

Framework of Internal Governance

Part - II

FINANCIAL MANAGEMENT POLICY

Amendments incorporated as of September 2009



6/8, Humayun Road, Block- B,
Mohammadpur, Dhaka – 1207, Bangladesh
Phone: 88 02 8124976, 88 02 9131424, 88 02 8156772
Fax: +88 02 8142021
E-mail: info@dnet.org.bd
Url: www.dnet.org.bd

Abbreviations:

AA	=	Appeal Authority
AF	=	Application Form
AFF	=	Appeal Application Form
AO	=	Administrative Order
BORN	=	Bangladesh Online Research Network
DC	=	Disciplinary Committee
EC	=	Executive Committee
FIG	=	Framework of Internal Governance
GB	=	Governing Body
HRM	=	Human Resource Management
IC	=	Information Commission
IDU	=	Information Disclosure Unit
IO	=	Information officer
IS	=	Information Seeker
KMD	=	Knowledge Management Division
MOA	=	Memorandum of Association
NGO	=	Non-government Organisations
R&P	=	Research and Program
RTIA	=	Right to Information Act
SH	=	Sexual Harassment
TOR	=	Terms of Reference
WC	=	Working Committee

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Section I	Introduction		
#	Heading/Subheading (in bold)	Text	Applicability
I.0	General		This Accounting & Financial Manual of D.Net applies to all financial transactions, budgets and financial reporting related to D.Net and all projects and programs under D.Net. This manual shall be applicable formally from the date it is approved by the Governing Body of D.Net.
		D.Net believes that a well designed Accounting & Financial Manual is necessary for its smooth operation and ensuring transparency and accountability. This manual thoroughly guides the accounting record keeping and reporting and also seeks to exercise a sound control over the financial activities of the organization. It explains the basic accounting rules and regulations to be followed by D.Net, to the extent practicable, and describes the procedures under those rules which have made it very handy to be used in day-to-day operation. The manual also provides tools for budgetary control and asset management. Overall, the manual has been appeared in place to develop and sustain a healthy system of accounting and financial operation.	

Section II	Accounting Principles		
#	Heading/Subheading (in bold)	Text	Applicability
II.1	Accounting System		
		The accrual basis of accounting system shall be followed by D.Net and all the accounting records must be kept as per double entry system. All incomes and expenditures received, paid or incurred or accrued shall be accounted for in the year to which they relate to.	
	Accounting Period		
	D.Net maintains its accounting year from 1st July to 30th June, both days inclusive.		
II.3	Major Policies		
		(a) Income Recognition: Any grant / donation, subscription received by D.Net, from whatever source, shall be accounted for as income during the year to the extent it relates to that particular year. Any income received pertaining to the subsequent years shall not be recognized as income during the year. Any commitment of fund for a particular year shall not be considered as receipt or income of that particular year, income will be recognized in the year to which it relates.	

	<p>(b) Expense Matching: Similarly any payment or obligation for payment for a particular year shall be recognized as expense in the year to which it relates. Expenses accrued but not paid shall also be considered as expense in the year it was obligated.</p> <p>(c) Depreciation: D.Net will follow straight line depreciation policy for all of its tangible fixed assets except land (if any). If an asset is bought during the first half of an accounting year, full year's depreciation will be charged against that asset for that particular year. On the other hand, if an asset is bought during the second half of the accounting year, no depreciation will be charged against that asset for that year. No depreciation will be charged against an asset in the year of its sale.</p> <p>(d) Depreciation Rate:</p> <table border="1" style="width: 100%;"> <thead> <tr> <th>Fixed Assets</th> <th>Annual Depreciation Rate</th> </tr> </thead> <tbody> <tr> <td>1. Books</td> <td>10%</td> </tr> <tr> <td>2. Furniture & Fixture</td> <td>20%</td> </tr> <tr> <td>3. Computer & Peripherals</td> <td>30%</td> </tr> <tr> <td>4. Equipment</td> <td>30%</td> </tr> <tr> <td>5. Vehicle</td> <td>20%</td> </tr> <tr> <td>6. Building</td> <td>10%</td> </tr> <tr> <td>7. * Software</td> <td></td> </tr> <tr> <td>8. * Programming Knowledge</td> <td></td> </tr> </tbody> </table> <p>* Policy to depreciate software and programming knowledge will be finalized later.</p>	Fixed Assets	Annual Depreciation Rate	1. Books	10%	2. Furniture & Fixture	20%	3. Computer & Peripherals	30%	4. Equipment	30%	5. Vehicle	20%	6. Building	10%	7. * Software		8. * Programming Knowledge		
Fixed Assets	Annual Depreciation Rate																			
1. Books	10%																			
2. Furniture & Fixture	20%																			
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6. Building	10%																			
7. * Software																				
8. * Programming Knowledge																				

Section III	Accounting Administration		
#	Heading/Subheading (in bold)	Text	Applicability
III.1	Accounts Maintenance	<p>i. A member, nominated by the executive committee, on behalf of the Executive Committee shall oversee of keeping proper books of account with respect to:</p> <p style="margin-left: 40px;">(a) All sums of money received and expended by the Organization and the matters in respect of which the receipts and expenditures take place;</p> <p style="margin-left: 40px;">(b) All sales and purchases of goods/services of the Organization.</p> <p style="margin-left: 40px;">(c) The assets and liabilities of the Organization.</p>	

