



# Finance Management and Administration Manual

Right to Life Human Rights Center



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# 1. Introduction

## 1.1 The Organisation

Right to Life was established as a non-governmental organization in 2002 even though it has been carrying out activities since the late eighties. Initial work of Right to Life was with the Free trade zone workers as the founders of Right to Life was “ Negombo Women’s Committee” which was an organization working on the rights of Free Trade Zone workers.

However since the abduction and murder of Free Trade Zone worker Ranjith and his legal representative Lionel in 1989, and since there were many disappearances and abductions during this time, the focus area of Right to Life shifted towards the Disappeared. From 1992 Right to Life organizes a commemoration event at the place where both Ranjith and Lionel were shot in remembrance of the disappeared and to support their families. This has been one of the main activities of Right to Life.

Until 2002 Right to Life then known as “Kalape Api” (We in the Zone) mainly focused only on labour issues related to the Free trade zone and was giving legal aid to the workers. However since 2002 when the Name was changed from “ Kalape Api” to “Right to Life”, work has expanded to other areas of Human Rights & Human Rights violations.

Right to Life strongly believes in freedom of speech, equal rights, good governance and transparency and advocates for legal reforms and policy changes. Right to Life is a strong activist organization that pressurizes government on these issues.

As an organization that advocates for these rights, Right to Life values this culture within the organisation as well.

Being a registered NGO and a not for profit organisation under the Companies Act, Right to Life adheres to the regulations and laws under the Companies Act and Non-governmental organisations in Sri Lanka.

## 1.2 Purpose of the Manual

This manual was developed to document the internal administrative and financial processors that govern the operations of Right to Life (R2L) . This would guide the employees of R2L and is developed to ensure that the procedures and controls followed are consistent and continuing.

While some procedures and controls are a must to ensure basic standards, some have been developed to meet the specific requirements of the organisation. This manual documents all such policies, procedures and controls to ensure that all staff and other related personnel adhere to these standards required by R2L.

Theses policies, procedures and controls apply to all staff members. Any deviation from the stated policies and procedures would require relevant approvals. Being an organisation that focuses on human rights, good governance and transparency, some of the values and the culture R2L wish to establish within the organisation are equal treatment to all staff members irrespective of religion, race, ethnicity, gender, designation or any other such criteria, good governance in the management of the organisation and staff and transparency in financial and non financial transactions. The manual will support the management of R2L to establish this culture within the organisation.

In an environment that is experiencing rapid change it will be necessary to modify and amend or add new procedures and controls to some sections of this manual to ensure that all policies, procedures and controls are current and relevant.

Staff of R2L is encouraged to give feedback, suggestions and recommendations on the policies and procedures. All such requests should be made on the change request form ([Annexure 1 – CRF/001](#)) and submitted to the Administrative Officer. The Admin officer will discuss this at the Management Committee meeting and put this forth for approval of the board.

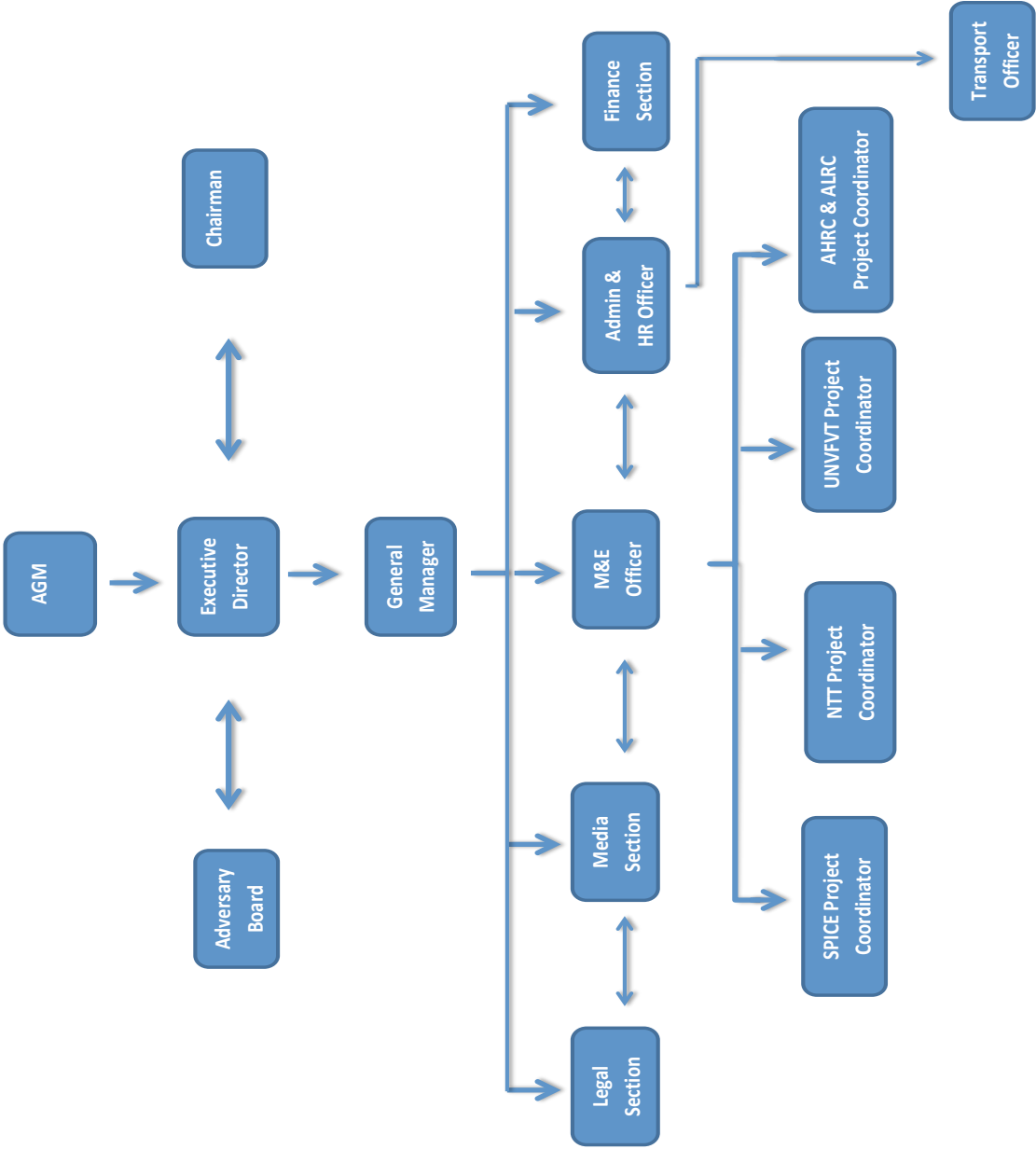
All board decision relating to policies and procedures should be updated in the manual and this will be the responsibility of the Admin Officer. All change requests and other changes should be incorporated into the manual within one month.

