The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

BRANCH FINANCE & OPERATIONS MANUAL

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

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Branch Finance and Operations Manual

1. Introduction

1.1. Robust Operating Procedures are an integral component in developing and maintaining an effective Internal Control Framework in organisations

1.2. This Manual containing Standard Operating Procedures (SOPs) cover certain key aspects in relation to operations at Branches of the Institute of Chartered Accountants of India

1.3. The key objectives of this Manual is to guide elected representatives and employees in the performance of their tasks as well as to administer a near uniform control framework across all the branches of ICAI

1.4. Branches will continue to have operational flexibility in evolving their own work methodologies in so far as the broad principles enshrined in this document are followed

1.5. This Manual together with the SOPs shall be complied in letter and spirit. This is an auditable document for use by Internal as well as Statutory Auditors of the organisation

1.6. This document may be modified/ enhanced from time to time as may be considered necessary in the context of the changing circumstances

1.7. Users are responsible for understanding or seeking clarification of any rules outlined in this document and for familiarizing themselves with the most current version of this Manual

1.8. This manual is the first step in documenting the basic levels of controls in the accounting, finance and reporting functions at the branches

1.9. Exceptions, if any have to be approved in writing by the DCO head at the relevant Regional Council and should be obtained in advance of the conduct of the transaction. The Branch incharge shall exercise his discretion in this regard. The DCO head at the relevant Regional Council shall be the reporting authority for all the officials in the Branches

1.10. Every effort has been taken to ensure that this Manual does not contradict the CA Act, Regulations or extant Council decisions. It is, however, needless to clarify that in case any inadvertent contradiction is found, the CA Act, the Regulations, the Council decisions (in that order) will prevail.

1.11. It shall be the collective duty of the Managing Committee to ensure compliance with every directions issued by the Council and advisories issued by the ICAI HO in respect of any aspect of functioning of the Branches. For any non-compliance, the members of the Managing Committee will be jointly and severally answerable.

2. Governance

2.1. All elected representatives and employees and staff of the branches shall ensure the highest standards of governance. This means and implies that we understand our role as trustees of the organisation

2.2. The Branch managing committee should lead the branches to conduct its business in a fair and transparent manner that befits our status as a world class regulator

2.3. The below mentioned procedures provide the Branch management the necessary flexibility to conduct their operations and such freedom is exercised with timely reporting, compliance with laid down procedures and resultant accountability

2.4. All acts shall reflect the highest sense of propriety and prudent conduct

2.5. The auditor of the branch need not be based out of the same branch jurisdiction.

3. Branch Managing Committee

3.1.1. Each Branch shall be governed by a Managing Committee composed of:-

Six Members in the case of a Branch upto 1000 Members, Seven Members in case of a Branch from 1001 to 2500 Members and Nine Members in case of a Branch having 2501 and above Members to be elected by the members of the Branch in the manner stipulated by the Directions issued by the Council

3.1.2. The Managing Committee shall elect the office bearers for a year as under

3.1.3. The Chairman of the Managing Committee, and in his absence the Vice Chairman shall be the Chief Executive Authority of the Managing Committee.

3.1.4. The Secretary shall be responsible for the performance of general duties in the office of the Branch under the guidance of the Chairman, or in his absence, the Vice-Chairman.

3.1.5. The Treasurer shall cause true accounts to be maintained of the assets and liabilities and also of the moneys received and expended and shall deal with matters in respect of which such receipt and expenditure take place.

3.1.6. The Office-bearers shall hold office until the meeting of the Managing Committee to be held in the latter half of the month of February in the next year

3.1.7. The Managing Committee/Chairman must handover Closing/Compliance report to New Managing Committee/Chairman

4. Delegation of Powers

4.1. **Guidelines for Delegation**

General Guidelines

4.1.1. The objective of Delegation of Powers policy is to provide authority limits to the functionaries of the branches

4.1.2. This Delegation of Authority policy is established to define the limits of authority designated to specified positions of responsibility within the Branches and to establish the types and maximum amount of obligations that may be approved by individuals.

4.1.3. The approval of commitments and transactions outlined in this Manual must always be made by the parties who have been designated the responsibility for final approval

Specific Guidelines

4.1.4. Persons who have employees reporting to them should take all necessary steps to ensure their employees know and follow the Manual.