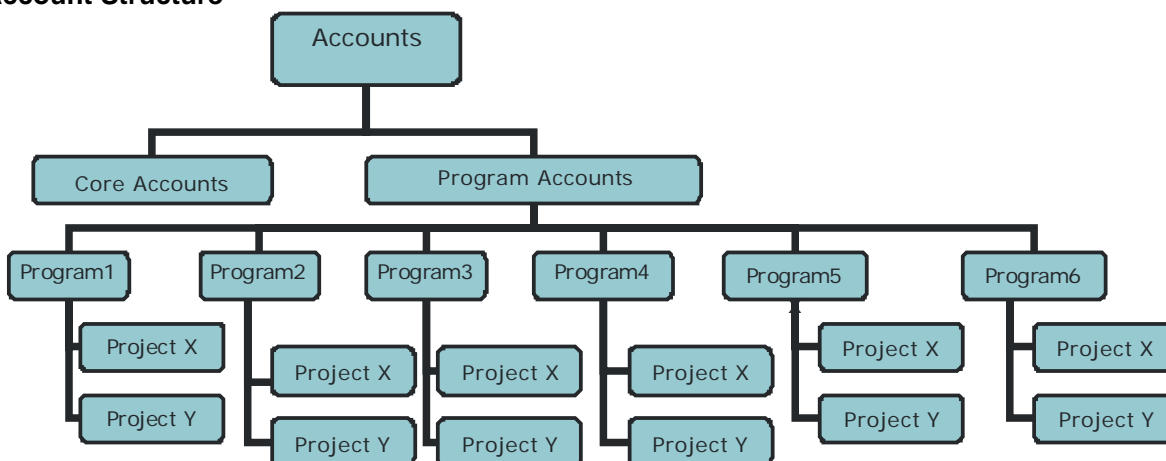
	<p>ii. The books of account shall be kept at the registered office of the Organization or at such other place as the Executive Committee shall think fit and shall be open to inspection by the members of the Governing Body during business hours.</p> <p>iii. The Governing Body shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the organization or any of them shall be open to the inspection of the members of the organization not being members of the Governing Body, and no member (not being a member of the Governing Body) shall have any right of inspecting any account or book or document of the organization except as conferred by law or authorized by the Governing Body or by the organization in annual meeting of the Governing Body.</p>	
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III.2 Responsibility of Accounts

Sl. No.	Responsibility	Responsible Designation
1	Core Budget Preparation	Accounts-in-Charge
2	Revision, Examination and Approval of Core Budget	Governing Body
3	Program / Project Budget Preparation	Program/Project Chief
4	Program / Project Budget Approval	Executive Committee
5	Daily record keeping	Accounts Officer
6	Voucher preparation	Accounts Officer
7	Replenishment of Petty Cash Fund when required	Accounts-in-Charge
8	Checking cash and petty cash balance daily	Accounts-in-Charge
9	Preparation of Interim Financial Statements	Accounts Officer
10	Approval of the Interim Financial Statements	Accounts-in-Charge
11	Preparation of Annual Financial Statements and Submission to the Governing Body	Treasurer
12	Examination of the Annual Financial Statements	Executive Committee
13	Approval of the Annual Financial Statements	Governing Body

III.3	Account Structure	
		In general for each of the projects a separate bank account will be maintained, if EC decides so. Otherwise, the project income-expenditure will be maintained separately under the core account.

Account Structure



III.4	Accounts for Business Models	
		Separate accounts will be maintained for business models under different programs or projects of D.Net – like BORN prepaid cards and audio & video CDs of Gunijan program. Interim and Annual Income Statements will be prepared for these commercial products – profit or loss of which will go to their respective parent program.
III.5	Chart of Accounts	Annex-I
		The accounts of D.Net are categorized as shown below: (a) Asset (b) Liabilities (c) Net Assets (d) Revenue (e) Expenses
III.6	Approval Authority of Accounts	
		For smooth functioning of D.Net regular activities, D.Net has made some changes of responsibility and decision making/signatory for accounts which are presented below for approval. All the following persons are authorized to sign memos relevant to their job responsibilities. The proposed proposal is submitted to Executive Committee (EC) for approval:

Section IV	Supporting Documents for Accounting Records		
#	Heading/Subheading (in bold)	Text	Applicability
IV.1	Voucher		
		A covering voucher shall be used by D.Net for each and every accounting entry. One uniform printed voucher shall take care of all the transactions. It will carry useful information about the transaction such as description of the transaction, affected account heads to be debited and credited, if payment, then who made the payment etc. The voucher will serve as the valid authorization of the related accounting entry.	
IV.2	Money Receipt		
		<p>A. A Money Receipt (MR) shall be issued for each and every receipt of cash / cheque / drafts etc by an authorized officer of D.Net, who will be nominated by Executive Committee. This Money Receipt will authenticate the accounting record related to that particular receipt and shall be attached to the voucher corresponding to that record.</p> <p>B. Money Receipt will be prepared in triplicate bearing pre-printed serial numbers. Money Receipts shall be used serially. The original MR will be given to the payee and the duplicate will be kept in the MR register and the triplicate will attached to the voucher.</p>	

Section V	Cash Management		
#	Heading/Subheading (in bold)	Text	Applicability
V. 1	Petty Cash		
		Executive Director will assign (a) staff (s), working in the Accounts to keep petty cash of Tk. 30,000 (Thirty thousand) only for routine office work and no single payment may exceed Tk. 500. The limit of petty cash for individual project account may vary depending on the requirement of funding agency. Petty cash will be reimbursed once in a fortnight or when necessary. A separate petty cash book is to be maintained to keep track of all the petty cash expenses. No petty cash is needed for individual project until or unless required by project condition.	
V.2	Cash		
		A. Normally D.Net shall not keep any cash except petty cash as most of its transactions are supposed to be through bank. D.Net shall deposit any surplus cash over petty cash into the bank account within two days of receiving of such fund. However, it may occur that small receipts and payments (below Tk. 5,000) will appear in cash (7.3.a). So it is necessary to maintain a Cash Book with a bank column to keep track of all cash and bank transactions.	