The Executive Director would be responsible to ensure that the Admin Officer updates the manual.

### Revision History

Revision no	Date of Release	Amended Sections

1.3 Organisational Structure



## 2. Administrative Policies and Procedures

### 2.1 Outline of the Section

This section outlines the policies and procedures that govern the administration of R2L. This includes areas such as working hours, leave, travel etc. This section does not cover project management and finance. Finance will be covered under the finance section.

Clearly delineated policies and procedures, as well as line of authority are essential for the efficient and effective operation of R2L. The policies and procedures adopted by R2L to administer the organization are covered under this section. This applies to all staff of R2L.

It is the responsibility of the Administration officer to ensure that all staff members without exception follow the policies and procedures. The administrative officer is responsible for the day-to-day operations that fall within the administrative scope of R2L.

### 2.2 Working Hours and Working Days

- Has a forty hour (40) working week from Monday to Friday
- General working hours are from 09:00 am to 05:00 pm
- However flexi times are allowed, but all staff members are required to put in 8 hours per working day.
- The latest time to report to work would be 10.30 and sign off accordingly.
- If you are opting for flexi hours this should be notified to the admin officer who will notify relevant authorities.
- Flexi hours form (*Annexure 2 – FHAF/002*) should be filled and prior approval obtained where possible.
- However if flexi hours are due to any unforeseen personal reason, once the staff member returns to office the form should be filled and signed.
- A maximum of 5 days per month can be taken as flexi hours.
- Exceptions to this would have to be referred to the Management Committee.
- Flexi hours will only be allowed if there are no prior work commitments on that day.
- Due to the versatile nature of the organization it would be necessary to work late in order to meet deadlines and to organize events etc.

- Working days do not include;
  - Sundays
  - Saturdays &
  - All statutory holidays declared by the GoSL.

Working hours and working days can be altered by the authority of the Executive Director.

- All staff should sign the attendance register indicating the time of reporting to work and clock off time.
- If a staff member fails to mark the register the admin officer would make a remark and this would be discussed at the staff meeting and remedial action taken accordingly.
- The attendance register would be reviewed daily by the Admin officer and monthly by the finance unit to compute no pay leave.
- When a member of staff is absent from office due to official work in the field this should be notified to the Admin officer.
- The Executive Director should be notified in advance.
- If an employee is to leave office early due to a personal matter a verbal request should be made to the Executive Director and the admin officer should be notified.

## 2.3 Working on Holidays






- ✚ Given the nature of R2L and it's activities it would be necessary to work on weekends and sometimes on statutory government holidays.
- ✚ The Executive Director should be notified in advance when a staff member is required to work on a holiday.
- ✚ Staff are eligible for lieu leave in respect of the work carried out during holidays, provided the reason is due to work load or last minute deadline and NOT a personal reason such as having to attend a personal matter during the week etc.
- ✚ Unutilized lieu leave cannot be cashed.
- ✚ Lieu leave can be taken either as half a day or full day depending on the number of hours worked during holidays.
- ✚ Lieu leave should be utilized within two months from the time the employee is entitled to such leave.

- ✚ Leave not utilised within two months will expire and will be cancelled.

## 2.4 Leave

- 🕒 R2L leave is governed by the shop and office act.
- 🕒 The leave entitlement is as follows;
  - ✓ Fourteen days annual leave. (14 days)
  - ✓ Seven days of Casual leave ( 07 days)
  - ✓ Poya holidays declared by the GoSL
  - ✓ Public holidays declared by the GoSL
  - ✓ Medical Leave – will have to be covered within the 7 casual leave days
  - ✓ Lieu Leave – [Refer section 2.3 Working on Holidays](#)
  - ✓ Shot Leave – 1 ½ hours and should be in office latest by 10.30 am and can only leave office earliest by 3.30 pm.
- 🕒 A maximum of two short leaves per month can be taken.
- 🕒 Short leave be only for one and a half hours per working day. This should be taken either in the morning or in the after noon. i.e. if short leave is taken in the morning, then should report to work by 10.30 am. If short leave is taken in the afternoon, it should be taken after 3.30 pm.
- 🕒 A half days leave would be where an employee takes four hours off a given working day.
- 🕒 If an employee is taking the morning off, then the employee should report to work by 1:00 pm.
- 🕒 If an employee is taking the afternoon off, then the employee can leave office only after 1:00 pm.
- 🕒 All forms of leave would be deducted from the annual entitlement of 21 days.
- 🕒 Leave not utilized cannot be carried forward to the next year or cashed.
- 🕒 During New Year and Christmas, management may decide to close office for a few days in addition to the declared holidays.
- 🕒 In respect of the first year of employment, the person shall be entitled to;