4.1.5. Employees/elected members executing contracts and approving transactions are required to ensure that all appropriate approvals and reviews required by this Manual and other relevant policies and procedures have been obtained, and to ensure that appropriate documentation of these approvals is maintained

4.1.6. Appropriate documentation can take various forms as in practice now and should be commensurate to the scale of operations. All contracts shall be maintained with documentation of the appropriate approvals

4.1.7. Dividing a commitment or transaction into two or more parts to evade a limit of authority is prohibited.

4.1.8. It is emphasized that commitments and transactions cannot be approved by individuals having a lower level of approval authority than the specified transaction requires, except pursuant to a delegation of temporary authority

4.1.9. No person shall approve a Purchase Order or approve payments to be released where such delegate is the beneficiary of the service or the payment

4.1.10. The Purchase Committee shall be constituted by the Branch (powers may be delegated to the Chairman for such constitution). This shall include Branch Incharge as well as elected members. For this purpose, at the meeting of the Branch Managing Committee where office bearers are elected for the year, an agenda item should be included for giving the authority to the Chairman.

4.1.11. The Committee shall ensure compliance with overall Purchase policy as may be issued by ICAI for the Branches, as may be amended by ICAI HO from time to time, and approvals shall be obtained for all purchases

4.2. **Delegation of Authority for negotiations and commitments by branches**

4.2.1. The following personnel are empowered to negotiate contracts with suppliers. Approvals shall be documented on the papers of negotiations and a record shall be maintained of such negotiations

4.2.2. The underlying principle here is that all collective wisdom shall prevail in respect of all transactions above a threshold value

4.2.3. Negotiations shall be conducted and approvals shall be documented and a record shall be maintained of such negotiations

	Mega	Large	Medium	Small	Micro
Chairman	Upto 50000	50000	50000	25000	25000
Executive Committee (atleast 3 members shall be present)	Upto Rs 100000	Upto Rs 100000	Upto Rs 100000	Upto Rs 50000	Upto Rs 50000
Managing Committee Atleast 50% shall be present	>Rs 100,000	>Rs 100,000	>Rs 100,000	>Rs 50,000`	>Rs 50,000`

4.2.4. In case of the following regular spends where amounts are likely to exceed the above value, a statement indicating payee wise spends may be placed for MC approvals at the first/ second MC meetings so that a one-time approval may be accorded. This approval should not be confused with overall budget approval for fixed expenses of periodical nature like salaries of the staff, GMCS, Orientation programme, ITT staff, hall rent if any in case of GMCS/ITT/Orientation programme and other similar services.

5. Conduct of Meetings

5.1. The Secretary shall ensure that meetings are conducted in a formal, efficient and effective manner

5.2. Branches shall ensure that necessary number of meetings are conducted in a year. Provided that every year one meeting shall be held between 16thday of February and 28thday of February.

5.3. Meetings shall be held at the branch premises

5.4. Notice, Agenda shall be sent in advance as stipulated in the Directions issued by the Council in terms of Regulation 159(3) of the Chartered Accountants Regulations, 1988

5.5. The notice for calling EC/ Managing Committee must have detailed agenda items with reasons (like explanatory statement)

5.6. Attendance updation shall be ensured

5.7. Meetings shall be planned in such a way that they are commenced at an appropriate time based on the volume of agenda items to be considered so as to complete without hurry or haste

5.8. Summary of decisions shall be read out at the end of the meeting

5.9. Draft minutes shall be sent to all members of the Managing Committee within 7 to 10 days of the meeting and shall be confirmed at the next meeting of the Committee after incorporating the comments, if any, received from MC members and accepted by the MC.

5.10. Additional agenda items may be sent by Managing Committee members in advance upto 7 days of the meeting

5.11. Minutes shall be filed / pasted in a minutes book maintained for the purpose and shall not be maintained in loose form and shall be kept in safe custody

5.12. For further guidance on conduct of meetings including aspects such as Chairman of the meeting, adjournments, concept of majority etc please refer the Council Directions as amended from time to time

6. Submission of Budgets

6.1. **Revenue Budget**

6.1.1. The branch shall prepare and send a Revenue Budget as required by Head office by 12th February each year – preliminary estimates in January and revised budget in July.The format for submitting budgetary proposal is given as Annexure to this Manual.

