td>Subject</td>
<td>Request details and amount</td>
</tr>
<tr>
<td>Requested by</td>
<td>Approved by</td>
</tr>
<tr>
<td>Authorised by</td>
<td>Budget details of loan</td>
</tr>
</tbody>
</table>

11.16.2. Preparation
According to the policy in 2.8.3 on the loan between project, staff completes the form and obtains approval from donor and the relevant Programme Coordinator.

1. Forward the completed template to the DSG/SG for their authorisation.
2. Attaches the completed template to the Disbursement form and completes the required information.
3. Submit the Disbursement form and the completed template to the Finance Officer who will transfer the funds and enter the transaction in QuickBooks.
APPENDIX

ANNEX 1 Receipt Voucher

RECEIPT VOUCHER

Date: .............................................. Project: ..........................................................

From: .............................................. Amount: ..........................................................

By ☐ Cheque No: ...................... ☐ Cash ☐ Bank

For: ...................................................................................................................................................

(..........................................................................................................................................................) TOTAL in words

<table>
<thead>
<tr>
<th>Code</th>
<th>Account</th>
<th>Dr.</th>
<th>Cr.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL

Prepared by ____________________

Date……./......../........

Checked by ____________________

Date……./......../........

Approved by ____________________

Date……./......../........

Received by ____________________

Date……./......../........
ANNEX 2 Receipt Form

RECEIPT

Vol. No.________________ No.________________________
Date: __________________________

Received from: __________________________

Address: __________________________

Donor [ ] Project [ ] Another act. [ ]

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL

Received by

____________________________________

Date: ........../........./.............
# ANNEX 3 Reimbursement Form

**REIMBURSEMENT FORM**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Programme/Project:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity:</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>NO.</th>
<th>PARTICULARS</th>
<th>TOTAL (other currency)</th>
<th>TOTAL (THB)</th>
<th>A/C code</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL**

**TOTAL IN WORDS:**

**Exchange rate**

<table>
<thead>
<tr>
<th>PREPARED BY</th>
<th>CHECKED BY</th>
<th>AUTHORISED BY</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATE:</td>
<td>DATE:</td>
<td>DATE:</td>
</tr>
</tbody>
</table>

**Remarks:** Please attached original receipts.
ANNEX 4 Payment Voucher

NO………………………………
PAYMENT VOUCHER

Date……………………………… Project………………………………

Pay To……………………………… Amount: 

By □ Cheque No……………………………… □ Cash □ Bank
For…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

<table>
<thead>
<tr>
<th>Code</th>
<th>Account</th>
<th>Dr.</th>
<th>Cr.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL

(………………………………………………………………………………………………) TOTAL in words

Prepared by __________________________
Date……./....../........

Checked by __________________________
Date……./....../........

Approved by __________________________
Date……./....../........

Received by __________________________
Date……./....../........
ANNEX 5 Acknowledgement Form

Acknowledgement Form
Date:___________________

Name/Family name: ______________________________________________________________

Address:__________________________________________________

Received from:__________________________________________________

<table>
<thead>
<tr>
<th>No.</th>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I certify that the official receipt of the payment mentioned above cannot be issued and the payment was done for the operation of the project/activity only.

Certified By:_______________  Received By:_______________  Approved by:_______________
### ANNEX 6 Food Allowance Form

**FOOD ALLOWANCE PAYMENT FORM**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme/Project:</td>
<td>Account code:</td>
</tr>
<tr>
<td>Activity: (Specify the period):</td>
<td></td>
</tr>
<tr>
<td>Departure date:</td>
<td>Time: AM/PM</td>
</tr>
<tr>
<td>Return date:</td>
<td>Time: AM/PM</td>
</tr>
</tbody>
</table>

*Instructions:* Kindly fills the information of the PERDIEM you are claiming in the table

<table>
<thead>
<tr>
<th>Date</th>
<th>Total meals</th>
<th>Rate/meals</th>
<th>Amount (USD/EUR/THB)</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL**

**TOTAL IN WORDS:**

*Note: The rates of food allowance are as follows:*
- North America and Africa: $65.00/ Day (Or $22/meal)
- Europe: EUR 65.00 (Or Eur22/meal)
- Middle East and East Asia: $60.00 (Or $20/meal)
- Asia: $30.00 (Or $10 per meal), Thailand THB900 (or THB300/meal)

<table>
<thead>
<tr>
<th>Requested by</th>
<th>Checked by</th>
<th>Approved by</th>
<th>Received by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td>Date:</td>
<td>Date:</td>
<td>Date:</td>
</tr>
</tbody>
</table>
# ANNEX 7 Budget/Cash Advance Form

## REQUEST FOR BUDGET/CASH ADVANCE FORM

### SECTION A: GENERAL INFORMATION

| Name: ____________________________ | Date: __________ |
| Programme/Project __________________ | to be charged under budget |
| item: ____________________________ | |
| Activity: __________________________ | |
| Funded by (for fund covered by other source/s): __________________________ | |

### SECTION B: TYPE OF REQUEST (please check one box)

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Attend meeting</td>
</tr>
<tr>
<td>2.</td>
<td>Conduct Project Activity</td>
</tr>
<tr>
<td>3.</td>
<td>Programme/Project Monitoring/Evaluation</td>
</tr>
<tr>
<td>4.</td>
<td>Purchase goods/services</td>
</tr>
<tr>
<td>5.</td>
<td>Others (specify)</td>
</tr>
</tbody>
</table>

### SECTION C: AMOUNT REQUEST

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>THB</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

Exchange rate: __________________

### SECTION D: SUPPORTING DOCUMENTS REQUIRED

Refer to SECTION B above

For no. 1, 2 and 3: the relevant documents are as follows: approved travel mission request, travel itinerary, programme meetings and detailed budget.

For no. 4: the relevant documents are: Purchase Requisition, Purchase Procurement, and Procurement Decision

<table>
<thead>
<tr>
<th>SUBMITTED BY</th>
<th>NOTED BY**</th>
<th>AUTHORISED BY</th>
<th>RECEIVED BY</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATE…/……/……</td>
<td>DATE……/……/……</td>
<td>DATE…/……/……</td>
<td>DATE…/……/……</td>
</tr>
</tbody>
</table>

**Remark:** Noted By** shall be signed by Programme Programme coordinator, in case the request is from another Programme Programme or from the project/Programme Programme staff under the Programme Programme
# ANNEX 8 Cash Advance Liquidation Form

**CASH ADVANCE LIQUIDATION FORM**

<table>
<thead>
<tr>
<th>NAME/FAMILY NAME:</th>
<th>PROJECT/PROGRAMME:</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATE:</td>
<td>ACTIVITY:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particular</th>
<th>USD</th>
<th>THB</th>
<th>A/C Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Advance:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reference of C.A.</th>
<th>RECEIVED BY</th>
</tr>
</thead>
<tbody>
<tr>
<td>PV NO.</td>
<td>Date</td>
</tr>
</tbody>
</table>
## ANNEX 9 Salary Advance Slip

<table>
<thead>
<tr>
<th>SALARY ADVANCE SLIP</th>
<th>NAME:</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATE:</td>
<td>POSITION:</td>
</tr>
<tr>
<td>TOTAL IN NUMBER:</td>
<td>TOTAL IN WORDS:</td>
</tr>
<tr>
<td>REASON:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Requested By</th>
<th>Approved By</th>
<th>Received By</th>
</tr>
</thead>
<tbody>
<tr>
<td>DATE:</td>
<td>DATE:</td>
<td>DATE:</td>
</tr>
</tbody>
</table>

### AIPP

[Logo Image]

112 Moo 1, Tambon Sanpranate, Amphur Sansai, Chiang Mai 50210, Thailand
Tel. No.: +66(0)53 343539; Fax no.: +66(0)53 343540
Email: aippmail@aippnet.org Website: www.aippnet.org
Application for loan between Projects

Date: …………………
To: ________________________________________________________
Requested to (Name): ______________________________________________________________
Position: ______________________________________________________________
Programme: ____________________________
Name of the Project: ______________________________________________________________

Subject: Request loan transfer from ………. (project name) under ……… (name of programme providing loan) for the ………………. (project name) ……… (name of programme receiving loan)

The ………. (name of the project) under ………. (name of programme) requires funds to be transferred to its partners to use for implementing the planned activities but doesn’t have sufficient fund in the bank. So, I kindly request to transfer the total …………… (amount in USD/Euro/Thai Baht) as loan. The loan amount will be paid back by ………………… (Timeframe of paying back of the loan, for e.g., by 31st October’18):

<table>
<thead>
<tr>
<th>Requested By</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Position:</td>
</tr>
<tr>
<td>Programme:</td>
<td>Date:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approved By</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Position:</td>
</tr>
<tr>
<td>Programme:</td>
<td>Date:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorised By</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Position:</td>
</tr>
<tr>
<td>Programme:</td>
<td>Date:</td>
</tr>
</tbody>
</table>

Details required for loan.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Amount (USD/EURO/THB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>To transfer to project partners for project implementation.</td>
<td></td>
</tr>
<tr>
<td>To use for regional activities.</td>
<td></td>
</tr>
<tr>
<td>To pay for admin and staff cost.</td>
<td></td>
</tr>
<tr>
<td>Others (if any)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>
ANNEX 11 Purchase Requisition Form

PURCHASE REQUISITION

Name/Family name:  
No. (for Admin only):  
Programme/Project: Requested date:  
Activity (if applicable): Date Required:  

Office supplies/Materials/Stationery/Publications.