- a) Commencement of Employment on or after the 1<sup>st</sup> of Jan but before 1<sup>st</sup> of April – 14 days
- b) Commencement of Employment on or after the 1<sup>st</sup> of Apr but before 1<sup>st</sup> of July – 10 days
- c) Commencement of Employment on or after the 1<sup>st</sup> of July but before 1<sup>st</sup> of Oct – 7 days
- d) Commencement of Employment on or after the 1<sup>st</sup> of Oct – 4 Days

-  Leave requests ([Annexure 3 – LRF/003](#)) should be submitted to the Admin Officer who will fill in the official section of the leave request form and submit this to the General Manager to Certify.
-  Once the General Manager certifies this would be submitted to the Executive Director for approval.
-  Upon the approval of the Executive Director the form will be submitted to the Admin officer.
-  The Admin officer will update the necessary records.
-  The Admin officer will also notify the other staff members.

### ***Maternity Leave***





- In total 84 days of paid leave can be taken as maternity leave.
- Leave can be taken prior to the confinement but should be covered within the 84 days in total
- When calculating the 84 days, weekends and statutory holidays will not be included. It will be 84 working days.
- Feeding hour of one hour until the baby is six months, will also be an entitlement once the employee returns to work.
- The employee can come either one hour late to work or leave work one hour early, which will be the feeding hour.
- The preference should be notified to the Executive Director and the Admin officer.

### ***Paternity Leave***





- ❖ All Employees of R2L are entitled for Paternity leave.
- ❖ In total 5 working days can be taken as paternity leave.
- ❖ This is in addition to the Annual and casual leave.

- ❖ Advance notice should be given to the Executive Director and Admin officer if an employee wants to go on Paternity Leave.

### ***Medical and sick leave***

-  If an employee is absent from work for three consecutive days a medical certificate, certified by a registered medical practitioner should be presented.
-  Paid sick leave of a maximum of 7 days will be allowed subject to the medical certificate as mentioned above.
-  This would be within the 7 days of casual leave and will depend on the leave availability.
-  However if an employee of R2L is ill and requires medical attention or rest and is certified by a medical practitioner, then this would be considered as a special situation and the management will take a decision based on the situation at hand.

### ***Study leave***

-  If an employee of R2L is interested in studies that supports the job they perform at the organization, then the employee would be entitled for study leave.
-  This would be at the sole discretion of the management and would depend very much on the organizational priorities and needs.
-  Number of days that can be taken as study leave will depend on the course.
-  This would be at the discretion of the management and subject to board approval.

## **2.5 Recruitment**

- ☞ The Management Committee will discuss and approve the increment of staff.
- ☞ Vacant positions would be first notified to the existing staff and then open to external applicants.
- ☞ Due to the nature and sensitivity of the work carried out by the organization, applications would be called from known parties.
- ☞ The right candidate would be chosen through a process of interviews.
- ☞ The Management will decide the number of interviews to be carried out prior to selection.
- ☞ All R2L staff will be given a contract of employment with a Job description that defines his/her role.

- ☞ The contract of employment will also indicate the starting salary and benefits if any.
- ☞ All new recruits should be given an orientation to the origination and it's policies and procedures.
- ☞ This would be the responsibility of the Admin Officer and should be done with in two weeks of employment.
- ☞ All employees are subject to a probation period of three months.
- ☞ During these three months the employee should demonstrate his/her competence and suitability to the position.
- ☞ The management committee reserves the right to terminate the contract after the probation period if they are not satisfied with the level of capacity and competence of the new recruit.
- ☞ All R2L contracts are for a maximum period of one year (12 months) which will be subject to review depending on organizational needs and availability of projects.

## 2.6 Termination

- ✚ Either party may terminate the contract by giving the other party one-month notice in writing unless stated otherwise in the contract of employment.
- ✚ Any misconduct, negligence, abandonment of assignment, unsatisfactory performance and non-compliance with any of the terms and conditions of the contract by the employee shall constitute grounds for immediate termination or suspension of the contract.
- ✚ Termination will be subject to a disciplinary hearing, but suspension order can be issued pending the hearing.

## 2.7 Office Correspondents

- All incoming letters as well as outgoing letters should go through the admin officer.
- The admin officer will update the relevant records and take responsibility to dispatch the letters to the relevant person.

### 3. Finance Management Policies and Procedures

#### 3.1 Outline of the Section

This section of the manual covers the policies and procedures related to management of Finance. This provides a guideline for all staff of R2L regarding financial transactions and would support to ensure that policies and procedures are followed by all staff.

R2L being an organization that advocates good governance, transparency and accountability, is committed to ensure that these are reflected within the organization.

Clearly defined policies and procedures will ensure that all finance related transactions are transparent and ensure accountability.