	B. At the end of each day bank and cash balances should be extracted and the cash balance be checked against cash in hand. If the amounts are found correct and agreed, the Accounts-in-Charge should sign the cash book. The cash book must be totaled at the end of each month and balance of cash in hand and cash at bank extracted.	
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Section VI		Bank Transaction			
#	Heading/Subheading (in bold)	Text			Applicability
VI. 1	Bank Account				
		The Organization shall open and maintain accounts with Banks and financial institutions and such accounts shall be operated under joint signature of the responsible authority (shown in the following section).			
		The Organization may open bank accounts of different types (current, savings, fixed deposit etc.) in any scheduled banks; however foreign grants shall be operated through separate bank account in any scheduled bank. A separate STD account shall be opened for each program/project (if necessary) in any scheduled bank.			
VI. 2	Signatory				
		Account Type	Amount	Signature	Remarks
	Divisional /Program Account	Taka 30,000	Division Head, Accounts in Charge, Executive Director		Any 2 signatures
		Above Taka 30,000	Executive Director & Treasurer		
	Project Account	Taka 30,000	Project Head, Accounts in Charge, Executive Director		Any 2 signatures
		Above Taka 30,000	Executive Director & Treasurer		

VI. 3	Cheque Payment		
		<ol style="list-style-type: none"> 1. All salary payments will be made through account payee cheque. 2. All procurement payments above 5,000 taka must be made through account payee cheque. 3. All other payments above 5,000 taka must be made through cheque except the following : <ol style="list-style-type: none"> a) Cash advance payment to an employee for specific official expenses or specific program / project requirement. b) Payments of electricity/gas/water/ telephone bills when such service provider refuses to receive payment in cheque. 4. Cancelled cheques must be retained in the cheque book along with the cheque counter foil and marked "Cancelled". 5. For all cheque payment, the counter foils must be kept properly and the payee shall put a signature on the counter foil upon receipt of the cheque. These counter foils in the cheque book will serve as the proof documents for payment record. 	
VI. 4	Bank Statement		
		A monthly bank statement must be collected from the bank for each bank account within 7 days of the following month.	
VI. 5	Bank Reconciliation		
		Bank statements must be reconciled with the cash book by the Accounts Officer monthly and it must be verified by a member of Executive Committee/Accounts-in-Charge within 10th day of the following month. The completed reconciliation statement should be reviewed carefully, and outstanding cheques remaining unpaid for more than six months should be cancelled and reentered into the Cash Book as receipts. It is important that the entries into the Cash Book or ledger, or correcting entries in the Cash Book or ledger not be made by crossing, whiting out or changing the original entry. The original entry must remain and a new entry should be made to correct the error.	

Section VII				Asset Management Policy		
#	Heading/Subheading (in bold)	Text	Applicability			
VII.1	Fixed Asset Register					
		All fixed assets of D.Net must be marked with identification number and entered into the Fixed Asset Register. Identification number, quantity purchased, cost, location and the program to which the asset belongs will be recorded in the register.				

VII.2	<p>Verification</p> <p>All fixed assets shall be verified by a team formed by the EC at least two times in a year. Assets will be compared with procurement record by locating the items and confirming that identification marks have been duly affixed.</p>	
VII.3	<p>WRITE OFF POLICY</p> <p>For the proper Asset Management the 'Write Off' policy is required. If the items/equipments (Asset) of D.Net is beyond economical repair or damage (become salvaged) or lost/stolen due to constant use or any other reason that items/equipments (Asset) will be 'Written Off' from the inventory / Asset Register according to their depreciated value through a 'Write Off' committee.</p>	
	<p>'Write Off' committee will be formed: Yearly (In the month of May). As and when required.</p> <p>'Write Off' Procedure</p> <p>The following procedure will be followed for 'Write Off':</p> <ol style="list-style-type: none"> 1. Action by Logistic in charge: If items/equipments (Asset) are beyond economical repair or damage (become salvage) due to constant use or loss due to unavoidable circumstances, the Logistic in charge will prepare a memo with showing the cause of beyond economical repair or damage (become salvage) or loss and put up it to Head of Operations. 2. Action by Head of Operations: Head of Operations will scrutinize the case and forward it to Executive Director with his/her recommendation. 3. Executive Director: Executive Director will form a 'Write Off' committee (Yearly/As and when required) to take the necessary decision. 4. "Write Off" committee: The "Write Off" committee will justify the case and take appropriate decision to 'Write Off' the items/equipments (Asset) from the inventory / Asset Register. The chairperson of 'Write Off' committee will inform the committee's decision to Executive Director. 5. Sub-subsequent action by Logistic in charge: Committee's decision duly approved by Executive Director will be implemented by Logistic in charge. Thereafter, he/she will notify the decision to Accounts Department. 6. Certification: Against each of the items identified to be written off a certificate will be issued by chairperson of the write off committee duly signed by logistics In-charge, chairperson of the write off committee and counter signed by Executive Director/ Head of Operations. Certificate has to be separately preserved by the logistics In-charge. 	