<table>
<thead>
<tr>
<th>NO</th>
<th>Item/description</th>
<th>Quantity</th>
<th>U/M</th>
<th>Estimate Cost per Unit</th>
<th>Amount</th>
<th>A/C code</th>
<th>Requested by</th>
</tr>
</thead>
</table>

Note: attached more page of purchase list if needed  
Sample of U/M is month, person, item, pack, box and etc.  
Total

B. Equipment/Service/Consultancy

Estimate budget: A/C cord:  
Reason/Justification of the request Specifications

C. Hotel and Venue

A/C Code:  
Meeting room: Starting from: To:  
Number of days: Budget/day:  
Number of accommodations: Check in date: Check out date:  
Estimate budget/room:

3. Number of participants required for lunch and snack:

4. Number of participants for dinner/solidarity night at the hotel: Date:

Dinner/Solidarity time: Estimate budget/person:  
Specific request in relation to accommodation, food and dinner/solidarity venue or food (if any)

Requested/purchased by: Approved by:  
Date: Date:  
Note: Each purchase requisition is only applicable for one project
## PROCUREMENT SUMMARY

| Reference of purchase request: | No. (for admin only): |
| Name/Family name: | Date: |
| Programmes/Project: | Budget available: |
| Account Code: | |

### Summary of Goods/Service/Consultancy/Hotel/Company

<table>
<thead>
<tr>
<th>No.</th>
<th>Supplier/company/consultant name and contact details</th>
<th>Quality/Features/Consideration</th>
<th>Quantity</th>
<th>Unit price</th>
<th>Amount</th>
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<tbody>
<tr>
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</tbody>
</table>

## DECISION SUMMARY

Selected company/shop/person:

Approval justification:

Prepared by:  

Approved by:  

Date:  

Date:  

Note: Each procurement summary is only applicable for one project
# ANNEX 13 Payroll

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Position</th>
<th>Salary</th>
<th>Longevity Pay</th>
<th>Health Insurance</th>
<th>Tel. Fees</th>
<th>Total Benefit</th>
<th>Total Salary &amp; Benefits</th>
<th>Lunch</th>
<th>SS</th>
<th>PV/5%</th>
<th>Other</th>
<th>Net Salary</th>
<th>C/O</th>
<th>Payment System</th>
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</thead>
<tbody>
<tr>
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</tbody>
</table>

Grand total

**Note:**

Prepared By: 

Checked By: 

Authorized By: 

Cheque No. 

Transfer:  

Bank:  

Total:  

Cash:  

Total:  

AIPP

ASIA INDIGENOUS PEOPLES PACT FOUNDATION

112 Moo 1, Tambon Sanpranate, Amphur Sansai, Chiang Mai 50210, Thailand

Tel. No.: +66(0)53 343539; Fax no.: +66(0)53 343540

Email: aippmail@aippnet.org Website: www.aippnet.org
ANNEX 14 Deed of Absolute Sale

DEED OF ABSOLUTE SALE

This Deed of Absolute Sale is hereby entered into by and between Asia Indigenous Peoples Pact (AIPP), an organisation with present address at ______________________________, represented here in by Mr./Ms. (Secretary General) hereinafter referred to as the SELLER, and the organisation represented herein by ________________________, with present address at ______________________________, herein referred to as the BUYER.

This Deed of Absolute Sale is entered into by the Seller and Buyer under the following terms and conditions.

That for value received in the amount of USD___________________________, the Seller hereby transfers the ownership of the ________________ subject of this sale to the buyers.

The __________________ subject of this sale bears the following technical description:

Model:
Color:
Engine Number:
Chassis Number:
Plate number:

The Buyer hereby accepts the above mentioned__________________________ in its present condition and in accordance with the terms and conditions as set forth in this Deed of Absolute Sale.

By this acceptance, the Buyer hereby granted ownership holds full and complete responsibility and authority over the _________________________, including holding himself liable for any claims, legal or otherwise, that may arise from such ownership.

If the vehicle, the official OI number plates will be removed and returned to the Seller, the Buyer holds himself liable to pay for any transfer fees or taxes which may be levied as a result of this sale.

The appropriate government offices including the (Relevant Ministries of the Country Offices), etc. shall be furnished a copy of this Deed of Absolute Sale.

PARTIES, in full agreement to the above-mentioned terms and conditions hereby affix their signature on the Deed of Absolute Sale this______ day of ______________ in the year of ____________.

Asia Indigenous Peoples Pact (AIPP)  ORHWE PERY
Name: ____________________________  Name: ________________
(Secretary General), The Seller  (Position), The Buyer

WITNESSES:  WOTMESSE:
## ANNEX 15 Levels of Authority

<table>
<thead>
<tr>
<th>TYPE</th>
<th>APPROVALS/SIGNATORY</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AGreements/Contracts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracts (Staff)</td>
<td>President of the AIPP Foundation/Advisory Board (contracts submitted to the government). Secretary General (official contracts)</td>
<td></td>
</tr>
<tr>
<td>Agreements/Contracts with Donors</td>
<td>Secretary General (SG)</td>
<td>Review of the contract will be done by Deputy Secretary General (DSG) and the concerned Programme Coordinator</td>
</tr>
<tr>
<td>Agreements/Memorandum of Understanding (MoUs)/Terms of Reference (ToRs) with partners, consultants and professional services</td>
<td>Deputy Secretary General (DSG)</td>
<td>Review of the contract will be done by Programme Coordinator</td>
</tr>
<tr>
<td><strong>Admin Related</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Travel</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advocacy and networking related</td>
<td>Secretary General (SG) and Deputy Secretary General (DSG)</td>
<td>cc communications to Executive Secretary, Programme Coordinators can provide recommendation for participation</td>
</tr>
</tbody>
</table>
| Programme/project related travels (monitoring trips, partners meetings or activities, conduct Programme/project activities at the country level) | **Programme Coordinator/Manager:** if request is from Programme/unit staff; in consultation with SG/DSG).  
**SG/DSG:** if request is from Programme Coordinator/Managers/Executive Secretary /Finance and Admin Coordinator | have to be discussed within the Programme first; before approval of travels that require inter-Programme support, consultation meeting has to be conducted with all concerned team; clear out in the travel plan the support needed from other Programmes or units; |
| Staff Development (attend trainings for skills development) | **Programme Coordinator/Manager**: if request is from Programme/unit staff in consultation with SG/DSG.  
**DSG/SG**: if request is from Programme Coordinator/Managers/Executive Secretary/Finance and Admin Coordinator | have to be discussed within the Programme first (source of fund, etc.); cc Executive Secretary for any staff development activities for recording and reporting purposes |
|---|---|---|
| Travel missions’ reports | **Programme Coordinator/Manager**: if request is from Programme/unit staff.  
**SG/DSG**: if request is from Coordinator/Managers/Executive Secretary/Finance and Admin Coordinator | Report to be submitted within 2 weeks after the travel; Monitoring of follow up actions (DSG and Programme coordinator/manager/Executive Secretary) |
| Staff Capacity Building | **Deputy Secretary General (DSG)**: Request from Programme, Units Heads and Executive Secretary  
**Secretary General**: Request from Deputy Secretary General (DSG) | Staff will make request to their supervisors and decisions are made in consultation with DSG |
| **LEAVE** | **WITHIN THE POLICY**: Programme Coordinator/Manager (if request is from Programme/Unit staff, in consultation with Deputy Secretary General (DSG))  
**Deputy Secretary General (DSG)**: request is from Coordinator/Managers/Executive | 12 working days/year  
If beyond 2 days, staff are required to submit medical certificate. If staff is unable to submit the medical certificate, it will be considered as paid leave. The written explanation should be included in the sick leave. |
<table>
<thead>
<tr>
<th>Leave Type</th>
<th>Responsible Officer</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid Leave</td>
<td>Secretary/Finance and Admin Managers</td>
<td>22 days/year; Maximum 12 days for each leave request.</td>
</tr>
<tr>
<td>Secretary General (SG):</td>
<td></td>
<td>Leave will be approved considering the workload and urgency within Programme/Units. Proper handover of tasks should be done by concerned staff during his/her absence.</td>
</tr>
<tr>
<td>request is from Deputy Secretary General (DSG):</td>
<td>The leave request beyond the policy will be approved by the Secretary General (SG)</td>
<td></td>
</tr>
<tr>
<td>Compensatory Leave</td>
<td></td>
<td>Compensatory leave should be taken within 30 working days.</td>
</tr>
<tr>
<td>Unpaid Leave</td>
<td></td>
<td>10 days/year- applicable only for urgent and emergency/cases</td>
</tr>
<tr>
<td>Paid Maternity Leave</td>
<td></td>
<td>90 days with full payment</td>
</tr>
<tr>
<td>Paid Paternity Leave</td>
<td></td>
<td>30 days with full payment</td>
</tr>
<tr>
<td>Unpaid Maternity Leave</td>
<td></td>
<td>Unpaid maternity leave for maximum 3 months after completion of 90 days paid maternity leave</td>
</tr>
<tr>
<td>Unpaid paternity Leave</td>
<td></td>
<td>Unpaid paternity leave for maximum one month after completion of 30 days paid paternity leave</td>
</tr>
<tr>
<td>Incidental Leave</td>
<td></td>
<td>Maximum 5 days/year for special occasions such as death of family members, wedding, visiting sick family members. The leave will be approved only after all paid leaves have been exhausted</td>
</tr>
<tr>
<td>Leave for Driving License Test</td>
<td></td>
<td>Maximum 2 days per year</td>
</tr>
<tr>
<td>Prolonged illness Leave</td>
<td></td>
<td>Leave with full payment for 30 days and can be extended up to 90 days without payment</td>
</tr>
</tbody>
</table>

