

AIESEC KOLKATA Financial Policy and Guidelines 2015-16

Powered By: **Inception** Executive
Board 2015-16

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1. General Policies

1.1 The Finance Task Force

1.1.1 The finance task force shall be the team overlooking the finances of the local committee.

1.1.2 The Finance Task Force should consist of three members from the Executive Board of the local committee.

1.1.3 The Local Committee President should be a part of the Finance Task Force.

1.1.4 The Finance Task Force shall be chaired by the Vice President Finance.

1.1.5 The job of the finance task force would be to plan, assess and authorize financial decisions of the LC.

1.1.6 Any changes in the Financial Policy should be first passed by the Finance Task Force before being implemented.

1.2 All cheques, drafts and bills etc. should be made in the name of “AIESEC Kolkata”.

1.3 All invoices of the Local Committee shall be payable within a duration of 15 days of the date of submission of Invoice.

1.4 The PAN

1.4.1 The PAN No. for AIESEC India is **AABTA3359F**.

1.4.2 For all tax related purposes AIESEC Kolkata shall use the PAN of AIESEC India as a whole.

1.4.3 The PAN No. AABTA3359F has been updated into the Local Committee's bank account (HDFC). This can only be changed after written authorization has been received from the Member Committee.

1.4.4 In all cases where **TDS** is applied (Tax Deducted at Source) the **16A forms** must be duly collected from the respective organizations in a timely manner.

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1.5 Assets of the LC

1.5.1 No member of AIESEC Kolkata shall be personally liable for any undertakings in the Local Committee.

1.5.2 A member will be directly and individually responsible for any cash, cheque or infrastructure with him/her. Any loss would be borne by him/her irrespective of any circumstances

1.5.3 However in case loss is caused due to unavoidable or reasonable reasons, the cause will be given in writing to the FTF and will be considered by the EB. The member will be exempted from the liability if the EB considers the reasons valid enough after reviewing his/ her case. The reason should be strong enough and once passed by EB, it should be displayed to the GB.

1.5.4 No loan shall be given to any member regardless of the post under any circumstances.

1.5.5 The Local Committee shall at no time provide funds for on behalf of a member without having first received the complete sum from the member.

1.5.6 The Local Committee's assets should be utilized in a manner so as to enable maximum benefit to all its members at the same time ensuring the goals of the Local Committee are being met with.

1.5.7 The Local Committee property and equipment will not be used for personal usage or for personal benefit by any member.

1.5.8 Members resigning from the Local Committee without clearing their dues shall not be granted alumni status and his/her status will be critically analysed.

1.5.9 Any asset of the LC damaged by any member, will be solely borne by the respective member(s).

1.5.10 Any Misuse of the AIESEC Kolkata office will be dealt strictly, the member(s) can lose their membership in the organisation.

1.6 The Vice President Finance (Finance Controller) is responsible for the finances within the Local Committee; though shall be aided by the Finance Task Force.

1.7 Transactions up to 30000/- over and above which the executive body takes a call up to the slab of 50000/-, above which the MC needs to 'consulted'.

1.8 Cash Transactions are to be avoided as far as possible.

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2. Budgeting Policies

- 2.1 The budget for the coming year should be prepared by the incoming Vice President Finance and be presented for ratification at the Annual General Meeting.
- 2.2 The Outgoing Vice President Finance should provide the Incoming Vice President Finance with all the financial documents, (For example, the previous year's budgets and policies, the internal audit file, tally report etc, contracts, templates, document formats etc.) to enable the making of the new budget by the Annual General Meeting.
- 2.3 Any changes to the budget must be first passed by the Finance Task Force and then presented to the Executive body and then the General Body.
- 2.4 An actuals vs. budgeted report of the budget must be passed around to the General Body at the Annual General Meeting.
- 2.5 The LC reserve and long term investments must be kept in mind while making the budget.
- 2.6 The Finance Task force must review the budget at the end of every month.
- 2.7 The budget and other financial documents are open to all the full members of the Local Committee.
- 2.8 The Budget shall be the guidelines to track performance of each portfolio and the Vice-Presidents shall be answerable to the shortcomings.