6.1.2. Such budget shall be prepared on a zero base basis and also give due regard to the activities of the past year

6.1.3. Branch shall prepare the budget in the template as provided by ICAI HO

6.1.4. Branch shall address all queries on the budget from HO / Regional Budget and Finance Committee in a timely manner

6.1.5. Approval to budget shall be maintained on record

6.1.6. The budget shall be prepared to ensure that there is no loss in the relevant period

6.1.7. The actual financials shall be compared with the budget on a monthly basis to evaluate the financial position of the branch and to ensure that losses, if any can be minimized

6.1.8. Items of capital nature shall not be factored in these budgets

6.1.9. The budget document shall be signed by the Management Committee as a permanent record for the year

6.2. **Capital Budget**

6.2.1. The branch shall prepare and send a Capital Budget as required by Head office by 12th February each year within the time limit as stipulated by the HO. Revised budget shall also be submitted in timely basis.The format for submitting budgetary proposal is given as Annexure to this Manual.

6.2.2. Such budget shall be prepared on a zero base basis and also give due regard to the genuine capital expense requirements based on the activities of the past year

6.2.3. Approval to budget shall be maintained on record

6.2.4. Branch shall address all queries on the budget from HO / Regional Budget and Finance Committee in a timely manner

6.2.5. Due consideration should be given to idle assets while requesting for new funds

6.2.6. Lease vs buy decisions shall be evaluated before preferring capital expenditure

6.2.7. The actual capital spends shall be compared with the budget on a monthly basis to evaluate and ensure that capital purchase orders are not in excess of the approved budgets

6.2.8. The budget document shall be signed by the Management Committee as a permanent record for the year

7. Fixed Assets

7.1. Fixed asset acquisitions shall be as stated in the Budget. No new / extra items may be purchased

7.2. The value limits as per the approved budget shall be adhered to

7.3. All purchases shall be on the basis of competitive sourcing and as per the Delegation of Powers in the previous section

7.4. Purchase orders shall be issued to vendors with the key terms of purchase (format is given in the Annexures)

7.5. For the purpose of the above, the branch shall empanel as many vendors as possible (not less than 4-5 for any category). Quotes shall be obtained only from approved vendors and not new parties. Vendor empanelment is discussed in the procurement section

7.6. Assets shall be capitalized on the date they are put to use except for ready to use assets such as computers, generators, laptops etc and be guided by the relevant Accounting Standards

7.7. Assets shall be depreciated from the date they are put to use as per the rates advised / used in this regard

7.8. Additions shall be recorded immediately in Tally. All papers relating to asset purchases including capex approval, negotiations, purchase orders , contracts , installation certificates shall be filed properly

7.9. Supplier payments shall be made based on physical verification of the asset purchased and comparison with invoice by the Treasurer

7.10. The branch shall maintain a fixed assets register containing details of Asset name, Type, Supplier name, Bill reference, Bill date Date of capitalisation, Amount, Unique serial number if any, Depreciation , Net value

7.11. In case asset register is maintained in excel, care should be taken to ensure that records are not deleted / substituted accidentally or otherwise

7.12. Asset balances as per Tally shall be reconciled to the Fixed assets register maintained

7.13. Asset disposals shall be strictly based on competitive tendering. All disposals shall be approved by the Management Committee in a physical meeting and not by circulation

7.14. All assets shall be tagged with an identification number

7.15. All idle assets shall be kept in safe custody

7.16. The assets of the branch , including idle assets if any, shall be verified annually and reconciled to the Fixed assets register of the branch and the report shall be reviewed by the Branch Internal Auditor, if appointed or by any Two members of the Managing Committee (non-office bearers)

7.17. Excess / Shortage if any shall be properly accounted “after” approval by the Branch managing committee

7.18. All excess / shortage shall be reported to HO in the format to be prescribed

7.19. Supplier payments for fixed assets / capital items shall be made after ensuring all terms and conditions are fulfilled.

7.20. Retention money at not less than 5% including TDS shall be held back compulsorily in case of contracts relating to civil, electrical , mechanic works etc in case of all works contracts > Rs 200,000

7.21. Justification should be given while replacing an item with new one in Capital Budget.

7.22. Overall monetary limit on Furniture and Fixturebased on square feet area of the Branch should be there.

8. Investments

8.1. Idle funds of the branch should be appropriately invested to enable revenue on the same

8.2. As per the Investment Policy of the ICAI, Branches shall invest its surplus only in the FDRs upto 1 year in nationalised banks. Further, the Management Committee, at its 28th meeting held on 14.04.2019 decided that the Funds kept in Flexi/Fixed deposits with other than nationalized banks should not exceed more than 10% of the total deposits held by the branch.