**PROCUREMENT**

<table>
<thead>
<tr>
<th>Position</th>
<th>Responsible Officer</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel</td>
<td>Programme Coordinator/Officer Deputy Secretary General (DSG)</td>
<td>An Administrative team member will help in coordination</td>
</tr>
<tr>
<td>Goods (including equipment, thumb drive etc.)</td>
<td>Admin/overhead budget:</td>
<td>Consultancy</td>
</tr>
<tr>
<td>---------------------------------------------</td>
<td>------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td></td>
<td>Admin Manager:</td>
<td>Follow the procurement policy</td>
</tr>
<tr>
<td></td>
<td>Programme budget:</td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) will consult with concerned Programme Coordinators and Programme Coordinators will consult with Management Team (MT) before making any decisions</td>
</tr>
<tr>
<td></td>
<td>Programme Coordinator</td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) will consult with concerned Programme Coordinators and Programme Coordinators will consult with Management Team (MT) before making any decisions</td>
</tr>
<tr>
<td></td>
<td>Core fund: SG/DSG</td>
<td></td>
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<tr>
<td></td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) (in some instances Programme Coordinators)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consultancy</th>
<th>Admin/overhead budget:</th>
<th>Consultancy</th>
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<tbody>
<tr>
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<tr>
<td></td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) (in some instances Programme Coordinators)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consultancy</th>
<th>Admin/overhead budget:</th>
<th>Consultancy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Admin Manager:</td>
<td>Follow the procurement policy</td>
</tr>
<tr>
<td></td>
<td>Programme budget:</td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) will consult with concerned Programme Coordinators and Programme Coordinators will consult with Management Team (MT) before making any decisions</td>
</tr>
<tr>
<td></td>
<td>Programme Coordinator</td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) will consult with concerned Programme Coordinators and Programme Coordinators will consult with Management Team (MT) before making any decisions</td>
</tr>
<tr>
<td></td>
<td>Core fund: SG/DSG</td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) will consult with concerned Programme Coordinators and Programme Coordinators will consult with Management Team (MT) before making any decisions</td>
</tr>
<tr>
<td></td>
<td>Secretary General (SG) and Deputy Secretary General (DSG) (in some instances Programme Coordinators)</td>
<td></td>
</tr>
<tr>
<td>Programme/Unit</td>
<td>Requested By</td>
<td>Approved By</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Administrative/Overhead budget</td>
<td>Budget request from 1-1,000 THB by any member of staff.</td>
<td>Submit the request directly to concerned Finance Officer. <strong>Acknowledgement Form shall be approved by Administrative Manager first before submitting to the finance staff</strong></td>
</tr>
<tr>
<td></td>
<td>Budget request from 1,001 and above by any staff member.</td>
<td>Administrative Manager</td>
</tr>
<tr>
<td>Reserved Fund, AIPP Fund,</td>
<td>Deputy Secretary General (DSG)</td>
<td>The approval is done by the Executive Council (EC), but Secretary General (SG) will be the signatory on behalf of the EC</td>
</tr>
<tr>
<td>Salary Advance</td>
<td>Any staff member</td>
<td><strong>Within policy:</strong> Deputy Secretary General (DSG)</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Beyond policy:</strong> Secretary General (SG)</td>
</tr>
<tr>
<td>Provident Fund Withdrawal</td>
<td>Any staff member</td>
<td><strong>Within policy:</strong> Deputy Secretary General (DSG)</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Beyond policy:</strong> Secretary General (SG)</td>
</tr>
<tr>
<td>Core Funds</td>
<td>Programme and Project Officers/Project Coordinator/Administrative Staff</td>
<td>Deputy Secretary General (DSG)</td>
</tr>
<tr>
<td></td>
<td>DSG</td>
<td>Secretary General (SG)</td>
</tr>
<tr>
<td>Project Funds</td>
<td>Programme and Project Officers/Project Coordinator/Administrative Staff</td>
<td>Programme Coordinator</td>
</tr>
<tr>
<td>Inter-Programmes Budget</td>
<td>Programme Coordinator</td>
<td>Programme Coordinator</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-----------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Lead/Administrative Staff</td>
<td>responsible for the project/s and Administrative Manager for the Administrative fund or overhead</td>
<td>responsible for the project/s</td>
</tr>
</tbody>
</table>

**Remarks:**
The person who approves the request **CANNOT** authorise his/her own expenses.
The person who approves **CANNOT** authorise request from members of staff who are relatives, e.g., spouse or son or where a conflict of interest exists.
The person signing under “Approved By” **HAS** to check the accuracy of the information (CoA, Job Code and etc..) in the request including checking whether the required supporting documents are attached or not; and ensuring compliance with AIPP’s Financial Policy and other guidelines.
The person signing under “Noted By” section means that the person acknowledges the fund utilisation and the release of Programme fund.
The Executive Secretary is authorised to approve requests in the absence of Secretary General (SG) and Deputy Secretary General (DSG).

**ANNEX 16 Budget Preparation Guidelines**

**ACCOUNT STRUCTURE AND PROJECT CODES**
A budget is drawn up using specific items of expenditure and related account codes as per the Chart of Accounts (CoA) structure. The CoA is the way in which costs are categorised for transaction recording and reporting. For example, costs may be categorized as: local staff, international staff, travel, etc.

The choice of accounts structure is set by the AIPP. However, if in the future there are some external donors that have strict accounts structures this must also be accommodated.

AIPP uses project codes also to track and monitor the income and expenditure for different projects. Project codes give more detail information regarding the type of income or expense related to a project.
BUDGET APPROACH
AIPP uses a standard budget layout for budgeting which details the required information of the budget. Please see below the standard layout of the budget.

Budget Details
Programme: Name of the Programme Office
Period: Period covered
Local Currency: THB

<table>
<thead>
<tr>
<th>Acc. No.</th>
<th>Project Code</th>
<th>Item Description</th>
<th>Qty</th>
<th>Unit cost</th>
<th># of Unit</th>
<th>Unit type</th>
<th>Total (THB)</th>
<th>Total (%)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-1100</td>
<td>LASV10-9-CDCD-02</td>
<td>Programmes Coordinator</td>
<td>1</td>
<td>1,500</td>
<td>6</td>
<td>Month</td>
<td>9,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Budget Details: All budgets must include basic information about the project, including the name, the period covered in the project, and the currency used. AIPP uses account and project codes to monitor expenses. Each AIPP Partner uses its local currency in accounting for its financial transactions. AIPP’s functional currency is the THB which is used to record transactions in the General Ledger and for financial reporting.

Account Code: The accounts code for each item should be written in the ‘Acc code’ column.

Project Code: Project codes are used by AIPP for tracking the specific expenses of a project as required by donors. These project codes provide detailed information project, management and donors for reporting, verification and analysis purposes. Project codes are structured to include information of the donor, project, nature of expense and other detail. For further details please refer to the Chart of Accounts (CoA) section of this manual.

Item: A short description for each type of cost should be written in the ‘Item’ column. This should be as detailed as possible and should be unique for each item. It is also important that descriptions are as precise as possible. For example, ‘electricity for the office’ is much more useful than ‘power’.

Quantity: This pertains to the number or quantity that the budget line needs. For example, if the project line is programme manager and two programme managers are required, the budget holder should indicate “2” in the “Qty” column.