3. Audit Policies

- 3.1 The accounts of the Local Committee will be maintained in "Tally 9.ERP".
- 3.2 The accounts will be maintained according to the Standard Charter of Accounts (SCoA) as prescribed by the Member Committee.
- 3.3 The accounts of each month shall be reviewed at the start of the next month by the FTF.
- 3.4 There shall be an **internal audit** conducted every quarter by an Internal Audit team of the Local Committee along with the VP-F.
- 3.6 AIESEC Kolkata shall present receipts and invoices for all incomes received as well as maintain vouchers for all expenses incurred.
- 3.7 The audit fees will be fixed by VP F and LCP in consultation with the audit firm.
- 3.8 The tally report for the preceding month has to be sent to the Member Committee (Vice President Finance) by the 7th of every month.

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4. Banking Policies

4.1 The Local Committee shall operate out of HDFC Bank only.

4.2 Cheques/DD received should be in the name of **“AIESEC Kolkata
“only.**

4.3 The VP-F and FTF is the final decision making body on all financial transactions & Financial Policies of the Local Committee.

4.4 The Executive Board will play a consultant role in Financial Policy Making and Management.

4.5 The official signatories of the HDFC Bank Account No.:
01051000088568 are:-

Pratik Mavadia- Local Committee President (2015-16)

Sushil Kumar Jaiswal - Vice President Finance (2015-16)

Cheyush Singhania - Vice President GCDP ICX (2015-16)

4.6 All cheques/cash must be deposited within 7 days of their receipt. A full track must be kept of cheque number, amount, and source and this must be presented to the VP F on depositing the cheque.

4.7 All cash/cheques shall be issued only on WEDNESDAYS and FRIDAYS provided that prior intimation at least five days in advance has been given to the VPF via the ‘Cash Withdrawal Request.’

4.8 Only EB members can issue ‘Cash Withdrawal Requests.’

4.9 All operations of the Local Committee shall be valid only post their reflection in the accounts.

4.10 Outstation charges on Cheques/ DD’s shall be borne by the issuer. Any tax on the same shall also be borne by the issuer.

4.11 In case of Cheque bouncing, an extra charge of Rs.250 shall be paid by the issuer in addition to the amount due. All services being provided to the issuer shall be withheld till a new Cheque along with the extra charge is credited into the bank account.

4.12 All the cheques should be given to the VP F or the F-team within 5 days of its receipt. Failing which 1% p.a. of the amount of cheque will be levied on the VPs of the respective department. (Also refer Compendium)

5. Exchange policies

5.1 The administration fees for the different exchange programs are as follows;

Programme Raise MC Realization MC Recon Total Recon

Incoming Exchange GIP ICX

6 weeks to 3 months 10000 NIL NIL
3 months to 6 months 15000 NIL NIL
6months to a year 20000 NIL NIL
1 year to 18 months 25000 NIL NIL

GCDP ICX – Client

Rs. 2,000.00

GCDP ICX – Projects

Depends

Outgoing Exchange GCDP OGX

6,000 at SignUP
9,000 at Match

GIP OGX

Duration	3 month	6 months	1 year	<1 year
IT/BA/Mkt [Ap+Ma]	8,000+4000	8,000+10,000	8,000+12,000	8,000+14,000
ET	6,000+6,000	6,000+9,000		