8.3. Interest shall be properly accounted on such investments

8.4. TDS deducted by the bank on the Fixed Deposits of the branches should be booked in the TDS Receivable ledger for that particular year along with the TAN no of the branch who has deducted their TDS. Interest Certificate should be taken from the bank on Half yearly and yearly basis and Interest and TDS amounts should match with the same.

9. Inventory of Stock of Books and Gift items

9.1. The branches dealing with publications, study materials and gift items, if any shall maintain proper stock records showing details of

- Receipts
- Issue
- Closing balance

9.2. Stocks shall be verified with reference to books on a quarterly basis and reports of the same shall be placed before the Managing Committee of the branch

9.3. Excess / Shortage, if any shall be properly accounted "after" approval by the Branch managing committee

9.4. All excess / shortage shall be reported to HO in the format to be prescribed

9.5. Outdated Publication should be reported separately and process of dispose of the same should be laid down.The disposal/weeding out policy is given in the Annexures.

10. Cash Operations

10.1. Cash receipts from Annual registrations or CPE programs shall be duly accounted along with a day wise summary of transactions

10.2. All cash receipts shall be banked on a intact basis and funds shall be drawn out separately for daily use

10.3. Cash receipts and payments shall be accounted for on a daily basis

10.4. Serially numbered Cash receipts shall be issued for all collections

10.5. Cash payment vouchers shall be authorized , supported properly by original documents, tallied to the underlying supportings and defaced on payment

10.6. Such vouchers shall be filed and maintained properly

10.7. In case of branch cash holding likely to exceed Rs 20,000, the same should always be kept in a safe box and in dual custody

10.8. Cash including petty cash shall be physically verified and reconciled to the books on a weekly basis by any one member of the Managing committee (designated or by rotation) and reconciled to books . Evidence of the count shall be maintained

10.9. Three surprise cash counts shall be undertaken in a quarter by the Treasurer of the branch and reconciled to books. Evidence of the count shall be maintained

10.10. If cash account is not updated prior to cash count, the same shall be brought to the attention of the managing committee for immediate remediation. The objective is to ensure that cash transactions are updated promptly

10.11. Any cash shortage shall be brought to the notice of all members of the Managing Committee on an urgent basis and reported to HO

10.12. Cash shall be adequately insured including in transit cash

11. Bank Operations

11.1. The funds of the Branch shall be kept any of the scheduled banks approved by the Central Council in this behalf.

11.2. The Managing Committee shall not do borrowings, without the prior sanction of the Central Council

11.3. Opening of new bank accounts, closure of existing bank accounts and changes in authorised signatories to branch bank accounts require prior approval of the ICAI HO and branch managing committee

11.4. The branch shall maintain a list of cheque signatories on record along with specimen signatures of such persons

11.4.1. All cheques shall be signed jointly. As the Treasurer is the custodian of the funds of the Branch, it shall be ensured that the Treasurer is one of the signatories. The Branch In-chargeshall also be one of the signatories.

11.5. Any change in signatories may be effected only by a resolution of the Managing Committee

11.6. All cheques received should contain A/C Payee crossing and shall be recorded in a cheque inward register

11.7. Cheques, as well as cash receipts, if any, shall be accounted and then banked within 24 hours of receipt

11.8. Bank payment vouchers shall be authorized , supported properly by original documents, tallied to the underlying supportings and defaced on payment

11.9. Bank payments shall be done as per joint signatories as specified

11.10. Bank Reconciliation shall be performed for all bank accounts on a monthly basis and all outstanding items to be examined. The review of BRS to be evidenced by the Treasurer and kept on record

11.11. All idle/ dormant accounts should be reviewed periodically and BRS to be done for the above accounts also

12. CPE programs – Financials

12.1. The dominant objective of the CPE programs is to enable education and training of members

12.2. However, care should be taken to ensure that losses on individual programs, at the planning stage, do not exceed slabs as specified below on a per program basis

	Mega	Large	Medium	Small	Micro
Losses, if any	Upto 25000	Upto 25000	Upto 20000	Upto 15000	Upto 15000

12.3. A Statement of Budgeted Income and Expenditure shall be prepared for all CPE programs and efforts should be made to reduce spends if actual member registrations show a lower trend than expected

12.4. Contracts for supply of food, materials should be largely kept on variable basis

12.5. The CPE Income and Expense statement shall be prepared on a quarterly basis and circulated to all Managing Committee members for their review, comments and further actions

12.6. The above statement should also be discussed at Managing Committee meetings

12.7. The amount received as delegate fees should tally with CPE Hours generated during the year.In any case delegate fees cannot be less than CPE Hours generated.