Section - VIII	Budgeting Policy		
#	Heading/Subheading (in bold)	Text	Applicability
VIII.1	Concern of Budgeting		
	Budget is a predetermined statement of receipts and payments of an organization for a specific period, which includes projection of resources and estimated expenditures required to achieve organizational goals in numeric terms. The purpose of preparing a budget is to ensure proper utilization of limited resources to their maximum potential, for which adequate planning, organizing and controlling are essential.		
VIII.2	Budget Structure		
	<p>A. Total Budget: Total budget is the sum of core budget and program budgets.</p> <p>B. Core Budget: Core Budget will support administrative and operational activities of D.Net. In addition, for specific project / program, it will provide financial support, if required.</p> <p>C. Program Budgets: For each program of D.Net e.g., BORN, Pallitathya, Gunijan etc. there will be individual budget. If in any year, specific projects are planned under these programs, separate budget for those projects should be prepared and integrated with the parent program budget. This budget is useful in the following ways:</p> <ul style="list-style-type: none"> ○ It helps visualizing the planned activities; ○ It helps planning the resources needed for each activity and its components; ○ It helps donors to understand programs of D.Net and requirement for funds; ○ It helps the working team to implement and understand the work-plan and link it up with the funds available. <p>Program budgets will be disaggregated under different account heads (Accounting Budget).</p>		
VIII.3	Budget Format		Annex - H
	The formats of program and accounting budget is developed for better understanding and easy reference.		
VIII.4	Submission & Approval		
	1. The Treasurer shall prepare budget estimates for the ensuing		

	<p>financial year and a budget forecast for the next following financial year which shall be submitted to the Governing Body at its regular Annual Meeting. The budget estimate and forecast shall be transmitted to all of the Governing Body members at least 30 days prior to the opening of the meeting.</p> <ol style="list-style-type: none"> 2. The annual budget estimate and forecast shall cover income and expenditures for the financial years to which they relate. 3. At the regular annual meeting, the budget estimate and budget forecast shall be referred to the Executive Committee for examination and recommendation. 4. At the regular annual meeting the Governing Body shall adopt a budget for the ensuing financial year after consideration of the recommendations of the Executive Committee. 5. The budget forecast for the upcoming financial years shall be considered by the Governing Body but not adopted until the following annual meeting. 6. After consultation with the Chairman and Executive Director, Treasurer may submit to each party for approval of supplementary estimates in a form consistent with the annual budget estimate and forecast, when such supplementary estimates are deemed necessary. Approval by each party constitutes adoption by the Governing Body. 	
VIII.5	Revision of Budget	
	<p>During an accounting year, there may arise some compelling situations for budget revision. Inception of a project (not planned before the original budget preparation) under the programs can be a prime example. In these circumstances, a Revised Budget should be prepared and approved by the concerned authority. However, no budget can be revised more than twice a year.</p>	
VIII.6	Budgetary Control	
	<ol style="list-style-type: none"> A. Budgetary control is a system of planning and controlling cost, which starts with the approval /establishment of budget relating to activities to be carried out in order to achieve the organizational goals and regular comparison between budgeted and actual result / costs, analysis of variances and corrective measures. B. Executive Committee shall review the budget at the end of each accounting year and find out the reasons for variances. After thorough review, the Executive Committee will submit their comments and recommendations to the Governing Body for necessary action on variance. 	

Section IX	Benefit Enforcement Policy		
#	Heading/Subheading (in bold)	Text	Applicability
IX.1	Salary Payment		
		Payment of salary of employees shall be made monthly and through Account Payee Cheque. A statement of salary shall be prepared for each employee. Payee will sign on the statement of salary upon receipt of the salary. One voucher shall be prepared at the end of each month for net amount of salary paid and statements of salary will be attached with the voucher as evidence of payment.	
IX.2	Advances to Staff for official activity		
		Separate advance account shall be maintained for each staff to keep track of various advance payments to the staff and shall be adjusted regularly. Any payment of advance shall be approved by the Executive Director. No advance shall be paid without adjusting the previous advance. Advance against expenditure to the staff for D.Net activities such as training, filed visit etc can be paid by cash cheque with proper justifications. The issued advance must be adjusted within 15 days of completion of the task, for which advance was taken. If the advance is unadjusted within the limit days, management permission will be required be expiration of the deadline. Separate form shall be used for items for which supplier/seller is unable to give any receipt or pucca receipt (Annex – F) during filed visit.	
IX.3	Personal Loan		
		<ul style="list-style-type: none"> i. Interest free personal loan will be provided by D.Net, up to a maximum of two month's gross salary subject to availability of fund, in order to help an employee to cope with sudden economic difficulties. ii. Any permanent employee, irrespective of designation, will eligible for personal loan if he/she works for at least one-year satisfactory level at D.Net. iii. Repayment of personal loan must be made in twelve monthly equal installments which will be deducted from the salary of the concerned employee; the first installment beginning from the month following the loan paid. iv. Personal loan cannot be availed of a second time within one year from the date of final settlement/adjustment of the previous loan. v. The Organization may withdraw or change the personal loan policy as and when it is deemed necessary by the Executive Committee 	

Section X	Internal Control Policy		
#	Heading/Subheading (in bold)	Text	Applicability
X. 1	Financial Approval		
	Description	Approving Authority	
	Core Payments		
	Up to Taka 30,000	Head of Operations	
	Above Taka 30,000	Executive Director & Head of Operations	
	Program/Project Payments		
	Up to 30,000 Taka	Program/Project Chief	
Above 30,000 Taka	Executive Director and Program/Project Chief		
X. 2	Adjustment of Accruals		
	Some adjustments are required at the end of the month and accounting year to incorporate income and expenditures relating to period concerned but not yet received or paid. Inclusion of such items is required to reflect the true operating position of D.Net for the period concerned and to compare actual financial performance levels with those budgeted		
X. 3	Fund Management		
	<p>i. D.Net shall take clearance from NGO Affairs Bureau or other relevant Government Authority in case of foreign donations and will follow the instructions prescribed by those authorities regarding their management.</p> <p>ii. Each fund received by D.Net should be accounted for separately under the specific program or project. Fund allocated for a year will be shown as income of that particular year and the remaining fund (when fund is received for more than one year) will go to the Fund Equity A/C.</p> <p>iii. Funds in excess of requirements of its operations may be placed in short term deposits, fixed deposits or other savings instruments in the name of D.Net. These investment decisions will be taken by a committee specially formed for this purpose, when necessary, by the Executive Committee.</p>		
X. 4	D.Net Levy		
	D.Net can charge levy on any payments of salary, honorarium, consultancy fee etc. as specified by the Executive Committee. The levy may vary individual to individual and project to project.		