Unit Cost: The cost of one unit (of the units given) should be written in the ‘unit cost’ column. All costs that are written in this column shall be in local currency. For example, if the specific budget line is the programme coordinator, and his/her monthly is USD1,500 per month, then the USD 1,500 will be input in the “Unit cost” column.

Unit type: Unit type pertains to the type of the unit of measure that the budget line is using. For example, if the specific budget line item is for a programme manager’s salary and he/she is paid on a monthly basis, then the unit type is “Month” which should be indicated in the “Unit Type” column.

Examples of Common Units used are:
For long-term staff: Person, Person-year, Person-month
For short-term staff: Person-day
For vehicle running costs: Vehicle-month
For daily allowances, subsistence and accommodation costs: Person-day, Person-night

The rule of thumb is that you should choose units which correspond to how you will make payments for each item. This means that there will be different units for different items.

**Sub-total (Local Currency):** The sub-total cost column pertains to the computation of the specific budget line. For example, the specific budget line of programmes coordinator salary, the unit cost is THB 50,000, the quantity is one, the number of units are 12 and the unit time is month, so the sub-total is THB 600,000 and this should be indicated or inputted in the “Total” column.

**Total cost (Local Currency):** This pertains to the summation of the total sub-totals of the specific budget lines in local currency.

**Total cost (THB):** The pertains to the summation of the total sub-totals in THB of the specific budget lines.

**Notes:** This column will provide useful notes on the budget lines. The budget holder, finance and operation staff are encouraged to provide budget notes to give a clearer picture or information about the budget. For example, the salaries are budget based on previous year cost or AIPP salary scale plus 5%. Inflation, consultancy fee composes of 4 consultants to perform monitoring and evaluation, IT, Organisation developments, internal audit.

**Monthly Budgeting:** Not presented in the format above. It is recommended that budget is broken down into 12 months. The Project coordinator will then allocate the budgets to the months to be implemented based on its project documents. With this, monthly or year to date budget comparison will be made against actual expenditure for close monitoring of expenses.
## ANNEX 17 Budget Monitoring Report

### FINANCIAL REPORT:

- **Project Title:**
- **Reporting Period:**
- **Contact Person:**
- **Supported By:**

### Exchange Rate and Date:

<table>
<thead>
<tr>
<th>NO.</th>
<th>ACC. Code</th>
<th>Budget items</th>
<th>Budget USD</th>
<th>Expenditures USD</th>
<th>Balance USD</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Summary

- **THB**
- **USD**

Funds received.

Interest

Total funds received.

### Fund Balance Reconciliation in THB

- Funds in Bank
- Advance
- Loan

Total Balance

Prepared By________________________

Date: ____________________________
ANNEX 18 Budget Review Guidelines

Budget Review Guidelines

The following guidelines should be followed when reviewing budgets:

- Mathematical accuracy of the budget – manually test (spreadsheets often have formula errors) accuracy of totals, sub-total, and horizontal calculations (i.e., rate x months = total)
- Key staff listed in proposal are included in the budget.
- Amounts referenced in the proposal reconcile with the budgeted amounts.
- Activities referenced in the proposal are reflected in the budget (i.e., contracts, vehicles, materials for large projects, etc.)
- Applicable benefit percentages are used in calculations.
- Budget line items are allowable, allocable, and reasonable as per AIPP or Donor requirements.
- Headings/descriptions are accurate (be particularly careful with the use of terms such as overheads)
- Completeness – ensure all applicable line items are included (i.e., if there is a vehicle, then there should be insurance, fuel, maintenance, etc.) Note: a good way to ensure all items are included is to compare budgeted line items with the AIPP chart of accounts and follow the required budget format.
ANNEX 19 Partner File Checklist

Partner File Checklist
As AIPP is financially and legally responsible for its, partners, donors, relevant government authorities and other relevant stakeholders, the following is a list of items that must be kept on file, separately for each partner:

(Please check “on file”, if yes and “none”, if not on file)

1. Assessment of partner completed prior to award, including justification of why the partner was selected.
2. Signed partner agreement, including proposal, budget, agreement, provisions, etc.
3. Copies of the organisation’s registration documents and audits.
4. Financial and programme reports (Cash Transfer Requests, requests, quarterly reports, etc.) which correspond to the requirements of the particular partner agreement.
5. Copy of the partner’s fixed asset listing.
6. Any modifications to the partner agreement.
7. Schedule of Internal Audits to be performed by AIPP.
8. Internal Audit and financial monitoring documentation, findings and recommendations.
9. Miscellaneous correspondence between AIPP and the partner.
ANNEX 20 Partner Agreement or MoU

CONTRACT/Memorandum of Agreement (MoA)
Between
Asia Indigenous Peoples Pact (AIPP), Thailand (herein after referred to as the First Party)
and
(Name of the Partner) (herein after referred to as the Second Party)
For implementing “Name of the Project” from Project Period XXX

This is an agreement between Asia Indigenous Peoples Pact (AIPP) and …………….. (Name of the Partner) for implementing ……………………… “Name of the Project” from ……………… (Project Period). This project is funded by ……. (Donor Name) and its overall goal is to “--- overall goal….”

The Second Party will be responsible for the implementation of project components in accordance with the project documents and contract between AIPP and …Donor’s name……

Both parties, AIPP and ……………. (Name of the Partner) agree to carry out the project activities according to the project document with the following conditions:

The activities shall be implemented with the consent of the communities involved and in compliance with the existing legal norms and policies of the country.
The organisation shall be sensitive and supportive of indigenous peoples’ rights and cause.
The organisation shall have a sound finance management system in place that is consistent with the finance policies and guidelines of AIPP.

Tasks and Responsibilities of the First Party
AIPP, as the regional coordinating organisation for this project shall comply with the following tasks and responsibilities listed hereunder:

Overall coordination of the project implementation and submission of the reports (both narrative and financial) to the donor.
Conduct regular monitoring of the partners’ activities and provide technical backstopping to the partner when needed and as appropriate.
Timely disbursement of project funds to the partner for project implementation on installment basis, in accordance with the agreed terms and conditions as stated in this contract and the project document.
---add more (if any)---
The First Party may decide to withhold the disbursement, wholly or in part, if substantial deviations from the agreed plan, and budget occurred, if the main proposal/project objective is endangered; if the work plans and reports are not delivered as agreed; or if the programmes develop unfavorably in terms of objectives in any other important respect. Before taking such a decision, the First Party shall initiate discussions with the Second Party.

Tasks and responsibilities of the Second Party
The Second Party shall comply with the following tasks and responsibilities listed hereunder:
Full and effective implementation of the project activities in accordance with objectives, expected results and overall programme goals as stipulated in the MoA, the concept note submitted by ……………. (name of partner) to AIPP (considered as an integral part of this MoU) and other project documents.
Submission of both narrative and financial report as stipulated in the timeframe below. Narrative report should include, among others, ----. If any major modification and changes in the project
activities and budget are necessary, the Second Party should notify the First Party and get approval for this. The First Party will cover no additional cost.

Submission of the following:

a. 5-10 photos with appropriate captions to be attached in the narrative reports.
   - photos should be action photos and not just group photos
   - size: 3 MB JPEG

b. Publications/educational materials, media clips press releases produced for the project.

Maintain regular communication and provide updates to the First Party on project implementation and other related matters.

Abide with the AIPP finance policy, Anti-Corruption policy, AIPP Standard Provisions for Partners, Finance and Administrative Guide for organisation’s receiving funds from AIPP and maintain a transparent and accountable finance management system.

**Reporting Schedule (This may vary as per donor’s requirement)**

<table>
<thead>
<tr>
<th>Project Duration</th>
<th>Reporting Deadline</th>
<th>Report type</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>To</td>
<td></td>
</tr>
<tr>
<td>Dec 15, 2015</td>
<td>Feb 28, 2016</td>
<td>Feb 28, 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Final Narrative Report and financial report along with supporting documents</td>
</tr>
</tbody>
</table>

**Mode of payment:**

The fund will be transferred to the bank account details provided below in two instalments:

<table>
<thead>
<tr>
<th>First Instalment (e.g., 80% of fund)</th>
<th>Upon signing of the contract (%s to be agreed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Instalment (e.g., 20% of fund)</td>
<td>Upon acceptance of the narrative and finance reports</td>
</tr>
</tbody>
</table>

**Bank Details**

Name of Account holder:

**Address of Account Holder** (please specify details as below—this is required by bank in Thailand)

Address No:

Sub District:

District/City:

Province/State:

Postal/Zip Code

County:

Name of Bank:

Bank Address (Address of the bank the fund will be deposited to)

Account Number:

SWIFT Code:

IFSC Code:

IBAN No. (for Europe, US country):
Termination of the Project
The First Party can at any time terminate the contract with justifiable reason of non-compliance, or no execution of the project, or violations to the AIPP Finance developments in the political situation of the country that restricts the implementation of the project activities amongst others. The Second Party will be given one month’s written notice.