#### 3.2 Finance Management Roles and Responsibilities

TASK	CERTIFY/INCHARGE	APPROVAL
<b>Receipts</b>		
Issuing of receipts for all cash and none cash inflows	Accounts Assistant	Accounts Officer
Banking all cash receipts	Accounts Assistant	Accounts Officer - ensures
<b>Payments</b>		
Preparation of Payment vouchers	Accounts Assistant	Accounts Officer
Authorisation of Payment Vouchers	Accounts Officer	Authorized signatories
Singing of cheques	-	Authorized signatories
Issuing of Cheques	Accounts Assistant	Accounts Officer
Checking bills – Programme related	Programme Officer	Accounts Officer
Checking bills – Admin Related	Finance Officer	Executive Director
Requesting for Quotations	General Manager	Management Committee
<b>Advances and Settlements</b>		
Preparation of Advance Request	Programme Officer	General Manager/Ex.Dir
Preparation of Advance Settlement	Person taking the Advance	General Manager/Ex.Dir
<b>Reporting</b>		

Monthly Reconciliation of Bank Statements	Accounts Officer	Ex.Dir/President
Preparation of monthly accounts for management committee	Accounts Officer	Ex.Dir
<b>Planning and Budgeting</b>		
Annual Organisational Budget	Accounts Officer	Management Committee/ Board
Programme Budgets	Programme Officer/Finance Officer	Board Management Committee/ Board

### 3.3 Receipts

- ✚ A receipt should be issued for all funds received whether foreign donations or Local funds or money returned from advance settlements. (*Refer Annexure 4 – RC/004*)
- ✚ Any cash received should be banked as soon as it is received or latest by the next working day.
- ✚ Cash receipts should not be used for any other purpose prior to being banked. i.e. should not be mixed with petty cash or cash in hand.
- ✚ For Foreign donations where there are specific formats and requirements, the relevant formats should be used and the donor notified of the receipt of funds.
- ✚ All receipts should be printed with a copy.
- ✚ One copy should be given to the donator and the other retained at office.
- ✚ The retaining copy should remain in the receipt book itself.
- ✚ Once funds are reflected in the bank statement these can be taken into accounts.

### 3.4 Payments

- ☞ All cash outflow whether from the bank or from cash in hand should be supported by a payment voucher. (*Refer Annexure 5 – PV/005*)
- ☞ The payment voucher should be supported by a valid bill or a written request.
- ☞ Valid bill is one which has the name and address of the vendor, date, description and value of items sold.
- ☞ If it is a hand written document this should also mention the NIC no or telephone no of the receiver.

- ☞ For payments to consultants a claim form (*Annexure 6 – CF/006*) should be submitted as a supporting document.
- ☞ All payments should be through cheques and cash payments should be minimized as much as possible.
- ☞ Where it is not possible to determine a particular payment, a cash advance can be requested.
- ☞ All programme and administration expenses should be within the budgeted figures.
- ☞ It is the responsibility of the finance staff to monitor programme related expenses and highlight any major variations.
- ☞ The Finance unit should take full responsibility for the administrative expenses.
- ☞ Once the vouchers are raised, a cheque is written for the value by the finance assistant which would be checked and verified by the finance officer.
- ☞ Once the finance officer checks and signs then it is submitted for approval of the Executive Director and authorized signatories.
- ☞ Programme related expenses are certified by the General Manager before this is submitted for approval.
- ☞ The voucher and the cheque will both be printed from the accounting software (QB)
- ☞ Voucher when certified and approved should not be removed from office.
- ☞ It is preferred to issue crossed cheques rather than cash cheques to outside service providers.
- ☞ Where a crossed cheque cannot be issued due a justifiable reason then the cheque should be issued in the name of the relevant payee and the signature of the payee obtained along with a copy of the cheque.
- ☞ Once cheques are raised this is recorded in a cheque register which is maintained by the finance assistant.
- ☞ When the payment is disbursed the recipient should sign the voucher.

### 3.5 Cash Advances








- 🏠 Cash programme advances will be required to meet some project related expenses.
- 🏠 A request should be made by the Programme Officer in an advance request form (*Annexure 7 – AR/007*)
- 🏠 The request form should be checked by the Line Manager and approved by the Executive Director.

- 🏺 The Line Manager checks to ensure that this is a required and legitimate expense and within the relevant budget. The Executive Director approves to ensure this is with in the overall objectives of the organization and to ensure checks and balances.
- 🏺 It is also the responsibility of the programme manager to monitor that the programme advance requests are within budget.
- 🏺 Advances thus taken should be settled within one week after the completion of the activity.
- 🏺 If the respective member of staff is not due to report to work in order for him/her to be able to settle the bills, then the advance should be settled within one week of returning to office.
- 🏺 An advance settlement form (*Annexure 8 – AS/008*) should be submitted along with the relevant bills.
- 🏺 The advance settlement should be supported by valid bills. These bills should be sorted by nature of the expenditure and date order. For carbonized bills photocopies must be attached and certified by the line manager.
- 🏺 Understanding the difficulty in obtaining a bill when activities are conducted in remote areas, a maximum of Rs.500 per settlement can be without bills.
- 🏺 However the reason for the lack of a supporting bill should be explained in the settlement and a note should be included.
- 🏺 The settlement should be certified by the General Manager and checked by the finance officer.
- 🏺 Any balance remaining from the advance taken should be submitted to finance along with the settlement.
- 🏺 A receipt should be obtained for the money returned.
- 🏺 If the expenses are more than the advance taken, this would be settled by finance unit through a cheque or petty cash depending on the value.
- 🏺 Balances from one advance should NOT be used for another programme.
- 🏺 It is the responsibility of the person who requests the advance to ensure that;
  - Money has been spent exclusively for the approved task.
  - Sufficient supporting documentation is obtained and the timely settlement of the advance.
- 🏺 If there is sufficient proof that mismanagement of cash has occurred, the management and board will take disciplinary action.