X. 5	Usage Register	
		For items like stationary and other items for day-to-day official use, D.Net shall keep a Usage Register to exercise a better control over these items. Item-wise records will be kept. The register will show the date, item used, person who used it or received it, purpose and quantity used and the balance of each item.
X. 6	Stock Register	
		D.Net shall keep a Stock Register for items for sale such as Gunijan CDs, BORN pre-paid cards etc. to exercise a better control over these items. The register will show the date, quantity received, sold, reference of documents and balance of each item.
X. 7	Cheque Register	
		D.Net shall maintain a Cheque Register with the details of each cheque issued like date of issue, amount, name of payee, cheque no. etc. The register must be signed by the Executive Director and Treasurer while issuing a cheque.
X. 8	Revenue Stamp	
		Essentially, a revenue stamp is required whenever a person acknowledges receipt of money. It is required only on payments Taka 500. Use of the stamp is required under law . Other things to keep in mind are: i. The rule is applicable to both cash and cheque payments. ii. The person who receives the money should pay for the stamp. iii. The stamp should always be cancelled by drawing a cross or signing across. iv. No stamp is required on receipts issued for donations because these are payments without consideration.
		v. No revenue stamp is required on impress transactions with employees. But it is required when loan or salary is given. D.Net will follow the law in all payments. vi. Stamp must be required for the payment of salary, honorarium and Purchase from suppliers above Taka 500
X. 9	Computerized Accounting	
		The rules and concepts described in this manual are applicable even if the accounts of D.Net are computerized. However, if any change in rules is required for the computerization, the amendment should be done by the Executive Committee and approved by the Governing Body.

Section XI	Income Tax & VAT Regulation												
#	Heading/Subheading (in bold)	Text	Applicability										
XI. 1	Tax Deduction												
		Tax deduction from salary and from payments to suppliers etc. shall be made at the time of payment as per the rules and legal provisions / ordinance. D.Net shall not bear the staff tax. Tax shall be deducted from the salary of the staff whose salary amount exceeds the tax exemption limit.											
XI. 2	Deposit of Tax												
		Tax deducted at source shall be deposited with the Government Exchequer within the stipulated time.											
XI. 3	Tax Regulations relevant to D.Net												
		Here are some tax regulations as per Income Tax Ordinance 1984 (ITO 1984) and VAT Act 1991, SRO knowledge of which are necessary for D.Net to comply with the tax laws prevalent in Bangladesh.											
		<table border="1"> <thead> <tr> <th>Tax applicable fields</th> <th>Regulation Reference</th> </tr> </thead> <tbody> <tr> <td>Deduction at Source from salaries</td> <td>section-50/rule-13, ITO 1984</td> </tr> <tr> <td>Deduction at source from contractors and suppliers</td> <td>section-52/rule-16, ITO 1984</td> </tr> <tr> <td>Deduction at source from house property rents</td> <td>section-53A / rule 17B, ITO 1984</td> </tr> <tr> <td>Deduction at source from fees for professional or technical services</td> <td>section-52A , ITO 1984 SRO No. 173-Ain/2004/419-mushak</td> </tr> </tbody> </table>		Tax applicable fields	Regulation Reference	Deduction at Source from salaries	section-50/rule-13, ITO 1984	Deduction at source from contractors and suppliers	section-52/rule-16, ITO 1984	Deduction at source from house property rents	section-53A / rule 17B, ITO 1984	Deduction at source from fees for professional or technical services	section-52A , ITO 1984 SRO No. 173-Ain/2004/419-mushak
	Tax applicable fields	Regulation Reference											
	Deduction at Source from salaries	section-50/rule-13, ITO 1984											
	Deduction at source from contractors and suppliers	section-52/rule-16, ITO 1984											
	Deduction at source from house property rents	section-53A / rule 17B, ITO 1984											
Deduction at source from fees for professional or technical services	section-52A , ITO 1984 SRO No. 173-Ain/2004/419-mushak												
	XI. 3.A. Tax on Salaries:												
		Tax is to be deducted at source from salaries of the employees, falling in the tax bracket, by D.Net at the time of making payment of salaries at an average rate of the rate applicable for that year. Tax deducted from salary will be deposited to the Government Exchequer within fiscal year.											
	XI.3.B. Tax on contractors' and suppliers' payment:												
		Tax is to be deducted at source from the payment to contractors or suppliers as per Government rules.											

	XI. 3.C. Tax on house property rent payment:	
	Tax is to be deducted at source from the rent of the house property as per Government prescribed rates and rules.	
	XII.3.D. Tax on fees for professional services:	
	Tax is to be deducted or collected at source from the fees to lawyer, engineer, architect or chartered accountants, consultants, advertising and interior decoration firm for providing professional services, at the rate of 5%, at the time of making the payment. There is no exemption limit for it. Again a 4.5% VAT is applicable on the 30% of the contractual amount received by the professional service provider.	
	XI.3.E. Tax on fees for technical services:	
	Tax is to be deducted at source from any technical service as per Government prescribed rates and rules.	
	XI.3.F. Tax and other services	
	Tax is to be deducted or collected at source from the payment of royalty, technical know-how fee, technical services fee or technical assistance fee at the rate of 10% from the payment. There is no exemption limit for it. Again a 4.5% VAT is applicable on the 30% of the contractual amount received by the technical service provider.	
	XI.3.G. Others	
	If the National Board of Revenue gives a certificate in writing that the professional or technical service provider is not likely to have any assessable income during the year or the income is exempted from tax, payment will be made without any advance income tax deduction.	