Anti-corruption Clause
The second party shall study and abide by the anti-corruption policy of AIPP. Any corrupt or illegal behaviors of the partners shall not be accepted. In such cases, it shall be taken as violation of the contract and shall be the basis for termination of the contract as well as the recourse to the supplementary measures in accordance with applicable legislation.

Acknowledgment Clause
The second party shall explicitly recognise the contribution of the First Party in the implementation of the activities/projects by the Second Party as an act of courtesy and transparency of the First Party’s support (e.g., identifying AIPP as partner or co-organiser or funder).

Gender Policy
A gender perspective is applied in all stages of Programme and project development processes. For more details refer to AIPP’s Gender Policy.

Safeguards on Traditional Knowledge and Information
All information on traditional knowledge and practices, culture, traditions of communities generated by this project shall be honored and safeguarded. Consent of the community has to be acquired prior to data gathering and for its use. Communities should be informed on the utilisation of the information gathered. Copies of publications, reports shall be provided to the communities.

Duration
This project contract will cover the time period specified in the MoU. This agreement becomes binding once it is signed by both parties and will be in effect until the project has been completed.

Annexes
Project proposal/Concept note
Anti-Corruption Policy
Gender Policy
Financial reporting and documentation for partner
Approved Budget
Work Plan

For AIPP:  
Name:  
Position:  
Date:  

For PARTNER:  
Name:  
Position:  
Date:  
ANNEX 21 Financial Review Checklist

Financial Review Checklist

Explanation of Checklist
The purpose of the "Financial Review Checklist" is to obtain an understanding of the applicable partner’s capabilities for handling AIPP funds and conforming to AIPP regulations. It is not an "audit", which would include much more in-depth procedures.

After all data has been gathered, a report should be submitted to the appropriate AIPP Official and filed in the partner’s file. The report should basically be divided up into three sections; Procedures performed (by AIPP during the review), Findings (errors or lack of controls) and Recommendations (for improvement of project's system. The questionnaire may be attached if requested by the AIPP Official. Again, be sure to document all samples examined (i.e., type of document, dates, amounts, etc.).

General Tips
Always inform a project several days in advance of a review. No surprise visits. Perform the review when it is convenient for the project.

Do not use the term "audit."

Always meet with the Director or "In Charge" of the project first and explain your intentions. Do not proceed immediately to the Finance Staff and start to ask questions.

If the project is relatively small or short-lived, do not expect an extravagant system or a system at all. In some cases, many questions will not be applicable. These are the types of projects where 100% of the expenses should be vouched.

There is no need to obtain copies of any documents, unless it is felt necessary as supporting information as part of the findings. In this case, it is appropriate to obtain evidence to support your finding(s).

Financial Review Checklist

<table>
<thead>
<tr>
<th>Name and address of the organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
</tr>
<tr>
<td>Address:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name &amp; contact details of focal person for Finance for AIPP activities within the organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name (s) of focal person:</td>
</tr>
<tr>
<td>Position:</td>
</tr>
<tr>
<td>Tel:</td>
</tr>
<tr>
<td>Fax:</td>
</tr>
<tr>
<td>Email address:</td>
</tr>
</tbody>
</table>

Briefly describe the general background of your organisation and main activities of your organisation:

Briefly describe the Financial System currently existing in your organisation for Financial Management:

Briefly describe the Banking arrangement existing in your organisation:

6. Briefly describe the experience you have thus far gained in managing other donor funds (name of donors, and partners):
   If you have multiple donors, please describe name, amount of grant, disbursement and reporting procedure of each donor.
What is the total budget amount (all grants) managed by your organisation?

7. Are the following written policies and procedures in place governing the overall operation of your organisation?

**Employment Policies**
If yes, please attach. Does it adequately describe the benefits accorded to all employees, methods of employee evaluation and evaluating compensation?
If no, are there consistent employment practices which can be summarized in writing? Please describe or attach.

**Travel Policies**
If Yes, please attach. Does it adequately outline policies for reimbursement of food allowance and other travel costs that are reasonable?
If No, are there practices in relation to travel which can be summarized in writing? Please describe or attach.

**Procurement Policies**
If Yes, please attach. Does it define a threshold at which competition must be sought?
If No, are there procurement practices which can be document? Please describe or attach.

**Financial Management Policies and Procedures**
If yes, please attach. Does it adequately describe the accounting system, levels of authority within the accounting system, purchasing procedures and internal controls?
If No, are there practices which can be described in written summary form. Please attach.

8. Briefly describe the internal controls methods applied within your organisation, to be accountable to other donors.

9. Does your organisation utilise accounting software in financial management? If yes, please specify the name of accounting software, version, and donor?

Does your organisation need training on financial management for your finance staff in AIPP financial procedures and formats? If yes, please specify:
If yes, please specify the name of accounting software, version, and donor?
Type of training preferred (workshop or on-the-job training)? Proposed length of time for such training?
Who should organise this training (AIPP or another organisation)?

11. Has your organisation had an external audit so far? If yes, please specify: name of external auditor, date of last audit, supported/required by which donor? If no, please to refer to question number 13.

12. What issues/problems in financial management has your organisation faced recently?

13. If you have not been audited or reviewed by a certified auditor please answer the following questions.

**Cash Disbursements Cycle:**

Do the documented policies of your organisation (if they exist), establish who, out of the executive officers of the organisation, have the authority to enter into agreements, events or transactions, and who has the authority to sign certain documents? If yes, please summarize below: Name and title:

Name: .........................................................................................................................................

Title: ..........................................................................................................................................

Authorised to: ................................................................................................................................

Are there written By-Laws for the organisation? If so, please attach them to this questionnaire.
Does the organisation deal with large sums of cash and pay their employees, vendors and suppliers by cash?
If you do deal with large sums of cash, do you have a safe? If so, who has the combination?
If you do deal with large sums of cash, who is responsible for custody of this cash?
If you do deal with large sums of cash, who records the amounts into the accounting system that accounts for this cash?
Is there a receipt involved with each transaction?
If you do deal with large sums of cash, who does the periodic cash count and reconciles the amount on hand with the amount recorded in the accounting system?
If they do deal with large sums of cash, are there occasional surprise test counts? If so, who are they done by?

Name and title: ________________________________

Who is responsible for ordering and purchasing supplies, merchandise and/or services?
Who is responsible for approving cash disbursement vouchers?
Who is responsible for receiving supplies, merchandise or services?
Who is responsible for preparing cheques for authorisation?
Who authorises the checks?
Do cash withdrawals, cheques and bank transfers require more than one approving/verifying signature, or can it be carried out by one person?
If your organisation sends bank wire transfers, who approves the bank wire request when submitting to the bank?
Are key records/documents matched up before a transaction is approved for payment? For example, purchase order (or equivalent), receiving report (to make sure the supplies or merchandise was received), and vendor’s or supplier’s invoice? If yes, who is this done by?
Who records the cash disbursements in the accounting system?
Who receives the bank statements and reconciles the organisation’s bank accounts and how often is this done, e.g., monthly?

Cash Receipts Cycle:
Who is the person responsible for receiving cheques in the mail?
Who is responsible for making bank deposits?
Are copies made of all cheques received prior to making the bank deposit, and is there supporting documentation for properly recording the cash receipts into the accounting system?
Who records the cash receipts in the accounting system?
Is there a cash receipts log or list of all cheques that are received by the organisation? If so, who is it maintained by?
Are bank reconciliations periodically reviewed by someone other than the person performing the bank reconciliations? If so, by whom?

Payroll cycle
Does the organisation use an outside payroll processing company or agency to process the organisation’s payroll, either in whole or in part? If yes, what is the name of this company?
Is there a master list of current employees who are on the payroll? If so, who maintains this list?
How often is the payroll run? Frequency:
Who is responsible for preparing the payroll information prior to running the payroll?
Is all payroll information tracked and calculated on a computer-based software system, such as Microsoft Excel? If yes, please state the name of the computer programme used:
Does someone independent of preparing the payroll check the calculations prior to being paid? If so, by whom?
Are timesheets used by the organisation? If so, are they used as the basis in the calculation of payroll for employees who are paid by the hour or day?
If timesheets are used by the organisation, who is responsible for receiving them, checking them, and storing them for safekeeping?

Name and title: ________________________________
If the payroll is paid by cash (currency), who is responsible for handing out the cash on payroll day?
If payroll is paid via cheque, who hands out the payroll cheques?
If payroll is paid by cash, is the employee required to sign a receipt and return it to the organisation for record keeping purposes?
Are salaried employees paid on the basis on approved rates? If so, who is responsible for approving these rates?
Is there an approved list of holidays for the organisation? If so, who approves this list?

