



Going to School Grant Expenditure Policy

Standard Operating Procedure (SOP)

Purposeful | Compliant | Transparent | Impact-Driven

1. Introduction

This policy ensures that **all expenditures of grant funds at Going to School (GTS)** are made with **integrity, accuracy, documentation, and alignment with approved project budgets**. It enables financial accountability, donor confidence, and mission-focused spending while minimizing the risk of waste, fraud, or misallocation.

2. Purpose

- To ensure **responsible use** of funds allocated by donors
- To guide GTS teams on **expenditure approvals, documentation, and reporting**
- To comply with Indian financial and NGO laws including:
 - Income Tax Act, 1961
 - FCRA, 2010 (if applicable)
 - Accounting standards and donor agreements

3. Scope

This policy applies to:

- All expenditures using grant funds (restricted or project-specific)
- All GTS program and support teams, field offices, and implementing partners
- Vendors, consultants, and contractors paid through grants
- All grant sizes (national, international, institutional, CSR, government)



4. Key Principles

Principle	Meaning
Budget Alignment	All expenses must correspond to an approved budget line
Pre-Authorization	Expenditures must be approved before commitment
Documentation	All spending must be supported by invoices, receipts, and approvals
Donor Compliance	Grant terms, eligible costs, and ceilings must be respected
Transparency	No personal benefit or hidden payments permitted
Timeliness	Payments and reporting must follow project timelines

5. Eligible and Ineligible Expenditures

Eligible (if budgeted and approved)

- Salaries and benefits of project staff
- Travel and logistics for field activities
- Printing, content creation, and communication materials
- Program-specific technology and equipment
- Consultant or trainer fees
- Venue rentals, refreshments (for events)
- Monitoring, evaluation, and documentation costs

Ineligible (unless explicitly allowed)

- Personal expenses (even if related to project)
- Unapproved gifts, tips, or donations
- Alcohol, tobacco, entertainment
- Late penalty fees or fines
- Overhead beyond agreed indirect cost rate
- Expenditure made without supporting bills or documentation



6. Grant Expenditure SOP

Step 1: Budget Reference

- Refer to the **approved donor budget** and relevant budget line item
- Confirm expense is within the allowed amount, activity timeline, and scope

Step 2: Initiate Request

- Submit a **Purchase Requisition Form (PRF)** or expense request form
- Include:
 - Donor/project code
 - Purpose
 - Justification
 - Estimated amount

Step 3: Approvals

- Approved by:
 - Program Lead (technical)
 - Finance Officer (financial)
 - SMT or Director (if threshold crossed)

Step 4: Procurement or Disbursement

- Procurement follows GTS Procurement Policy
- Consultant/partner contracts must:
 - Cite the grant code
 - Be signed before work begins
 - Include agreed deliverables, timelines, and payment schedule



Step 5: Documentation

For every expense, the following documents are mandatory:

Expense Type	Required Documents
Goods/Services	Invoice, delivery note, PRF, comparative statement
Consultant Payment	Contract, invoice, timesheet, deliverable proof
Travel	Tickets, boarding pass, itinerary, travel approval form
Reimbursement	Bills, signed claim form, bank details

All documents must be:

- In original (scanned and filed digitally)
- GST compliant (if applicable)
- Dated within the project period

Step 6: Payment

- Processed via **bank transfer/NEFT** by Finance
- Cross-referenced with project code and budget line
- Payment vouchers entered into accounting software

7. Grant Financial Reporting

Internal:

- Monthly expense vs. budget review
- Shared with Program Manager and SMT

Donor:

- Quarterly/bi-annual reports as per donor template and timeline
- Include:
 - Budget vs actual
 - Variance explanation
 - Bank statements or utilization certificates



8. Grant Expense Monitoring

- M&E and Finance team may conduct:
 - Spot checks of field expenses
 - Desk reviews of documentation
 - Quarterly expense audits
- All expense reports are stored for **8 years** and audit-ready

9. Variance and Reallocation

- Any variation >10% from budget lines must be approved by:
 - GTS Director
 - Donor (if required by agreement)
- Internal reallocation between line items requires proper documentation

10. Closure and Final Reporting

- Final expenditure statements submitted within 30 days of project end
- Surplus or unspent funds handled per donor agreement
- Final financial report accompanied by:
 - Utilization Certificate
 - Signed audited statement (if required)
 - Expense summary by line item

11. Red Flags and Fraud Prevention

- The following are strictly prohibited:
 - Double billing
 - Fake or duplicate invoices
 - Unjustified cash withdrawals
 - Personal benefit from grant funds



Any suspected misuse is investigated under GTS's **Whistleblower and Anti-Fraud Policy**.

12. Policy Review

This policy is reviewed **every 2 years** or upon:

- Change in legal/donor requirements
- Grant audit findings
- Organizational restructure or financial system change