13. GMCS, Orientation and ITT Classes

13.1. The branch should ensure adherence to all guidelines in the conduct of GMCS, orientation and ITT Classes including content and program formats, payouts, attendance of students, inaugural and valedictory sessions

13.2. The branch shall ensure that the quality of faculty and programs is maintained

13.3. Panel of faculty shall be placed before the Managing Committee of the branch for review on an annual basis

13.4. Faculty performance shall be monitored for improvements on batch-to-batch basis, and replacements be effected as may be considered necessary

13.5. Faculty shall not engage in HR placement activity either directly or indirectly

13.6. Faculty shall not engage in election campaigning for candidates to Branch Management Committee/ Central/ Regional Council.

14. ICAI HO Grants related

14.1. The branch shall avail and utilise grants provided by ICAI HO

14.2. Requests for grants shall contain complete details of the proposal in order to enable effective decision making

14.3. The terms and conditions of the grants shall be complied by the branches especially in case of programs related grants

14.4. Request for reimbursements shall be made as per stipulated timelines along with the supporting documentation for the same

14.5. The pending grants shall be reviewed by providing details of the same to the Managing Committee on a quarterly basis

15. Loans and Advances

15.1. As far as possible, branches shall not grant advances for any activity

15.2. In case of specific requirements, the same shall be approved by the Managing Committee as per the delegation of authority specified above

15.3. Advances not exceeding Rs 10000 may be provided once annually to the employees covered under Branch Employee Scheme to be recovered within 3 months may be granted at the discretion of the Chairman

15.4. Advances shall be promptly accounted in Tally.

15.5. No further advances shall be paid unless earlier advances are settled (for capital / revenue expenses by the same supplier)

15.6. A quarterly report shall be generated of all advances pending adjustment providing party wise details and date of disbursement

15.7. Any write off of advances needs to be authorised by the Managing Committee and reported to the HO in the format provided for the purpose

16. Library Operations

16.1. The branches operating libraries shall maintain proper stock records showing details of

- Receipts
- Issue
- Closing balance

16.2. For the above purpose, the Library software of the HO shall be utilized

16.3. Stocks shall be verified with reference to books on a half yearly basis and reports of the same shall be placed before the Managing Committee of the branch

16.4. Excess/ Shortage, if any shall be properly accounted “after” approval by the Branch managing committee

16.5. All excess/ shortage shall be reported to HO in the format to be prescribed

16.6. The principles laid down in Purchase Policy shall be adhered to while procuring books for the Library.

16.7. Separate Register should be maintained for caution money received from Members/Students

17. Purchase of Goods and Services

Vendor Empanelment

17.1. All vendors shall have an established track record of 3 years (excluding ICAI contracts, if any). Financials and other supporting documents shall be obtained for this purpose

17.2. All branches shall empanel 4 – 5 vendors for all major category of purchases. This empanelment shall be approved by the Managing Committee in a meeting

17.3. The empanelled vendors list shall be placed before the Managing Committee every year and new vendors may be considered for inclusion

17.4. Vendors shall not be relatives (income tax act definition)/ partners to the members of the managing committee of the branch or be clients of such Managing Committee members

17.5. In case of exceptional circumstances where related parties are utilised, the same shall be reported in the template provided by ICAI HO

Purchase Orders

17.6. All purchases of goods and services exceeding Rs 10,000 shall be on the basis of competitive buying

17.7. All purchases shall be documented through Serially numbered Purchase orders or contracts which would contain standard terms and conditions as per format communicated by HO

17.8. Every Purchase order/contract, shall contain complete details of Items of Goods / services, quantity, unit rate, taxes applicable etc

17.9. Any amendment to the PO should be referred back to the original authorities based on the DOA matrix and additional authorities if the value exceeds the slab

17.10. For all items of purchases above Rs 100,000 , request for Quotations shall be circulated to empanelled vendors and quotations shall be received in sealed covers

17.11. For purchases lower than Rs 100,000 (transactions are not to be split), quotations may be received from empanelled vendors by email but a pdf file and not on the body of the mail

17.12. A comparative statement of quotes shall be prepared and evaluated. Final Quotes after negotiation shall be re-obtained and tabulated from all vendors

17.13. In case contract is not awarded to L1, the same shall be approved by all Managing Committee members and a report be sent in the template provided by ICAI HO

17.14. All receipts of materials shall be evidenced through (Goods Receipt Note) GRNs or in case of services by a separate Service receipt certificate by the person who has requested the service or by the office

17.15. Payments shall be made after verifying PO's and Contracts and confirming quantity and quality of materials and service receipt, including accounting for TDS and retention money.