Section - XII	Financial Reporting Policy		
#	Heading/Subheading (in bold)	Text	Applicability
XII.1	Internal Reporting	An internal financial report or Trial Balance should be prepared at the end of each month. A member of Executive Committee should sign the report after verification. It will serve as an internal document to monitor the accounts.	

XII.2	Annual Financial Statements		
		13.2a. Receipt & Payment Statement 13.2b. Income & Expenditure Statement 13.2c. Balance Sheet 13.2d. Comparative Statements: Budget Vs Actual amount From the annual Trail Balance annual statements will be made. For activities of different projects which are not completed at the balance sheet date of D.Net, proportionate accounts of those project will be accounted for in the main accounts.	
XII.3	Reporting to Donors		
		Financial Reports for the donors shall be prepared according to the specific requirements of respective donors.	

Section XIII		Audit & Annual Return	
#	Heading/Subheading (in bold)	Text	Applicability
XIII.1	Audit		
		<p>A. All accounts of D.Net shall be audited by one or more auditors to be selected by the Executive Committee (and approved by the Governing Body). Such auditing will be carried out by an audit firm approved by the government or registration authority. Main Accounts and Project Accounts (if required) shall be audited separately.</p> <p>B. The auditors shall have access at all convenient times, during the agreed period of annual audit, to all books, records, vouchers, minutes and other documentation which are in the opinion of the auditors, necessary in performance of the audit.</p>	

Section XIV		Audit Committee	
#	Heading/Subheading (in bold)	Text	Applicability
XIV.1	ToR of Audit Committee		Annex - L
		<p>There shall be an Audit Committee formed by the Governing Body of D.Net as independent from the Executive Committee of D.Net. The primary purpose of the Audit Committee is to assist the Governing Body in the proper discharge of its responsibilities with regard to the fairness of financial reporting and in providing assurance towards the effectiveness of internal control.</p> <p>The Audit Committee will have the explicit authority to evaluate Financial Statements as to its fairness of presentations and adequacy</p>	

	<p>of disclosures. All the activities of D.Net, funded from whatever source, will fall within the scope of the Audit Committee as to its financial reporting and related internal control matters. The Internal Control activities of D.Net as a whole will fall under the purview of the Audit Committee. The “Financial Statements” referred to as above will mean the Financial Statements required as per statutory requirements of the country where it operates. The definition and scope of “Internal Control” will be the same as has been defined in the “Internal Control –Integrated Framework” of the Committee for Sponsoring Organizations of the Treadway Commission of USA commonly known as COSO.</p>	
--	--	--

Section XV		Modification	
#	Heading/Subheading (in bold)	Text	Applicability
XIV		D.Net will improve this Financial Management Policy as and when necessary. Any required modification to this manual will be done by the Executive Committee and approved by the Governing Body.	

D.Net

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Performance Evaluation Report (PER) from

[Employee Supervisor Executive Director]

Name : **Present Designation:**
Date of Joining : **Type of Employee:**
Present Gross Salary : **Present Basic Pay :**
Last Date of Increment: **Contract Expiry Date:**
Probable Date for Next Increment:

Leave taken during the period under review (November 08 to May 09):			Attendance (November 08 to May 09):		
Casual Leave	:	No. of Days	Total Working Day	:	No. of Days
Medical Leave	:	No. of Days	Attendance (with Duty Leave in working day)	:	No. of Days
Earned Leave	:	No. of Days	Duty Leave (in off day)	:	No. of Days
Compensatory Leave	:	No. of Days	Late	:	No. of Days
Extraordinary Leave	:	No. of Days	Absent without Prior Permission (except ML)	:	No. of Days

Assessment Table

(Remarks: Excellent = 91 to 100, Very Good = 81 to 90, Good = 71 to 80, Ordinary = 51 to 70, Unsatisfactory = 31 to 50)

Sl. No	Particulars	Points	Score	Remarks
1	Quality of Work (Related to Annex: A)	20		
2	Volume of output (Related to Annex: A)	15		
3	Attitude of work (<i>show initiative towards completing the assigned work in time, accepts additional work willingly or does not show much initiative</i>)	10		
4	Sense of responsibility	10		
5	Participation in lessons learnt capturing & knowledge management	10		
6	Professional relationship with subordinates, colleagues and supervisors	10		
7	Maintenance of D.Net Records & Equipments	10		

8	Skills improvement drive (Reading and Writing on relevant issues, participation in relevant off-line and on-line groups/ meetings)	15		
9	Resource Mobilization	10		
	Total	100		
10	Honesty and integrity (Yes/ No/Not Sure, in case of No/Not sure remarks/ reasons to be specified)			
Additional Comments:				

Annex: A1

Assessment of Quality of Work & Volume of output (SI No 1 & 2)

SI No	Job Description/Additional Involvement	Achievements
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		

Signature & Date:

D.Net

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Performance Evaluation Report (PER) from

[Employee Supervisor Executive Director]

Name : **Present Designation** :
Date of Joining : **Type of Employee** :
Present Gross Salary : **Present Basic Pay** :
Last Date of Increment : **Contract Expiry Date** :

Probable Date for Next Increment:

Leave taken during the period under review (November 08 to May 09):				Attendance (November 08 to May 09):			
Casual Leave	:		No. of Days	Total Working Day	:		No. of Days
Medical Leave	:		No. of Days	Attendance (with Duty Leave in working day)	:		No. of Days
Earned Leave	:		No. of Days	Duty Leave (in off day)	:		No. of Days
Compensatory Leave	:		No. of Days	Late	:		No. of Days
Extraordinary Leave	:		No. of Days	Absent without Prior Permission (except ML)	:		No. of Days

Assessment Table

(Remarks: Excellent = 91 to 100, Very Good = 81 to 90, Good = 71 to 80, Ordinary = 51 to 70, Unsatisfactory = 31 to 50)