**Vehicle Use**
Does your organisation maintain a vehicle logbook?
Is the vehicle logbook reviewed by an authorised officer?

<table>
<thead>
<tr>
<th>14. List of Human Resource with designation for the project (including email, phone no., skype ID, FB account.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. <strong>Delegate of Authority</strong></td>
</tr>
<tr>
<td>Who authorises/ approved transactions/procurement?</td>
</tr>
<tr>
<td>Who checks the request/releases the funds?</td>
</tr>
<tr>
<td>Who is responsible for keeping the records?</td>
</tr>
<tr>
<td>Who disburses the funds?</td>
</tr>
<tr>
<td>16. <strong>Fixed Assets:</strong></td>
</tr>
<tr>
<td>Is all equipment included in the asset register and inventories?</td>
</tr>
<tr>
<td>How often is the inventory reviewed/ updated?</td>
</tr>
<tr>
<td>17. List of the Accounting Forms being used by the organisation and the purpose of each form.</td>
</tr>
<tr>
<td>18. <strong>Bookkeeping</strong></td>
</tr>
<tr>
<td>Accounting system: Double-entry or Single -entry?</td>
</tr>
<tr>
<td>Bookkeeping system: (Manual or computerized (specify which software and version))?</td>
</tr>
<tr>
<td>The frequency of record keeping</td>
</tr>
<tr>
<td><strong>Petty Cash /Cash on Hand</strong></td>
</tr>
<tr>
<td>Limits of petty cash/Cash on hand.</td>
</tr>
<tr>
<td>Petty cash/Cash on hand records and reconciliation.</td>
</tr>
<tr>
<td><strong>Supporting Documentation</strong></td>
</tr>
<tr>
<td>List the supporting documents kept by the organisation.</td>
</tr>
<tr>
<td>How long are documents kept before being discarded?</td>
</tr>
<tr>
<td>Frequency that records are filed.</td>
</tr>
<tr>
<td><strong>Budget</strong></td>
</tr>
<tr>
<td>Are staff aware of the project budget?</td>
</tr>
<tr>
<td>Is the budget realistic in terms of cost and timeframes?</td>
</tr>
<tr>
<td><strong>Reporting:</strong> How often is the project finance report produced?</td>
</tr>
<tr>
<td><strong>Coordination:</strong> How often do finance staff meet with programme coordinators to discuss the project fund status and any other important issues?</td>
</tr>
<tr>
<td><strong>Monitoring of the compliance to the policies</strong></td>
</tr>
<tr>
<td>Is there a monitoring system followed by staff to check compliance with policies?</td>
</tr>
<tr>
<td>Are there any sanctions for non-compliance with policies?</td>
</tr>
<tr>
<td><strong>Budget Review</strong></td>
</tr>
<tr>
<td>Are budget formats acceptable to AIPP?</td>
</tr>
<tr>
<td>Are expenditures identified by budget line item?</td>
</tr>
<tr>
<td>How, and by whom are budgets prepared?</td>
</tr>
<tr>
<td>Who reviews and approves budgets? Is there evidence of review?</td>
</tr>
<tr>
<td><strong>26. Capacity:</strong> Does the potential partner have the capacity to carry out the activities of the proposed subgrant proposal?</td>
</tr>
<tr>
<td><strong>Procedures to be Performed.</strong></td>
</tr>
<tr>
<td>Review sample of expenses for accountability and accuracy and if allowable. Trace expenses through the system. (i.e., from purchase requisition to canvassing to receipt to final disposition).</td>
</tr>
<tr>
<td>Reconcile cash on hand and bank accounts with any unreconciled or unusual items investigated</td>
</tr>
</tbody>
</table>
immediately.
Observe documentation of all controls/accounting procedures.

What are your suggestions to AIPP with regards to improving financial management of projects?

**Note:** If you have question on this Questionnaire, please contact Finance Team, of AIPP (write telephone number and email address)
ANNEX 22 Financial Monitoring Procedures

<table>
<thead>
<tr>
<th>PROCEDURES</th>
<th>Done by/Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Monitoring</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Surprise Cash Count</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inform the cash custodian that cash count will be performed, and all cash funds should be prepared.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Count the cash in the presence of the custodian.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>List down any cash advances and income that are not recorded in the system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reconcile the cash count with the balance in the system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The cashier should explain any differences in the cash count.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The cash count should be signed as prepared by the cashier and checked by the Finance Staff who performed the internal audit check.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Monthly Cash Counts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review the monthly cash count performed by the cashier and verify if properly checked by senior personnel.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check for mathematical accuracy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Verify if the cash count was reconciled with the balance in the system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Checked if there are any differences in the cash count, if properly explained and adjusted to the system as necessary.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bank reconciliations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review the monthly bank reconciliations prepared by the Finance Staff, and if checked or approved by the Programme Coordinator or Regional Director.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check for mathematical accuracy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check if the balance in the bank reconciliation is the same with the balance in the system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Match the balance in the bank reconciliation with the balance in the bank statement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check if the bank reconciliation is supported by the copy of bank statements or bank books.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure that all bank accounts have been prepared with monthly bank reconciliations and balances are reconciled with the system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fixed Asset Monitoring</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obtain fixed asset listing from the Finance or Operations staff.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Select the items to be tested or checked, considering material items that have recently been purchased.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trace the items in the accounting ledger to check if the purchase has followed the procurement procedure guidelines in the finance manual.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check if the fixed asset listing was signed as prepared by the custodian and checked or approved by the relevant Finance staff and Programme Coordinator / Director respectively.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check if asset tags (stickers) are properly prepared and attached to the items and recorded in the Fixed Asset (FA) register.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Match the asset code indicated in the fixed asset listing with the asset tag on the asset.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Salary Payments
Select a salary period.
Check if the voucher was properly prepared and approved by the Country Director.
Check for mathematical accuracy.
Trace the pay slips to verify that the amounts in the payroll summary are the same with the pay slips. Ensure that pay slips are properly sign as received by staff.
Verify the balances in the pay slips with the employment contracts to ensure that salaries are paid based on the signed employment contracts.

### Financial Report Monitoring
#### Management Reports
Obtain the checklist of reports and schedules from the Accountant.
Check if all the reports in the checklist are prepared by the Accountant and checked or approved by the Manager or Director.
Check for mathematical accuracy.
Verify if the amounts reported in the financial reports are reconcile with those in the financial reports and accounting system.
Check if the budget reflected in the financial reports r with the actual expenses are based on the approved budgets and high budget variances are explained accordingly.
Check that the reports are submitted on-time according to the finance policy and guidelines.

#### Donor Reports
Obtain the checklist from Finance for donor reports.
Check if the reports are properly signed as checked by Finance staff and approved by the Programme Coordinator/Director.
Check for mathematical accuracy.
Verify that financial report formats are in accordance with the format required by the donor.
Verify if the balances in the donor report match, or reconcilable with the financial reports in the computerized accounting system.
Check if high budget variances (more than 10% of the budget lines) are properly explained and approved.
Check if the reports are submitted on-time based on the submission schedule in the funding agreement or donor agreement.

### Documentation
Select the account to be checked or verified based on the transaction listings provided by the accountant or finance officer.
From the selected samples check for the following:
- Vouchers were properly prepared and approved.
- Expenses are properly coded.
- Amounts are correct based on the supporting documents.
- Receipts and invoices have the following information:
  - Name of the supplier
Expenses are properly coded to the correct budget line or account code based on the nature of transactions.

If the transaction is a capital purchase (fixed asset), ensure that the procurement policy and procedures in the finance manual were adhered to.

If payments relate to rentals, consultancy costs, confirm the amount in the signed contract with the organisation.

Standard Provisions

The partner shall maintain records, books, files, documents, reports, bank statements and other evidence relating to the programme in accordance with International Financial Reporting Standards (IFRS) formally prescribed by the International Accounting Standards Council (IASC) to sufficiently substantiate charges to this sub-grant. Accounting records that are supported by documentation will as a minimum be adequate to show all costs incurred under the grant, receipt and use of goods and services acquired under the grant, the cost of the programmes supplied by other sources, and the overall progress of the programmes.

The partner shall provide the AIPP and “funding agency” or the duly authorised representative, access to any books, documents, papers and records of the partner which are directly pertinent to the specific programmes for the purpose of making audits, examinations and transcripts.

All records of this sub-grant shall be retained for a period in accordance with AIPP Finance Manual on Record Retention and may be audited by the “funding agency,” the AIPP and/or their representatives. All records shall be maintained for a longer period, if any, as is required to complete an audit, to resolve all questions concerning expenditures unless approval has been obtained by the Grant Officer to dispose of the records. “Funding agency” follows International Financial Reporting Standards (IFRS) in determining that there has been proper use and accounting of sub-grant funds.