- 🔒 Unless previous advances are settled another advance cannot be obtained. If for any unavoidable reason this is required, it should be authorized by the Executive Director and treasurer.

### 3.6 Petty Cash Management

- 🔒 R2L maintains a petty cash imprest of Rs. 25,000 for daily expenses of the office.
- 🔒 This should be kept in a safe box under lock and key.
- 🔒 There should only be one key in use for the safe and this should at all times be with the person handling petty cash.
- 🔒 An extra key for the box should be sealed and kept with the Executive Director for emergency use.
- 🔒 The Executive Director will be responsible for petty cash in the absence of the staff member who is officially given the responsibility of handling petty cash.
- 🔒 If the person is going on approved leave the petty cash box should be handed over to the temporary person assigned by the management committee.
- 🔒 When handing over the box, the balance should be clearly noted and signed by both the person handing over and the person receiving.
- 🔒 A petty cash transaction should not exceed Rs.5,000. One transaction should be within this value and if it is higher a cheque should be issued.
- 🔒 If a small amount of cash is required in advance as bills cannot be submitted since the purchase is yet to take place, a maximum cash advance of Rs.5,000 can be given.
- 🔒 For these cash advances an IOU ([Annexure 9 – IOU/009](#)) should be raised.
- 🔒 This IOU would be signed by the person who is taking the money.
- 🔒 The IOU should be approved either by the General Manager or the Executive Director.
- 🔒 IOU thus taken should be settled at the earliest possible and MUST be settled within two working days.
- 🔒 All petty cash expenses should be supported by a petty cash voucher ([Annexure 10 – PC/010](#)).
- 🔒 The petty cash voucher should be supported by valid bills.
- 🔒 When an IOU is raised it is not required to raise a petty cash voucher until it is settled.
- 🔒 Once the IOU is settled a petty cash voucher should be raised for the actual value with all the relevant details.
- 🔒 The IOU would then be cancelled and this should be attached to the petty cash voucher.

-  In the Petty cash book IOU's would be recorded in a separate column and once settled this would be cancelled and the actual expenses would be entered.
-  The person handling petty cash should raise the petty cash voucher and this should be authorized by the Executive Director.
-  Once the voucher is approved, the person receiving cash should sign the petty cash voucher.
-  Once the petty cash float reduces to about Rs.10,000 a reimbursement should be requested.
-  The reimbursement request should be supported by a summary of analyzed expenses and balance reconciliation. ([Annexure 11 – PCA/011](#))
-  Prior to reimbursement this should be checked by the Finance Officer.
-  At the end of each month a cash count should be taken and this should be certified by the Treasurer.

### 3.7 Salaries and Other Benefits

-  All salaries due will be paid by the 26<sup>th</sup> of each month.
-  If the 26<sup>th</sup> falls on a weekend or holiday, salaries would be settled on the Friday or working day prior to that.
-  Salaries would be based on the contract of employment or any subsequent increments, which should be notified to Finance in writing.
-  Based on this information finance will process the payroll and this would be approved both by the Executive Director and the President.
-  Once the payroll is approved cheques would be issued or direct bank transfers would be initiated.
-  A pay slip ([Annexure 12 – PS/012](#)) will be given for each month for each respective staff member.
-  The attendance register will be reviewed when calculating the monthly salaries.
-  No pay leave if any will be deducted accordingly.
-  Any staff loans or advances taken would also be adjusted in the payroll.
-  Salary advances can be requested after one week of last salary date. A request form ([Annexure 13 – SAR/013](#)) should be submitted and certified by the General Manager and approved by the Executive Director.



When a salary advance is given the following should be noted;

- It should be ensured that the total deductions per month do not exceed 60% of the salary according to the shop and office act of Sri Lanka. Deductions mean all deductions such as statutory, Loan, salary advances etc.

### ***EPF AND ETF CONTRIBUTIONS AND OTHER STATUTORY PAYMENTS***

- R2L will contribute 12% of the staff salary as EPF and 3% as ETF.
- The employee is required to contribute 8% of her or his salary. This is a regulatory requirement and is not an option available.
- The 8% contribution will be deducted from the monthly salary and this would be paid to the department of employees provident fund on behalf of the employee along with the organizational contribution of 12% before the 30<sup>th</sup> of the following month.
- Where applicable R2L will deduct PAYE tax payable by the employee prior to making the monthly salaries.
- PAYE tax thus deducted shall be paid to the commissioner of inland revenue on behalf of the employee, before the 15<sup>th</sup> of the following month.
- Stamp duty will also be deducted according to the act and and paid to inland revenue every quarter on or before the due date.
- All these statutory provisions should be included under personnel costs when preparing budgets.

### ***Staff Welfare Society***

- ☞ A sum of Rs. 300 will be deducted from the monthly salary and contributed towards staff welfare each month.
- ☞ All R2L employees should join this scheme and contribute monthly.
- ☞ While it is compulsory to join the staff welfare, a newly recruit would be eligible to join after three months.
- ☞ Welfare scheme has benefits such as Loan, Funeral expenses etc.