- 5.2 No form shall be put on available status until the administrative fees have been duly paid by the organization or student nominee.
- 5.3 The raises/ realizations are not valid until the respective amount for the same comes in.
- 5.4 All raise fees must be received within 7 days of signing the contract.
- 5.5 All raise fees of the organizations is liable to be returned **only if** AIESEC Kolkata cannot meet with the requirements which was asked for while signing the Traineeship contract. Refund Policy is as mentioned in the Contract.
- 5.7 The VPF can put any form on hold with the consent of the LCP if the dues of the same have not been cleared.
- 5.8 Reminders are to be sent to external organizations who are debtors of the Local Committee as put down in the Contracts. Account managers and their team leaders are responsible for this. A matched EP must pay his realization amount within 10 days of sending in the AN for the internship.
- 5.9 The EP must bear a surcharge of 2% per week for late payment. AIESEC Kolkata shall not take responsibility for an intern who has not paid within 14 days of being realized.
- 5.10 The Exchange Vice Presidents shall be responsible to clear all the dues timely. Penalties in monetary terms will be imposed on continuous lapse. (Also refer compendium)
- 5.11 A portion of the admin fees can be collected at match depending on the Local Reality and the company with prior information to the VP F and LCP.
- 5.12 No intern can be realized until the full payment has been made. In extreme circumstances LCP may allow the same for the benefit of the LC.
- 5.13 All match and prospective date of realization should be duly informed to the VP F as and when it happens failing which penalties will be imposed on the respective Vice-Presidents. (Refer Compendium)

6. Project Policies

- 6.1 All projects and events must have a financier responsible.
 - 6.1.1 The budget for any project must be made by the Project responsible and the Vice President Finance of the Local Committee.
- 6.2 The budgets of any project must be presented before the Finance Task Force prior to ratification of the project team.
- 6.3 All project teams must be ratified within 15 days of being announced.
- 6.4 All project/event organizing committees must entail a dedicated position for handling and tracking the Finances.
 - 6.4.1 The OCVF Finance will report to the VP F and the LCP of the Local Committee.
- 6.5 Expenses of no project shall be undertaken until the budget for it is made and is passed by the Finance Task Force.
- 6.6 The Project finance responsible shall be responsible for finance related issues during the project.
- 6.7 The finance responsible shall present a weekly record of expenses and incomes to the VPF and LCP.
- 6.8 No project shall be allowed to start unless the cost at least has been procured in physical form at least 7 days prior to the commencement of the project/ event.
- 6.9 Any project team discharge report must consist of a budgeted vs. actuals report with reasons stated for the variance (if any) with regards to the budget. This report shall be presented to the finance task force and later on be presented at the following GBM. This report must be prepared within 14 days of completion of project.
- 6.10 No project OC can go for discharge until the dues and accounts are cleared.
- 6.11 A project team will not be discharged unless the initial budget, actual

budget, project discharge report, company list, contact sheets, bills, remaining promotion material, memorabilia etc. are submitted to the FTF, which will be presented to the Executive Body

6.12 Any loss of funds due to theft or mismanagement shall be duly accounted for.

6.13 Any infrastructure taken for the project shall be returned in the same condition to the Local Committee after the completion of the project.

6.13.1 If any damage/loss shall be incurred, the provisions as per Section 1 Clause 5 shall be implemented and action taken accordingly.

7. Reimbursements Policies

7.1 All bills should be in the name of 'AIESEC Kolkata'.

7.2 All bills must be dated.

7.3 Re-imbursements are only made if the nature of the work is official. Reimbursements

are not made for personal payments made by any member while on official duty.

7.4 Reimbursements will be subjected to the financial health of the Local Committee.

7.5 Any budgeted expense above Rs. 500 will have to receive prior approval of the Vice President Finance, 3 days in advance.

7.6 Any unbudgeted expense requires the prior permission of the VPF.

7.7 All reimbursement bills should be attached to the 'Reimbursement Request' and the slip should be duly filled and attested by the concerned department VP/EBC. All reimbursement slips for a given month must be submitted to the VP F by the 1st of the next month.

7.8 In case of bill not being obtained, the member should produce a duly signed voucher for the same and the Vice President Finance must be intimated of the same prior to the expense.

7.9 All billed reimbursements for a given month shall be handed out in the second week of the next month.

7.10 All unbilled reimbursements shall be given only on discharge from the current leadership role.

7.11 No member shall be reimbursed after the member has resigned.

7.12 GB reimbursement will be given preference over EB reimbursements.

7.13 No reimbursement will be given for Local Travel until and unless there is a special scenario.

7.13.1 Special Scenario refers to any work specified to a member of the LC for the welfare, betterment, work, national goals, etc. as per the order, permission, direction and discretion of the LCP.