17.16. Retention Money Record should be maintained and periodically checked as to the return of the retention money after the specified period subject to the satisfaction of the Regional Council)

17.17. In case of contracts requiring independent work certification (e.g. Construction contracts/ painting/ renovation/ carpentry), such certifying parties shall not be related to the vendor

17.18. In these cases, independent measurements should form part of the payment review and approval process

17.19. Due test checks shall be applied on invoices prior to certification

17.20. Verification against advances made and after recovery and accounting entries of the same shall be ensured

17.21. Verification against earlier progress payments made to be done to ensure that the total payments does not exceed the contract value

17.22. TDS shall be ensured at the applicable rates in force

17.23. Single sourcing is strictly prohibited. In case of exceptional circumstances, the same shall be approved by the concerned DCO head.

17.24. The major categories of spends for which vendors shall be empanelled are as under:

Categories	Categories
Hotels for stay	Travel agencies
Hotels for conduct of programs	Telecom service providers
Caterers	Car hire
Civil Works	Public relations agencies
Electrical works	Video / Audio equipment hirers
Plumbing works	Photography / videography
Security	Webcasts
Manpower	Library books vendors
Printing and stationery consumables	Courier
Newsletter printers	Audio recording
Souvenir printers	Photocopying vendors
Equipment hirers	Furniture hirers
Mementoes and Gifts	Any others

18. Record Retention

18.1. Branch shall ensure that all records/ documents and vouchers are properly filed

18.2. All records shall be properly indexed and filed to ensure that these can be retrieved on demand

18.3. All records to be retained for a 8 year period

18.4. In case of loss of any records, same to be intimated to ICAI HO in template provided

19. Scrap Disposal

19.1. Details of all scrap materials – assets, books etc should be placed before the Managing Committee on a quarterly basis

19.2. Quotations to be received from vendors

19.3. Contract to be awarded to the highest bidder

19.4. All scrap sales shall be against DD in favour of ICAI received in advance of the sale

19.5. All scrap sales to be reported in a template provided by ICAI HO

19.6. The scrap in book form should be sent for pulping and proceeds therefrom should be accounted for.

20. Insurance

20.1. Branches shall cause all assets to be insured in accordance with the guidelines issued by the ICAI HO.

20.2. All new assets purchased shall be communicated to the HO for inclusion in the policy and assets retired/sold shall be removed from insurance coverage.

21. Issuance of E-Newsletter

21.1. Printing of newsletters is strictly prohibited. Only issuance of E.Newsletter is allowed.
21.2. All Branches should constitute the Editorial Board / Newsletter Committee.

21.3. The Chairman shall ensure compliance to HO guidelines in relation to

- Number of pages
- Number of pages containing photographs
- Content of the newsletter & space her advertisement

22. Hiring of temporary manpower

22.1. All temporary manpower shall be budgeted for in the beginning of the year

22.2. Job roles and responsibilities shall be clearly documented in writing before hiring and approved by the MC

22.3. Candidates shall be interviewed / tested before approval and the same shall be recorded in writing

22.4. Manpower shall be placed only through agencies with track record and with relevant capabilities to manage PF / ESI compliance

22.5. Agencies shall be empanelled through a competitive process

22.6. Attendance shall be tracked for all such manpower and approved by Branch Treasurer before the payroll is processed

22.7. A register of all such temporary employees shall be maintained by the Branches

23. Sub-Regional Conferences/Other Conferences/National Programmes

23.1. Conference Incomes and Expenses account for a significant portion of the transactions through put in the branches. Due care should be taken in the conduct of such conferences. Losses should be avoided at all costs

23.2. All transactions and decisions to reflect the highest sense of propriety and governance

23.3. Ensure that all costs are defrayed through sponsorships / registration charges

23.4. The Approval for the Conference shall be obtained in a meeting of the MC along with the following details presented for the same.