### ***Thirteenth Month salary***

- 💰 All R2L staff are entitled for a 13<sup>th</sup> month salary subject to availability of funds.
- 💰 This can be requested during a festive season.
- 💰 Therefore when calculating wages for R2L staff and in preparation of budgets this should be included.

- 👛 However if in a given year R2L faces funding difficulty the board reserves the right to decide on the thirteenth month salary with the recommendations of the management committee.
- 👛 If a thirteenth month salary or a part of it is reflected in a project budget and the money recovered from the project, this then would be paid to the person concerned and would not be used to build up organizational reserves.

### ***Gratuity***

- 👛 All employees are eligible for gratuity, if they have been in continuous employment for over a period of 5 years.
- 👛 A half a month salary for each year of employment would be set aside as gratuity.
- 👛 This would be kept in a separate savings account apart from all the other accounts. The gratuity fund should not be used for any other purposes.
- 👛 R2L will start making provisions from the first year onwards.
- 👛 If in the last year of employment exceeds six months then a full years allocation is calculated.
- 👛 If it is less than six months then the gratuity would not be paid.
- 👛 When preparing budgets this should also be shown separately under personnel costs.

### **3.8 Staff Loans**

- 👛 All staff of R2L are entitled for a staff loan.
- 👛 The staff loan should be requested in writing.
- 👛 The request should be addressed to the executive secretary.
- 👛 The request would then be approved by the Executive Director and President.
- 👛 All staff loan requests would be checked by the Finance Officer and availability of funds noted.
- 👛 When signing for approval the fund balance and the liquidity situation of R2L should be kept in mind.
- 👛 In the event where funds are short a loan request can be declined.
- 👛 All employees are eligible for a loan of up to a maximum of three times the monthly salary. This would be subjected to the remaining contract period.
- 👛 The maximum loan recovery period would be twelve months or the balance contract period.
- 👛 When approving loans the contract period should also be kept in mind.

- 👤 Any thing beyond this requires the approval of the management committee and President.
- 👤 All existing loans should be settled prior to obtaining another loan.

### 3.9 Festival Advance

- 👤 All staff of R2L are eligible for a festival advance.
- 👤 The festival advance is equal to one month of his/her salary, and the employee can decide when to obtain the advance.
- 👤 Prior notice should be given to finance and this would be processed along with the payroll.
- 👤 This would be deducted within four months.
- 👤 Festival advance can be obtained irrespective whether there is an existing loan or not, but would be subjected to the maximum deduction limit of 60%.

### 3.10 Vehicle Running Chart and Distribution of Costs

- R2L vehicle will be used for both programme and administrative tasks.
- All requests for vehicle usage should be notified to the Administrative Officer.
- If for any reason the admin officer is unable to take a decision and allocate the vehicle accordingly, then this should be put forth to the Executive Director.
- It is the responsibility of the Admin Officer to manage the transport requests.
- A vehicle running chart ([Annexure 14 – VRC/014](#)) should be completed and should be updated as and when the vehicle is used.
- It is the responsibility of the driver to complete the vehicle running chart.
- The running chart should be checked and signed by the Admin Officer and submitted to Finance, every two weeks.
- Finance will study the running chart and allocate transport costs between individual projects and admin costs.
- When calculating the transport cost, the cost per KM is established.
- Cost per KM is established by averaging the total cost of fuel, maintenance, drivers wages over a period of six months and dividing this by the total mileage.

- If driver's salary and maintenance can be separately recovered from a project then these should be excluded from the calculation.
- The KM rate thus established can be fixed until the variables change. If and when a variable changes the cost per KM would have to be established again.
- A fuel advance of Rs.10,000 for two weeks will be issued.
- The request should be made in the advance request form (*Annexure 7 – AR/007*) and settled in the same manner (*Annexure 8 – AS/008*).
- However if a long distance trip is planned an additional request could be made.
- This should be approved by the General Manager and the Executive Director.




### 3.11 Purchase and Maintenance of Fixed Assets

- Purchase of all fixed assets should be approved by the President and the Executive Director.
- Only assets above the value of Rs.5,000 will be capitalized. If there are any specific donor requirements which requires capitalization at a lesser value then this should be adopted in order to meet donor requirements.
- However policies thus adopted due to donor requirements would end with the ending of the project.
- For purchase of assets over Rs.15,000 three quotations should be obtained (*Annexure 15 – RfQ/015*).
- Quotation would be called by the Admin Officer using the request for Quotation format (*Annexure 15 – RfQ/015*).
- An Evaluation matrix (*Annexure 16 – EM/016*) would be prepared by the Admin officer in consultation with the General Manager.
- The quotations should be evaluated by the management committee and the most suitable quotation accepted.
- When choosing a quotation reasons should be given to justify the decision taken.
- Once the quotation is chosen this should be approved by the Management Committee.
- A quotation would be valid for the period mentioned on the quotation. If a period is not mentioned then the validity period would be three months.
- This does not apply to electronic items and computers. Fresh quotations should be obtained as and when needed, since the prices of these items are subject to continuous change.
- Once approved this should be submitted to Finance.





- A fixed asset register is maintained and this would be updated with all new purchases.
- All fixed assets would be classified under;
  - Furniture and Fittings
  - Computer
  - Office Equipment
  - Vehicle
  - Computer accessories
- All fixed assets would be coded accordingly and the code will be mark on the fixed asset as well.
- Fixed assets will be recognized at historic cost and depreciated over it's useful economic life.
- The Management may from time to time decide to revalue the assets in line with the Sri Lanka Accounting Standards.
- This would be approved by the President and the Executive Director.

