

## **FINANCIAL POLICY OF JANANEETHI**

1. Jananeethi is non profit making voluntary organization registered under Travancore Cochin Literary, Scientific and Charitable Societies Act XII of 1995.
2. By virtue of its Constitution, Jananeethi is authorized to raise funds and acquire properties by loan or grant from the public, governmental and non-governmental agencies, national and international charities, banks and other financiers to achieve its objectives.
3. Any income generated through consultation charges, licence fees, hire charges, bank interests, gifts or donations in cash or kind shall be solely applied to the attainment of the objectives of the Society. Payment of any profit or dividend among the members is prohibited.
4. The income of the society will include membership fees; donations or contributions or grants made by friends, benefactors and donor agencies; grants made by state-central governments; income from investments, income and receipts from other sources etc.
5. The bankers of the Society shall be decided by the Board of Directors. All funds shall be paid into the Society's account with the said bank(s) and shall not be withdrawn except by means of a cheque signed jointly by the Chairman and Executive Director.
6. The accounts of the Society shall be audited by a qualified auditor(s) appointed by the Board of Directors.
7. No alienation, lease, exchange or mortgage of the properties of value above Rs one lakh shall be effected without the previous written sanction of the Board of Directors and subsequent sanction of the general assembly.
8. The accounts of the Society shall be maintained by the accounts officer and it shall be checked and verified by the executive director. However, the Treasurer of the Society shall examine the income and expenditure entries periodically and will ensure that statutory requirements are complied with.
9. The accounts officer and executive director shall jointly be responsible for the updating and timely renewal of necessary certificates/sanctions by the income tax department (ex: Section 80G / 35 AC / FCRA), and more importantly filing of statutory reports/statements to respective departments/ministries of Central/State governments.
10. The Executive Committee of the Society will evaluate the utilization of financial resources with respect to the provisions given in each project. Every six months the Board will again discuss the modalities of funds utilization.
11. The accounts officer in consultation with the executive director and Treasurer of Society will submit the accounts for auditing before the end of May every year.

- The audited statement of income and expenditure and the financial report prepared by the auditor will be presented in the annual meeting of the Board by the Treasurer. The Board will approve the audit report and will give sanction to present it in the annual general assembly to be held before the end of July every year.
12. The audited statement of accounts and certified copy of the financial report of Jananeethi will be published along with the Annual Report of the organization. Further, the sources of funds, the salary scale of the staff and expenses of air travel, both domestic and international, if any will be published in the annual report.
  13. The budget preparation will start with planning of activities for the next year. Each department will prepare a list of programmes and will present in the staff meeting. The executive committee will finalize the draft of budget estimates and will be given to the executive director. The final draft of the budget shall be prepared jointly by the accounts officer, executive director and treasurer of the Society.
  14. Jananeethi accounts and financial reports are open and transparent. Any one who is a member of the organization can ask for the documents to examine and verify.
  15. In the case of project funds, the project coordinator and the accounts officer together checks the utilization of funds with the help of parameters given by the donor agencies. This will again be checked by the executive director who will report to the Board as mid term appraisal.
  16. The executive director shall see that the administrative costs in any project proposal do not exceed 20 per cent of the total cost estimates of the project. He/She shall see that proper acknowledgement of the funding partners is made as per agreement signed between the Society and concerned donor agency.
  17. In case of a dissolution of the Society, any property remain after satisfaction of its debts and liabilities shall not be paid to or distributed among the members of the Society of any of them but shall consistently with objectives of he Society be handed over to a Charitable society of every similar nature and objective or with the State Government.

*This was presented, discussed and was finally approved  
in the Board Meeting held on 20<sup>th</sup> June, 2009*

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