Sl. No.	Particulars	Points	Score	Remarks
1	Quality of Work (Related to Annex: A)	20		
2	Volume of output (Related to Annex: A)	20		
3	Attitude of work (<i>show initiative towards completing the assigned work in time, accepts additional work willingly or does not show much initiative</i>)	10		
4	Sense of responsibility	10		
5	Participation in lessons learnt capturing & knowledge management	10		
6	Professional relationship with subordinates, colleagues and supervisors	10		
7	Maintenance of D.Net Records & Equipments	10		
8	Skills improvement drive (Reading and Writing on relevant issues, participation in relevant off-line and on-line groups/ meetings)	10		

9	Total	100		
10	Honesty and integrity (Yes/ No/Not Sure, in case of No/Not sure remarks/ reasons to be specified)			
Additional Comments:				

Annex: A 2

Assessment of Quality of Work & Volume of output (SI No 1 & 2)

SI No	Job Description/Additional Involvement	Achievements
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		

Signature & Date:

D.Net

Annex - B

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Leave Application Form

A. Name of the Employee: _____

B. Designation: _____

C. Division/ Programme/ Project: _____

D. Application for:

Earn Leave	Casual Leave	Medical Leave	Compensatory Leave	Other Leave
------------	--------------	---------------	--------------------	-------------

E. Purpose of leave: _____

F. Number of Days _____ G. Effective from (Date): _____

H. Detail Address during leave with contact phone no: _____

I. Supporting Attachment (e.g. Medical Certificate): _____

J. Leave Reliever:

Name	Designation	Programme/Project	Signature

K. Signature and date of Applicant: _____

This Part to be Filled by HR

L. Last leave availed on: _____

M. Leave Status: With Pay Without Pay

Type of Leave	Available	Enjoyed	Balance	Remarks	HR Department
Earned Leave					
Casual Leave					
Medical Leave					
Compensatory Leave					
Other Leave					

Additional Comments (If any): _____

Remarks of Approving Authority

a) Supervisor: Recommended / Not Recommended _____

b) Division In Charge: Approved / Not Approved _____

c) Executive Director: Approved / Not Approved _____
(For Deputy Director and above) _____

D.Net

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Advance Request Form

A. Name of Employee: _____

B. Designation: _____

C. Division/ Program/ Project: _____

D. Purpose (Please tick appropriate box):

1. TA/DA Advance

3. Expense Advance

2. Deposits with suppliers

4. Others (Specify): _____

E. Details (If Applicable):

--

F. Place: _____

G. Period covered: From _____ to _____

H. Request amount Taka: _____

In words: BDT _____

G. Break down of the above amount:

BDT

1.	
2.	
3.	
4.	
5.	
Total	

Signatures & Date:

a) Applicant:

b) Executive Director /Division Head / Program/ Project Chief:

c) Recipient :

(Signature of Accounts Department)

D.Net

Annex - D

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Travel Expenses and Daily Allowance Bill Form

Please submit travel expense immediately after the completion of a trip. Enclose receipt or vouchers (if any) with this form.

Name: _____ Designation: _____

Division/ Programme/ Project: Advance receipt date:

Purpose of travel: _____ Period covered: _____ to _____

1. A. Transportation Cost (Itinerary should be completed below, whether the fares are paid by you or not. Please attach ticket stubs and receipt from, if any, with this form)

Departure		Arrival		Transportation			
Station	Date & Time	Station	Date & Time	Means	Class	Fare Amount	Remarks
Sub-total (A)							

B. Daily allowance for _____ X _____ days Taka _____

C. Other expenses (if any) Taka _____
(Aggregate amount and provide details on **Annex-1**)

D. Total Expenses (A+B+C) Taka _____

2. Less cash advance Taka _____

3. Balance Due (1-2) Taka _____

4. Signatures and Date:

a) **Applicant:**

b) Executive Director / Division Head / Programme/ Project chief:

c) Recipient of Balance Amount (Applicant/Accounts):

(Signature of Accounts Department)

Other expenses:

SI	Particulars	Quantity	Rate (BDT)	Total (BDT.)	Remarks

D.Net

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
Telephone: 8124976, 9131424, 8156772
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

***Approval Form for Bill
(Without pacca receipt)***

1. Name of the Employee:
2. Designation
3. Division/ Programme/ Project:
4. Purpose of Expenditure:

Date	Description	Unit	Unit cost (Taka)	Total cost (Taka)	Remarks
Total:					

5. Comments

Note: This form is applicable where supplier/seller is unable to provide any pacca receipt/ receipt.

Signatures & Date:

- d) Applicant:
- e) Executive Director /Division Head / Programme/ Project Chief:
- f) Recipient:

D.Net

Development Research Network
6/8 Humayun Road Block: B
Mohammadpur Dhaka-1207 Bangladesh.
Telephone: 8124976, 9131424, 8156772
E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Itinerary Form

1. Name of Employee: _____

2. Designation: _____ 3. Division/ Programme/ Project: _____

4. Purpose of Travel: _____

5. Place of Visit: _____

6. Period Covered: _____

7. Main Mode of Transport: _____

8. Duties will be carried out during leave by:

Name & Designation: _____ Signature _____

Signatures & Date:

D.Net

Development Research Network

6/8 Humayun Road Block: B

Mohammadpur Dhaka-1207 Bangladesh.