23.5. The following items shall be placed as part of the agenda and discussed and approved by the MC

Agenda	Content
Date	Best possible date with due accommodation for statutory filing dates
Location	Chairman's discretion
Budget	Detailed heads as per format presented to be done at different Attendance levels – 200 + nos of sensitivity (eg. 1200 – 1400 – 1600 – 1800 – etc). The items in the budget shall also be indicated as fixed or variable. Each item of the budget shall be referred by a Line reference. Funds cannot be reallocated across line references beyond 5% at each line
Key Committees	The proposed constitution of the key committees shall also be tabled for MC to approve the same. This includes Core Committee, Finance Committee and Purchase Committee. Cooptions are at the discretion of the Chairman. The maximum number of members in the committees including the MC members shall not exceed 8. MC members shall be included as Chairman in all

<table>
<tr><th>Agenda</th><th>Content</th></tr>
<tr><td></td><td>committees. Treasurer shall be included in Finance and Purchase Committee. Branch head and DCO head, if any in the branch , shall also be included in the above committees</td></tr>
<tr><td>Total Committees</td><td>The number of Committees shall be kept to the relevant minimum so that expenses on meetings etc can be minimised</td></tr>
<tr><td>Meetings</td><td>Finance Committee shall meet as often as necessary to enable smooth conduct of the conference. Other Committees shall meet / decide by circulation also</td></tr>
<tr><td>Terms of reference</td><td>The Terms of reference of the various committees shall be placed before the MC and approved with modifications, if any</td></tr>
<tr><td>Procurement</td><td>All procurement shall be negotiated and approved by the Procurement Committee and approvals shall be maintained. All procurements shall be based on competitive sourcing. All single sourcing exceeding Rs 200,000 has to be approved by the after due consideration by Regional Council. Purchase orders shall be raised for all spends > Rs 10000 and shall be serially controlled . All PO's shall be approved by the Finance Committee also</td></tr>
<tr><td>Conference register</td><td>The Chairman shall cause to be maintained a Conference Register which shall document the entire conference along with all relevant approvals by the EC / RC and the various committees. Such register shall include Budgets, Committee constitution , Procurements, Registrations, Payouts, Budget vs Actuals as submitted from time to time</td></tr>
<tr><td>Responsibility</td><td>The key responsibility for ensuring compliance will vest with the Core Committee and Finance Committee who shall report any deviation by e mail</td></tr>
<tr><td>Deviations</td><td>No deviations to the budget beyond 5% shall be permitted without the approval of the MC / intimation to MC</td></tr>
<tr><td></td><td></td></tr>
<tr><td>Conference Bank Account</td><td>The Conference bank account shall be opened in the location of the branch and the authorised signatories shall be the same as those of the branch . The Treasurer and the Chairman of the branch shall be a signatory compulsorily . For contracts exceeding Rs 100000, one more member of the MC shall approve the transaction
<table>
<tr><th>Value</th><th>Chairman</th><th>Treasurer</th><th>MC members</th><th>MC member</th></tr>
<tr><td>Upto Rs 100,000</td><td>Compulsory</td><td>Compulsory</td><td>Not compulsory</td><td>Not compulsory</td></tr>
<tr><td>Above Rs 100,000</td><td>Compulsory</td><td>Compulsory</td><td>Any one</td><td>Any one</td></tr>
</table></td></tr>
<tr><td>Payment releases</td><td>Payment releases to be in line with duly approved budget estimates, purchase orders and receipt of goods and services. Advances may be avoided except for hall and catering</td></tr>
<tr><td>Others</td><td>Any other matters that may be pertinent</td></tr>
<tr><td>Accounting and Reporting</td><td>• All income and expense entries to be properly authorised, supported by commitments in writing and accounted accurately in the proper period
• Ensure prompt collection of all sponsorship amounts as committed
• Ensure that all liabilities are completely and comprehensively reflected in the books</td></tr>
<tr><td>Tracking of expenses</td><td>Suitable modes shall be devised to monitor actuals. These would include food coupons, kit coupons etc</td></tr>
<tr><td>Gifts and mementoes</td><td>No gifts / mementoes shall be given to the delegates as this is expressly prohibited by ICAI. Exceptions may be approved by The President. However this shall not be permitted in the election years</td></tr>
<tr><td>Sponsorships</td><td>• All sponsorships shall be collected mostly upfront other than in exceptional cases of sponsors of the immediate past conference.
• Banners / Stalls / Advertisements in souvenirs may be permitted only after</td></tr>
</table>