If any litigation, claim, or audit is started before the expiration of the ten-year period, the records shall be retained until litigation, claims or audit findings involving the records have been resolved.

AIPP has the right to perform finance monitoring with the partner. The finance monitoring will be performed during the period of the project to perform spot checks, check on financial documentation and confirmation of project expenses.

The partner as agreed in the TOR or MoU agrees that it shall carry out either an organisational or a programmes annual audit of the funds provided under this sub-grant and or the financial statements of the organisation. AIPP may select or approve the use of an independent auditor based on the experience and level of expertise of the auditor. The audit shall be a financial audit performed in accordance with the International Standards on Auditing (ISA).

The audit report shall be submitted to the AIPP within 90 days after the completion of the audit, but the audit shall be completed, and the report submitted within 90 days following the sub-grant completion date. The AIPP shall ensure that appropriate corrective actions are taken on the recommendations contained in the partner’s audit report; consider whether the partner’s audit necessitates adjustment of its own records and require the partner to permit independent auditors to have access to records and financial statements as necessary.

REFUND

The partner will be required to submit to AIPP all unused funds for forwarding to the “funding agency” within thirty (15) days of the final financial report submission.

TERMINATION AND SUSPENSION

The sub-grant may be terminated at any time due to breach of contract. In the event of termination and/or suspension of the sub-grant, the partner will be notified in writing by AIPP.
Upon notification, the partner shall take immediate action to minimise all expenditures against the sub-grant.

No expenses can be charged against the grant after the effective date of termination. The partner will be required to submit a final accounting report and to refund all unspent funds provided under the sub-grant to AIPP within thirty (30) days of termination.

The partner will be required to refund all amounts that have been disbursed for purposes which are not in accordance with the terms of the sub-grant. In addition, in the event of termination for cause, the partner may be subject to other legal or administrative remedies as appropriate.

During the suspension period, the partner will return, on demand, to AIPP any remaining cash balance. The partner is required to submit a Financial Report as of the date of suspension. The partner cannot use the available funds to incur project expenses.

**DISPUTES**

The AIPP Programme Coordinator, in consultation with the AIPP Secretary General, shall decide any dispute under this sub-grant. The partner has the right to appeal and shall be given opportunity to be heard and to offer evidence in support of its appeal. Any appeal made under this provision shall be made in writing and addressed to the relevant Programme Coordinator, AIPP.

**NON-LIABILITY**

Neither the AIPP nor “funding agency” assume liability for any third-party claims for damages arising out of this sub-grant.

**LIMITATION**

It is expressly understood that neither AIPP nor the “funding agency” by making the sub-grant have any obligation to provide other additional support to the partner for the purposes of this programme or any other purposes.

**AMENDMENT**

The sub-grant may be amended, in writing, and by formal modifications to the basic sub-grant document.
ANNEX 24 Financial Reporting Template & Partner Documentation

Financial Reporting Template

**FINANCIAL REPORT**

Name of Organisation:
Project/Activity Title:
Project/Activity Start Date:
Project/Activity Finish Date:
Report /Activity Duration:
Funder:
Currency:
Exchange Rate and Date:

<table>
<thead>
<tr>
<th>No.</th>
<th>Budget Items (according to the approved budget)</th>
<th>Budget approved</th>
<th>Actual Expenditure</th>
<th>Budget balance (USD) (1)-(2)= (3)</th>
<th>Variance % (3)*100/(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>USD (1)</td>
<td>Local Currency</td>
<td>USD (2)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Air fare</td>
<td>14,850</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Local transport</td>
<td>600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Etc..</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Summary**

(please mention your currency here)

<table>
<thead>
<tr>
<th>Local Currency</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Fund Received from AIPP:</td>
<td>XX</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>XX</td>
</tr>
<tr>
<td>Fund Balance (deficit)</td>
<td>XX</td>
</tr>
</tbody>
</table>

Prepared By:  
Name:  
Position:  
Date:  

Checked By:  
Name:  
Position:  
Date:  

Approved By:  
Name:  
Position:  
Date:  

---

**Notes to the Financial Reporting template:**

Please make sure the financial report is fully signed by the concerned person before you post/handover it to AIPP.  
Any variance beyond 10% requires a written approval from AIPP.

**For exchange rate usage in the report:**

If partner only received fund from AIPP in a single installment, partner shall use “the exchange rate according to the fund received date”.

If partner received fund from AIPP in a multiple installment, partner shall use the “average exchange rate”. The calculation of the average exchange rate is detailed below.

<table>
<thead>
<tr>
<th></th>
<th>USD</th>
<th>Local Currency</th>
<th>Exchange Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st received</td>
<td>1500</td>
<td>90,750</td>
<td>60.50</td>
</tr>
<tr>
<td>2nd received</td>
<td>500</td>
<td>30,375</td>
<td>60.75</td>
</tr>
<tr>
<td>Date</td>
<td>Payment Details</td>
<td>Amount</td>
<td>Ref. No. (do not use ref. no. in the receipt but rewrite the ref. no. in the receipt as 1,2,3…)</td>
</tr>
<tr>
<td>------------</td>
<td>----------------------------------</td>
<td>--------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>21/11/16</td>
<td>Pickup Mr. A from airport</td>
<td>$7</td>
<td>1</td>
</tr>
<tr>
<td>21/11/16</td>
<td>Pickup Ms. B, C and D from airport</td>
<td>$10</td>
<td>2</td>
</tr>
<tr>
<td>23/11/16</td>
<td>Bring participant to the city</td>
<td>$50</td>
<td>3</td>
</tr>
<tr>
<td>25/11/16</td>
<td>etc.</td>
<td>$100</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$167</td>
<td></td>
</tr>
</tbody>
</table>

** The 167$ then will be placed in the financial report under Local transportation.

### Documentation Guidelines

The partner will issue an official receipt for funds received by AIPP and if possible accompany this with the bank statement from the bank.

The receipt should state the following:
- Name, address, shop # (if bought in the market) of the vendor.
- Signature of the vendor
- Date of payment
- Clear description, quantity of items, type of services
- Thermal paper receipts should be photocopied, with both the original and photocopy retained together.

All supporting documents should be properly marked and stamped “PAID” to prevent duplicate payment.

If a mistake is made on the receipt, corrections must be signed by both the buyer and the seller. White-out paint is not permitted.

The payer may write notes or explanations in English on the receipt that will be helpful in understanding the transactions.

Written note/memo is not considered adequate as financial supporting documentation.

An Acknowledgement Form or Receipt Replacement Form shall be used for the documentation of expenses that have no receipts where it is not possible to obtain.

The following guidelines of documentation shall be observed for any Reimbursements, Direct Payments and Settlement of Cash Advances done for AIPP activities.

### Accommodation

The documentation of the accommodation claim should be the original receipt. However, if the accommodation was in the village or homestay it can be reimbursed by using the **Acknowledgement Form*** with the explanation of the valid reasons for staying in such places.
Airfare
In purchasing for airfare, the economy flight should be a preference. The airfare purchase via travel agent should obtain original receipts including those of the participants attending AIPP’s activity. However, if traveler has not made the payment to the travel agent, the travel agent can issue the Bill, Invoice, Statement of the cost instead of the Receipt. For air tickets purchased online all electronic receipts should be retained as proof. All these documents should be supported by the boarding pass of the traveler for any claims made.

Local Transportation
The local transportation expenses such as bus, train and taxi costs can be reimbursed upon presenting the original receipts. However, in the case where the original receipts could not be obtained, the Acknowledgement Form*** shall be used as the supporting document of such costs.

Food Allowance
The Food allowance Payment Form should be completed for food allowances expenses, OR in case of a meeting; the list of food allowance payment shall be prepared in one sheet with the signature of the Payee. The sheet should include the following information: “Prepared By” and “Approved By” and fully signed by the concerned person.

Food allowance only covers cost of food (Breakfast, Lunch and Dinner) and minor local transportation from hotel to meeting venue.

Food allowance rate shall apply to all AIPP funded travels including for EC, secretariat, members, and partners.

Additional costs such as local transport from hotel to meeting venue that is beyond the food allowance shall be reimbursed based on actual cost.

Partners can follow their organisation food allowance rate provided it doesn’t exceed AIPP’s rates.

Contribution
For any contribution such as contribution to the community (for field visit), the Acknowledgement Form*** shall be completed and kept as supporting documentation.

For any contribution to the host organisation such as contribution to Administrative and Coordination cost, the official receipt shall be provided by the host organisation.

Other costs
For other costs such as communication for work (Internet/phone charge), visa fee, airport taxes/re-entry permits, and official baggage charges, the original receipts of these costs should be obtained as supporting documents.

In case the participant’s accommodation/taxi/meal is needed for both ways (coming and going back) BUT they only have the receipt on the day they came, the costs of going back shall be filled in the Acknowledgement Form for reimbursement.

