Going to School Financial Procedures Policy

Transparent. Accountable. Mission-Driven.

1. Introduction

This policy outlines the financial procedures followed at **Going to School (GTS)** to ensure that all financial resources are **used responsibly, efficiently, and in full alignment with donor agreements, legal regulations, and the organization's mission**. It sets forth a clear framework for budgeting, expenditure, accounting, reporting, and auditing.

2. Objectives

- Establish financial discipline and transparency

- Ensure all expenditures are **pre-approved, documented, and audit-ready**

- Enable efficient financial planning and **cash flow management**

- Comply with **Indian financial laws** (FCRA, Income Tax Act, Companies Act) and **donor requirements**

- Mitigate risks of **misuse, fraud, and financial irregularities**

3. Scope

This policy applies to:

- All GTS employees (full-time, part-time, consultants)

- All program teams and field offices

- Finance, procurement, admin, and donor management functions

- All GTS grant-funded and unrestricted projects

- All vendors and partners receiving funds or reimbursement from GTS

4. Budgeting Process

- Annual budgeting is initiated 3 months before the start of the financial year

- Program teams prepare activity-based budgets with support from Finance

- Budgets are reviewed by the **Senior Management Team (SMT)** and approved by the **Board of Trustees**

- Each donor/project has a **separate, detailed budget line** in the chart of accounts

- Budgets are uploaded to the **accounting system and expense tracker** for real-time monitoring

5. Expenditure Control & Authorization

Amount	Approval Authority
Up to ₹25,000	Program Lead / Department Manager
₹25,001 – ₹100,000	Program Lead + Finance Manager
₹100,001	Director / Board Member with documentation

- All expenditures must begin with a **Purchase Requisition Form (PRF)**

- PRFs must reference relevant **budget line items and donor codes**

- Finance team validates availability of budget before proceeding

6. Procurement & Payments

- GTS follows a **Procurement Policy** (refer to separate document)

- All vendors are pre-vetted and approved

- All invoices must include GST/Tax compliance and proof of delivery

- Payments are made by **bank transfer/NEFT**. No cash payments above ₹10,000

- Petty cash limits: ₹10,000 per office, reconciled every week

7. Reimbursements

- Employees may claim pre-approved work expenses

- Must submit original, GST-compliant bills with a Reimbursement Form

- Claims must be submitted within **15 days** of the expense

- Reimbursements processed within **7 working days** of complete submission

8. Accounting and Record-Keeping

- All transactions recorded in GTS's accounting system within **3 business days**

- Donor-wise and program-wise segregation maintained

- Every entry includes: invoice, donor/project code, payment mode, and approval trail

- Supporting documents are scanned and archived in both **digital and physical form**

- All entries comply with Indian Accounting Standards and NGO audit requirements

9. Bank and Cash Management

- GTS maintains **separate bank accounts** for FCRA and domestic funds

- Only authorized signatories (as per Board resolution) can operate accounts

- **Monthly bank reconciliations** are performed by Finance

- Cash withdrawals (if any) are documented with usage logs and receipts

10. Financial Reporting

- Monthly internal reports shared with SMT

- Quarterly reports submitted to donors, including:

  ○ Budget vs Actual expenditure

  ○ Variance explanations

  ○ Burn rate analysis

  ○ Cash flow forecasts

- Finance dashboards track fund utilization and disbursement timelines

11. Audit and Compliance

- **Internal audit** every quarter by a designated firm or Board sub-committee

- **External audit** annually, covering all legal and donor compliance

- GTS maintains:

  ○ Fixed Asset Register

- Ledger-wise expense history
- GST filings and TDS records
- Annual returns for Income Tax and FCRA

12. Retention and Archiving

- All financial records (vouchers, contracts, receipts, bank statements) are retained for **8 years**
- Digitized copies are stored on GTS's secure cloud system with restricted access
- Sensitive data is protected per GTS's **Data Protection Policy**

13. Roles and Responsibilities

Role	Responsibility
Finance Manager	Maintain books, ensure compliance, generate reports
Program Manager	Approve PRFs, monitor budgets, flag irregularities
Director/Trustees	Review budgets and financial health, ensure risk mitigation
Auditors	Provide assurance and review controls
Admin/Procurement	Process orders, verify delivery, track assets

14. Violations and Disciplinary Action

- Any financial mismanagement, fraud, or non-compliance will be investigated
- GTS will take disciplinary action including suspension, termination, or legal referral
- Whistleblower protections apply to anyone reporting financial concerns in good faith

15. Policy Review and Updates

- This policy is reviewed **annually** or when required by law/donor updates
- Reviewed by Finance Committee and approved by the Board
- Updates communicated to all staff and reflected in the Finance Handbook