Agenda	Content
	an advance • All promotions as above shall be permitted only after the receipt of a confirmed commitment from the sponsor in writing for the same
Profit sharing by participating branches	No such arrangements will be permitted except for Joint conferences by branches
Branch sponsors	No other Branch / RO committees shall sponsor / defray any cost / part of the cost of the conference. No requests shall be made in this regard
Concurrent events	No events shall be hosted concurrent to the conference at the same venue or alternate venue. These include student events / other member events. However parallel tracks for women members, young members, members in industry may be permitted
Conference Report	The Conference Accounts shall be subject to Internal and Statutory Audit and the report shall be placed before the MC within 30 days of completion of the conference. Expenses in this connection may be budgeted for in the Conference Financials also . Such report shall specifically identify amounts spent on past / present elected representatives
Force Majeure / Deviation approvals	In case of drastic changes in budget estimates on registrations or on a expenses, the same shall be brought to the immediate notice of the RC / ICAI HO and all Central Council members

23.6. The heads of budget are as under:

Head of Spending	**Parameter**	**Parameter**	**Parameter**
Hall rent and Infrastructure			
Hall rent	Rate / day	Number of days	
Infrastructure at venue	Cost / Sq ft	Total Sq Ft	
Hiring of Furniture			
Tables	Rate / day	Number of days	No of pieces
Chairs	Rate / day	Number of days	No of pieces
Others	Rate / day	Number of days	No of pieces
Catering			
Catering - major meals	Rate / meal	Number of days	No of persons
Refreshments and snacks	Rate / unit	Number of days	No of persons
Audio / Video			
Hiring of audio equipments	Rate / day	Number of days	No of pieces
Hiring of video equipments	Rate / day	Number of days	No of pieces
Hiring of photographer	Rate / day	Number of days	No of persons
Hiring of video grapher	Rate / day	Number of days	No of persons

Head of Spending	Parameter	Parameter	Parameter
Advertising and Publicity			
Newspaper	Rate / insert	No of inserts	
ICAI Journal	Rate / insert	No of inserts	
RO newsletter	Rate / insert	No of inserts	
External publications	Rate / insert	No of inserts	
Mass mails	Rate / mail	Mails / instance	No of times
Mass SMS	Rate / mail	SMS / instance	No of times
PR manager	Consolidated amount		
Travel			
RC members	Pre conference	Conference	Post Conference
CC members	Pre conference	Conference	Post Conference
Past RC / Council members		Conference	
Committee members	Pre conference	Conference	Post Conference
Speakers		Conference	
Office employees	Pre conference	Conference	Post Conference
Others - technicians etc	Pre conference	Conference	Post Conference
Stay			
RC members	Pre conference	Conference	Post Conference
CC members	Pre conference	Conference	Post Conference
Past RC / Council members		Conference	
Committee members	Pre conference	Conference	Post Conference
Speakers		Conference	
Office employees	Pre conference	Conference	Post Conference
Others - technicians etc	Pre conference	Conference	Post Conference
Transportation Expenses			
Cab hire charges	Pre conference	Conference	
Cultural program Costs			
Cost of Performing troupe etc		Conference	
Mementoes and shawls			
Dignitaries	Rate / Unit	No of units	
Speakers	Rate / Unit	No of units	

Head of Spending	Parameter	Parameter	Parameter
Souvenir printing			
Books to be printed	Rate / Unit	No of books	
Mementoes for delegates			
Approved by President ICAI	Rate / Unit	No of kits	
Printing, Stationery			
Note pads etc	Rate / Unit	No of kits	

24. Programs of ICAI Committees / Endowment / Memorial lectures

24.1. The branches shall conduct such programs as may be required by committees/ Board of the ICAI/ HO from time to time strictly in accordance with the Guidelines on the subject

24.2. These include student and member programs

24.3. All guidelines in relation to program recovery/ procurement and other controls shall be as stated in this manual

24.4. In case of endowment lectures, the program cost shall be defrayed out of the interest on such endowments. In case of deficit, the same shall be borne by the Regional Council. Cost to be defrayed shall include all variable costs such as refreshments, mementoes to speakers etc

25. Reading Room expenses

25.1. The initial cost of set up of such reading rooms shall be met by BoS grant. No additional expenses may be incurred

25.2. Deficit if any after accounting for reading revenues shall be met out of Student grants provided for the region by ICAI HO. No specific revenue grants shall be provided for Reading rooms

26. Statutory and Internal Audit

26.1. The branch shall ensure timely completion of the Statutory and Internal Audit

26.2. This Finance manual shall be placed before the auditors for confirming compliances therewith

26.3. This document shall be provided along with the terms of reference to report non compliances, if any

26.4. Comments and reports if any of the statutory auditor shall be placed before the Regional Council

26.5. The internal audit reports shall be placed before the Regional council

26.6. The half yearly and full year financial statements, duly audited shall be sent to ICAI HO by due dates as prescribed by them

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