### 3.12 Annual Budgets

- 🍷 An annual institutional budget should be prepared.
- 🍷 The budget should clearly identify the running costs of the organization and the programme costs.
- 🍷 The annual budget should be prepared at least one month prior to the commencement of the new budget year.
- 🍷 It is the responsibility of the Finance unit to prepare budget Vs Actuals for the current year and share the project related expenses with the programme staff.
- 🍷 This would be a basis for the preparation of the next year budget.
- 🍷 The programme staff would be responsible to assist finance staff in the preparation of the annual programme budget.
- 🍷 Once a draft budget is prepared this would be discussed at the management committee and finalized.
- 🍷 Board approval would be required once the budget is finalized by the Management committee.
- 🍷 Once the budget is finalized this can be used to identify the funding gaps.

-  It will be the responsibility of the programme staff to ensure that the programme expenses are within budget. Finance will monitor the actual costs against budget.
-  Project finance reports should be shared with the relevant project staff on a monthly basis and at the staff meetings.
-  A monthly finance report should be shared with the President, Executive Director and General Manager by the finance unit.

### 3.13 Cost Sharing

-  Common costs should be allocated to different projects as these costs are shared among projects.
-  It is the responsibility of the Finance unit to identify the common costs and to ensure that these are allocated to projects based on the volume of the projects.
-  Common costs should not be charged to projects based on the budget availability but should be charged according to actual cost and the proportion that can be charged to the project.
-  If a budget allocation is higher than the actual cost, only the actual cost should be charged to the project.

## ADMINISTRATIVE AND FINANCE MANUAL

# CHANGE REQUEST FORM



Date Submitted:

Policy or Procedure Title:

Name of Requestor and  
Department:

### COMPLETE A FORM FOR EACH TYPE OF REQUEST

Type of Request (*select all that apply*):☐ New policy/Procedure☐ Revision to existing policy/Procedure

Description of Change Request (*Sections I and II must be completed*): Section I: **Briefly Explain the Recommended Change:** (Identify sections and paragraphs if changing existing policy or procedure)

Section II: **Explain the reason for the suggested text**

**General Comments:** (*Optional*):

**Recommendation of the Management Committee:**

Signed on behalf of the Committee: ..... Name : .....

**Board Approval and Comments:**

**Chair persons signature:** .....

## Flexi Hours approval Form

--

--

2. Time expected to sign off: .....

To: \_\_\_\_\_

4. Reason for requesting flexi hours: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

6. If yes please explain: \_\_\_\_\_

Designation: \_\_\_\_\_

Name \_\_\_\_\_

Name

Signature

Signature

Date

Date

Name \_\_\_\_\_

Name

Signature

Signature

Date \_\_\_\_\_

Date

## Annexure 3 – LRF/003



**Right to Life Human Rights Center**  
No. 555, Colombo Road, Kurana - Katunayake

LEAVE APPLICATION FORM			
<b>Name of Employee</b>			
Leave applied for		Duration	Address while on Leave & Contact No, if any : (Optional)
From ( Start date of Leave)	To (End date of Leave)	(Working days only)	

☐ Annual Leave

☐ Short Leave

☐ Sick Leave

☐ Other Leave

Reason for Leave in circumstances of special leave:	Please Specify .....

Special Leave	
<b>Reason</b>	
<b>No of Days</b>	

<b>Applicants Signature:</b>		<b>Date:</b>	
------------------------------	--	--------------	--

### For Official Use Only

LEAVE INFORMATION	Annual	Short	Lieu
Leave Available			
Leave Requested			
Balance Leave			
Signature of Officer in charge			

Certified by		
Signature	Name	Date

Approved by:		
Signature	Name	Date

### Please Note

- 1 Please refer to Leave Policy for Leave details
- 2 All Information requested in this sheet need to be provided for leave to be approved
- 3 If the number of leave requested is greater than the number of leave accumulated - please fill the **SPECIAL LEAVE** Box mentioned above.

Annexure 4 – RC/004



Right to Life Human Rights Center  
No. 555, Colombo Road, Kurana - Katunayake

**Receipt**

Date: .....

No: **00001**

Received with thanks from: .....

Company name: .....

Service Provided: .....

Sum of Rupees: .....

By Cash/Cheque ( Chq No) ..... Bank .....

Settlement of .....

Rs: .....  
.....

For and on behalf of

Right to Life Human Rights Centre

## Annexure 5 – PV/005



**Right to Life Human Rights Center**

**No. 555, Colombo Road, Kurana - Katunayake**

## Payment Voucher

Payee : .....

**Date:** \_\_\_\_\_

**Amount in Words:** \_\_\_\_\_

**Voucher No:** PV/

**Project Name:** \_\_\_\_\_

Donor

Description	Budget line	Amount	Account Code
<b>Total</b>			

<b>Chq No:</b>		<b>Prepared by:</b>	
----------------	--	---------------------	--

<b>Authorised by</b>	<b>Checked by</b>

<b>Received the Sum of:</b> .....	
<b>Name:</b> .....	<b>Nic :</b> .....
<b>Signature:</b> .....	<b>Date :</b> .....

## Claim form for Consultancies

Resource person fees

Date	Ref/Case No	Description	Project/ Programme	Amount

Date .....