Direct expenses that are NOT reimbursable are as follows (the list is NOT exhaustive):
- Laundry
- Personal tips (exceptional cases where it is required)
- Personal baggage fee
- Personal telephone calls
- Leisure travel expenses
- Alcohol
ACKNOWLEDGEMENT FORM

Acknowledgement Form and Receipt Replacement Form are used to properly document expenses that have no receipts because they are not available or aren’t possible to obtain. These forms are used for the following purposes:

Payment for human resource/individual service providers such as translator, interpreter, editor costs, etc.

Payment of minor expenditures such as food, taxi that do not provide receipts.

The acknowledgement form is a preprinted form which contains the following information:

- The date of preparation.
- The name and address of the payee.
- The description, quantity, unit cost and amount of the item/service paid.
- Name and signature of the staff who is requesting the payment or reimbursement.
- Name and signature of the person who substantiated and approved the expenses.
- Name and signature of the person who received the payment.
ANNEX 25 Financial Reporting & Documentation Guidelines for Partners

Background
In November 2017, the Embassy of Sweden in Bangkok has appointed the consultant for the assessment of internal management and control of Asia Indigenous Peoples Pact (AIPP) and one of the key recommendations was to use a cost allocation system for share cost to distribute costs across donor budget lines. In responding to the recommendation, the guidelines were developed with the consultancy with the Finance Manager and Administrative Manager. The purpose of this cost allocation plan is to summarise, in writing, the methods and procedures that this organisation will use to allocate costs to various projects, grants, contracts and agreements.

General Approach
All allowable direct costs are charged directly to projects, grants, activity, etc. All other allowable overhead costs are allocated to projects, grants, etc. based on the ratio of each project’s expenses (direct costs other than salaries & benefits). However, in projects that the overhead cost is not allowed, the following cost allocation below should be applied.

Definition Overhead Costs
Overhead costs are costs that benefit all projects but cannot be clearly attributed to a specific project. It is a central administrative cost that the organisation has to pay to run the organisation and cost that is incurred for common or joint objectives, that cannot be readily identified with a particular final cost objective. The following activities constitute to the organisation’s overhead costs.

Administrative Cost
Administrative cost is the day-to-day operational cost such as office maintenance, office utilities, communication costs, office materials and equipment, and other related administrative cost such as auditing, bank fee and etc.

Staff, Volunteer, Social Events, and Contribution to Emergencies Needs.
Staff welfare and volunteer includes the cost for token and social interactions with the Thai Government agencies that link to the visa and work permit requirements. Staff birthday, staff development, retreat and emergency support are also categorised under this item.

Allocation of Costs

<table>
<thead>
<tr>
<th>No</th>
<th>Type of expenses</th>
<th>Cost Allocation Basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Salary and benefits.</td>
<td>Time spent on the project</td>
</tr>
<tr>
<td>2</td>
<td>Travel costs.</td>
<td>Staff Salaries</td>
</tr>
<tr>
<td>3</td>
<td>Professional Services Costs.</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>4</td>
<td>Office Expense and Supplies (including office supplies and postage).</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>5</td>
<td>Equipment.</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>6</td>
<td>Printing.</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>7</td>
<td>Insurance.</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>8</td>
<td>Communications.</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>9</td>
<td>Office Maintenance and Resource centre.</td>
<td>Expenses of project</td>
</tr>
<tr>
<td>10</td>
<td>Training/Conferences/Seminars (including staff development and team building).</td>
<td>Expenses of project</td>
</tr>
</tbody>
</table>

Salary and benefits - Documented with timesheets showing time distribution for all employees and allocated based on time spent on each project or grant. Salaries and benefits are charged directly to the project for which work has been done. Costs that benefit more than one project
will be allocated to those projects based on the ratio of each project’s salaries to the total of such salaries (see Example 1)

**Travel Costs:**
Allocated based on purpose of travel. All travel costs (local and international) are charged directly to the project for which the travel was incurred. Travel costs that benefit more than one project will be allocated to those projects based on the ratio of each project’s salaries to the total of such salaries (see Example 1).

**Professional Services Costs: (such as Consultancy and Auditing Services)**
Allocated to the project benefiting from the service. All professional service costs are charged directly to the project for which the service was incurred. Costs that benefit more than one project will be allocated to those projects based on the ratio of each project’s expenses to the total of such expenses (see Example 3). Costs that benefit all projects will be allocated based on the ratio of each project’s expenses to total expenses (see Example 4).

**Office Expenses and Supplies (including office supplies and postage):** Allocated based on usage. Expenses used for a specific project will be charged directly to that particular project. Costs that benefit more than one project will be allocated to those projects based on the ratio of each project’s expenses to the total of such expenses.

**Equipment:**
AIPP depreciates equipment that has a lifespan of one year and above. Items that have a life span below one year are reflected in the office supplies category and expensed in the current year.

Equipment used solely for one project are not depreciated and are charged directly to the project. If more than one project uses the equipment, then an allocation of the depreciation costs will be based on the ratio of each project’s expenses to the total of such expenses.

**Printing:** Expenses are charged directly to projects that benefit from the service. Expenses that benefit more than one project are allocated based the ratio of the costs to total expenses.

**Insurance** - Insurance needed for a project is charged directly to the project requiring the coverage. Other insurance coverage that benefits all projects are allocated based on the ratio of each project’s expenses to total expenses.

**Communications** - Long distance and local calls are charged to projects if readily identifiable. Other telephone or communications expenses that benefit more than one project will be allocated to those projects based on the ratio of each project’s expenses to the total of such expenses.

**Office Maintenance and Resource Centre** - Allocated based upon usable square footage. The ratio of total square footage used by all personnel to total square footage is calculated. Facilities costs related to general and administrative activities are allocated to project based on the ratio of project square footage to total square footage. (see example 3)

**Training/Conferences/Seminars (including staff development and team building)** –
Allocated to the project benefiting from the training, conferences, or seminars. Costs that benefit more than one project will be allocated to those projects based on the ratio of each project’s salaries to the total of such salaries.

**Example 1**
Expense Amount = $5,000
Costs that benefit two or more specific projects are allocated to those projects based on the ratio of each project’s personnel costs (salaries & applicable benefits) to the total of such personnel costs, as follows:

<table>
<thead>
<tr>
<th>Grant</th>
<th>Personnel Costs</th>
<th>%</th>
<th>Amount Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>$20,000</td>
<td>20%</td>
<td>$1,000</td>
</tr>
<tr>
<td>Project 2</td>
<td>$30,000</td>
<td>30%</td>
<td>$1,500</td>
</tr>
<tr>
<td>Project 3</td>
<td>$50,000</td>
<td>50%</td>
<td>$2,500</td>
</tr>
<tr>
<td>Total</td>
<td>$100,000</td>
<td>100%</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

**Example 2**

Expense Amount = $4,000

Costs that benefit two or more specific projects are allocated to those projects based on the ratio of each project’s expenses (direct costs other than salaries & benefits) to the total of such expenses, as follows:

<table>
<thead>
<tr>
<th>Grant</th>
<th>Project Expenses</th>
<th>%</th>
<th>Amount Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>$120,000</td>
<td>30%</td>
<td>$1,200</td>
</tr>
<tr>
<td>Project 2</td>
<td>$130,000</td>
<td>33%</td>
<td>$1,320</td>
</tr>
<tr>
<td>Project 3</td>
<td>$150,000</td>
<td>37%</td>
<td>$1,480</td>
</tr>
<tr>
<td>Total</td>
<td>$400,000</td>
<td>100%</td>
<td>$4,000</td>
</tr>
</tbody>
</table>

**Example 3**

Facilities Expense Amount = $10,000

Facilities costs are allocated based on square footage. Square footage for each project and management and administrative activity is considered in the analysis. General and administrative facilities costs are further allocated to each project based on the square footage of each grant projects to the total square footage of all grant projects. The calculation is as follows:

<table>
<thead>
<tr>
<th>Grant</th>
<th>Square Footage</th>
<th>%</th>
<th>Amount Allocated</th>
<th>Management &amp; Administrative</th>
<th>Total Amount Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>300</td>
<td>30%</td>
<td>$3,000</td>
<td>$2,000(^1)</td>
<td>$5,000</td>
</tr>
<tr>
<td>Project 2</td>
<td>100</td>
<td>10%</td>
<td>$1,000</td>
<td>$667</td>
<td>$1,667</td>
</tr>
<tr>
<td>Project 3</td>
<td>200</td>
<td>20%</td>
<td>$2,000</td>
<td>$1,333</td>
<td>$3,333</td>
</tr>
<tr>
<td>Management &amp; Administrative</td>
<td>400</td>
<td>40%</td>
<td>$4,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>1000</td>
<td>100%</td>
<td>$10,000</td>
<td>$4,000</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

\(^1\) 50*4000/100 (300*100/600=50%)