7.13.2 Only the LCP has the discretion, when it comes to Special Scenario.

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8. Member Investment Policy

8.1 No rewards or recognition shall be given to any member in cash at any point of time.

8.2 All rewards and recognitions will be given on the basis of trackers and as per the discretion of the Executive Body.

8.3 Rewards will solely be based on the points earned and recommendations of respective VPs and VP TM.

8.4 Rewards shall strive to be constructive and life enriching.

9. Trainee Policies

9.1 Accommodation to the trainees will be provided on first cum first serve basis.

9.2 The refundable deposit Rs. 1500/- will be collected from all trainees on their arrival and will be returned back to them at the time of their departure.

9.3 All trainees must pay rent for the full month if they stay in the trainee house for more than 15 days a month.

9.4 All initial payments must be paid by the trainee within 7 days of realization.

9.5 The trainees will be levied a surcharge of Rs200 per week for late payment.

9.6 AIESEC Kolkata shall not do any pay rolls, and the trainees must be paid directly by the company.

9.7 The trainees must pay for such amenities as electricity, gas, internet, maids, etc themselves.

9.8 In cases where accommodation is provided by AIESEC Kolkata – If the trainee doesn't like the accommodation, he/she will have to pay for another one themselves.

9.9 No advances will be given to the Trainees.

9.10 Trainees may if they so wish may convert their currency into INR via AIESEC Kolkata.

9.11 The rent should be paid by them within the 5th of the month.

10. Subsidy Policy

10.1 A subsidy is a reward for having worked/working for the Local committee and not an incentive to work.

10.2 All Subsidies shall be measured by the ROI value of the subsidy.

10.3 Only the Local Committee President is allowed to disperse subsidies to any member with regards to all member development opportunities.

10.4 Subsidies shall not exceed the budgeted amount.

10.5 Subsidies shall only be given if the financial standing of the Local Committee is healthy*.

10.5.1 Financially healthy* is defined when the CLEAR minimum bank balance is above 1, 50,000 INR.

10.6 Subsidies shall never include the damage/caution/safety deposit if just one individual is attending the conference.

10.7 Subsidy and Reward will not be differentiated if it falls under RnR campaign.

11. Expansion and Entity Policies

11.1 The expansions of AIESEC in Kolkata shall operate out of the account of AIESEC Kolkata

11.1.1 For the time being all the inflow and outflow has to be routed through AIESEC Kolkata account.

11.1.2 If the future Expansion Local Committee wishes to open their own Bank Account, The VP F of the parent LC – AIESEC Kolkata – shall be one of the signatories to the account.

11.2 In terms of expenditure, the VP F of the expansion LC shall send a proposed I/E sheet 2 days prior to the need.

11.2.1 I/E will be discussed with LCD along with the FTF.

11.3 AIESEC Kolkata shall hold Rs25000 reserve for such expansions and entities.

11.4 The expansions budgets will be integrated into the AIESEC Kolkata's budget

11.5 The expansions must present their income and expenses to the AIESEC Kolkata VPF every fortnight.

11.6 The expansion must consult AIESEC Kolkata for any expenditure they wish to do apart from basic operational expenses that should not exceed 1000.

11.7 Expansions projects shall follow the same procedure as the above.

11.8 Expansions shall follow the same banking and exchange policies as above.

11.9 All the RnR for entities will be designed and implemented by AIESEC Kolkata.

11.9.1 The RnR will be launched depending on the feasibility and the RoI expected.

11.9.2 LCD will be responsible for proper implementation and delivery of the campaign.

11.10 Entities are not allowed to open a bank account.

11.11 Any expenses if so wished to be incurred should be forwarded to the LCD who in turn ratifies which changes he want to make and forward it to the FTF.

12. Conference Policies

12.1 The total required sum including the fare to be paid at least one week in advance.

12.2 Any member who backs out needs to pay the cancellation charge.

12.3 LC has the right to restrict the entry of a ny delegate in the conference if his /her delegation fee is not paid in full.

**Thank You,
Sushil Kumar Jaiswal,
Vice-President Finance and Legal**