## Annexure 7 – AR/007



**Right to Life Human Rights Center**  
No. 555, Colombo Road, Kurana - Katunayake

### Advance Request Voucher

**Date :** .....

**No: AR/** .....

**Programme Name/Dates:** .....

**Donor** .....

#### Expected Expenditure

Budget line	Description	Amount	
		Rs	Cts
<b>TOTAL</b>			

**Requested By (Name & Signature):** .....

**PV No :** .....

**Authorised By (Name & Signature):** .....

**Date :** .....

**Checked By (Name and Signature):** .....

**Date :** .....

**No. 555, Colombo Road, Kurana - Katunayake**

Programme Name/Dates:

No : **AS/**

Adv Req No:

Date : \_\_\_\_\_

Vchr no/ Chq No:

[illegible]

Settled by :

Date :

**Amount :**

Checked \_\_\_\_\_

Date :

Receipt/PV no:

## Annexure 9 – IOU/009

<b>Right to Life - Human Rights Centre</b>	
IOU	
Date: .....	No: .....
Name: .....	
Reason: .....	
Amount: .....	Project: .....
Signature: .....	
Approved by: .....	
<i>Please note that IOU should be settled within 2 days</i>	

<b>Right to Life - Human Rights Centre</b>	
IOU	
Date: .....	No: .....
Name: .....	
Reason: .....	
Amount: .....	Project: .....
Signature: .....	
Approved by: .....	
<i>Please note that IOU should be settled within 2 days</i>	

<b>Right to Life - Human Rights Centre</b>	
IOU	
Date: .....	No: .....
Name: .....	
Reason: .....	
Amount: .....	Project: .....
Signature: .....	
Approved by: .....	
<i>Please note that IOU should be settled within 2 days</i>	

<b>Right to Life - Human Rights Centre</b>	
IOU	
Date: .....	No: .....
Name: .....	
Reason: .....	
Amount: .....	Project: .....
Signature: .....	
Approved by: .....	
<i>Please note that IOU should be settled within 2 days</i>	

## Annexure 10 – PC/010



### Right to Life Human Rights Centre

*No. 555, Colombo Road, Kurana - Katunayake*

### Cash Payment

**Payee :** .....

**Date:** .....

**Amount in Words:** .....

**Voucher No:** PC/ .....

Description	Budget Line	Amount	Account/ Ledger Code
<b>Total</b>			

Prepared by:	Checked by:	Approved by:	Recorded

**Received the Sum of:** .....

**Name:** ..... **Nic :** .....

**Signature:** ..... **Date :** .....

## Annexure 11 – PCA/011



**Right to Life Human Rights Centre**

### Petty Cash Analysis

[illegible]

## Annexure 12 – PS/012



## Right to Life Human Rights Center

# Pay Slip

## Month of January - 2016

Employee Name : K.J.B. Fernando

Employee No : 001

Description	Rs.	Rs.
Basic Salary		
<u>Additions</u>		
Allowance : Special		
: Mobile Bill		
: Travelling		
Increment		0.00
Gross Salary		0.00
<u>Deductions</u>		
Salary Advance		
EPF 8%		
Loan Premium		
Loan Interest		
Welfare Fee		
IOU		
Total Deductions		0.00
Net Salary		0.00
<u>Employer's contributions</u>		
EPF 12%	0.00	
ETF 3%	0.00	
Total	0.00	

.....  
Accounts Officer

.....  
Employees Signature

## Annexure 13 – SAR/013



**Right to Life Human Rights Centre**

*No. 555, Colombo Road, Kurana - Katunayake*

**Right to Life Human Resource Centre,**

No. 555, Kurana, Katunayake.

**Dear Sir/Madam,**

**Re: Request for Salary Advance**

Please be kind enough to pay me a salary advance of rupees .....

(Rs.....) from the salary for the month of .....

Thanking You!

Requested by : .....

Signature : ..... Date .....

Certified By		Date	
--------------	--	------	--

Authorised By		Date	
---------------	--	------	--

## Annexure 14 – VRC/014



**Right to Life Human Rights Centre**  
*No. 555, Colombo Road, Kurana - Katunayake*

Vehilcle No	
Month/ Year	

[illegible]

Driver's Signature

Date



## Right to Life Human Rights Center

No. 555, Colombo Road, Kurana - Katunayake

## REQUEST FOR QUOTATION

Tel: 011 741 4800

Fax: 0312221604

Web: www.right2lifelanka.org

*The following number must appear on all quotations and related correspondence.*

REQUEST FOR QUOTATION NO:

REQUEST DATE: .....

TO:

ADDRESS CORRESPONDENCE TO:

Name

PHONE

FAX #

e-mail

REQUIREMENTS:

ITEM	QTY	DESCRIPTION	PRICE	COMMENTS
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				

.....  
Signature

.....  
Date

## Annexure 16 – EM/016



### Right to Life Human Rights Centre

No. 555, Colombo Road, Kurana - Katunayake

Tel: 011 741 4800

Fax: 0312221604

Web: [www.right2lifelanka.org](http://www.right2lifelanka.org)

### Evaluation Matrix

Item	Qty	Description	Vendor 1		Vendor 2		Vendor 3		Comments
			Price	Score	Price	Score	Price	Score	

Recommended Vendor

Reasons

#### How to Score

Score	Description
0	No fit
1	Low fit
2	Fit
3	Good fit
4	Excellent fit

Prepared by:				Authorised by:			
	Date	Signature	Name		Date	Signature	Name