Telephone: 8124976, 9131424, 8156772

E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Terms of Reference for Theme Leader and Project Leader

A. Background

D.Net is a not-for-profit research organization envisaging mainstreaming information and communication technology (ICT) in poverty alleviation and economic development of Bangladesh. D.Net mainly generating and sharing knowledge for broader constituency thriving to play a visible role in ICT and development policy Sharing Best practices in South Asia and beyond. During initial years, D.Net main focus was ICT for Development. As a research institution, it needs important transition in terms of focusing on general economic and social development. The whole organisation felt the need for a direction for the next five years. As a result, a process of development of strategy for the period of 2006-07 to 2010 -11 was started in 2005. The process of formulation strategy included staff consultation and consultation with civil society. The five year strategy has been coined as Mission 2010. For the next five years (2006-07 to 2010-11), six themes have been identified for research and action:

- **Theme 1: Access to Information and Knowledge:** Understanding impact of ICTs on poverty and Piloting appropriate ICTs for improving livelihood and employment generation
- **Theme 2: Enhancing Business Competitiveness for Economic Growth:** Understanding role of information in business competitiveness; Analysis of markets for promoting domestic business and export; Promoting SMEs for economic development and Hold dialogue with industry stakeholders
- **Theme 3: Governance and Human Rights:** Promoting good governance state, local government and enterprise levels; Promoting human rights through establishment of rights to information for all citizens including poor and marginalised
- **Theme 4: Human capacity building:** Promoting capacity building at the grassroots level particularly for the youth and women; promoting capacity building for advanced research; Promoting skills development for contributing to national development
- **Theme 5: Institutional Capacity Development:** Promoting access to information at the grassroots level through support towards mainstream institutions; develop institutional capacity of the organizations willing to focus research on various issues including on ICD4D issues
- **Theme 6: Economic and Development Policy Research:** Contributing to economic and development policy making through research

B. Purpose

D.Net has planned to decentralise the responsibility among staffs. New leadership will be grown and the workload will be well distributed by effective implementation of decentralisation policy. In relation to the issue, 6 themes will be lead by 6 thematic leader who basically accountable of the specific theme's actions and activities.

C. Terms of references

C.1 Main responsibilities of Theme Leader

In a theme there are several programmes and projects: The responsibilities of the theme leader will be:

1. Facilitate different actions for achieving theme objectives
2. Maintain separate file (including one pager, project concept note, MoU, team members, budget, work plan, FD 6 and FD 2 (if necessary) or any government approval) for each project under the theme.
3. Guide the project leader for team formation.
4. Guide the project leader for developing plan and strategies for effective implementation of the project.
5. Theme leader will assign a person (in consultation with project leader) from the specific project team who will take charge of the project during the absence (leave or on duty leave) of project leader.
6. Theme leader will arrange and conduct a monthly meeting with all the project leaders (under the theme) where specific project activities, progress and challenges will be discussed and relevant issues will be finalised through open discussion.
7. Theme leader will produce a concise report (monthly) for Executive Committee (EC) meeting which will be submitted to the Head of Institutional Affairs before the timeline.
8. Division Head/Executive Director will inform responsible theme leader if generate any new project concept from any staff/person then theme leader will select a Project Leader (in consultation with Division Head) for processing.

C.2 General Clauses

9. The work provided in this contract is unsatisfactory or fails to conform to the conditions set out above, D.Net (Division Head in consultation with Executive Director) reserves the right, as appropriate, to request theme leader for improvement or refuse to accept it.
10. D.Net reserves the right to propose alterations, change the way and technique of the operation.
11. Any dispute arising out of the application or interpretation of this contract shall be attempted to resolve on the basis of mutual negotiations.

C.3 Special clauses

12. Theme leader will get support from Operations Division and Knowledge Management Division for running the theme activities effectively.
13. Time limits: The ToR for each thematic head is initially applicable for twelve (12) months from January to December 2008. The time will be renewed/or new Theme Leader will be assigned by Division Head in consultation with Executive Director.
14. Each theme will have an anchor person who will be guided by theme leader for documentation and any other relevant support services.
15. Budget allocation (if/when needed): Project leaders will submit the budget requirement to the theme leader. Theme leader will share the issue with Division Head and will ensure the allocation/approval.
16. Relationship between Executive Director (ED), Division Head (DH), Theme Leader (TL) and Project Leader (PL)
 - a) Relation between Theme Leader and Division Head
 - Share progress and challenges of ongoing projects
 - Discuss policy issue for project implementation
 - Discuss and ensure fund allocation if/when needed
 - b) Relation between Thematic Head and KMD & OD
 - Request necessary support required

c) Relation between Project Leader (PL) and Theme Leader

- Share project progress and challenges
- Discuss policy issue
- Discuss for fund allocation
- Share necessary input for project implementation
- Project implementation strategy formulation
- Project planning
- Share team feedback and team status

Theme leader for the theme of _____ Division head for the division of _____

Signature: _____ Signature: _____

Date: _____ Date: _____

D.Net

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Budget Format

Version	D	M	Y
First			
Second			
Third			
Fourth			

Project Budget Form

Project

D	M	Y
---	---	---

 Project Year Project Number

TH	PGPR
----	------

Approval Date

--	--	--	--	--

Project Title Division Theme

Date of Initiation

D	M	Y
---	---	---

 Date of Completion

D	M	Y
---	---	---

 Budget Period

D	M	Y
---	---	---

 to

D	M	Y
---	---	---

Sponsoring Agency Agreement Number Collaborating Institution (If any)

Total Budget BDT Foreign Currency Conversion Rate (if foreign Currency) FC 1 = BDT

Current Period Budget BDT Foreign Currency Conversion Rate (if foreign Currency) FC 1 = BDT

Account Name

Account Number Bank Name: Branch

Division Head Designation Theme Leader Designation Project Leader Designation

Opening Balance for the Project

A. 1.3.06 Cash at Bank as of

B. 1.3.07 Cash in Hand as of

C. 1.3.02 Accounts Receivable

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.02)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

Budget Income

3.1. Income

3.1.01 Foreign Grants / Donation/Contribution

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.01)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.02 Local Grants / Donation/ Contribution

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.02)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.03 Service Income

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.03)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.04 Sales

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.04)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.05 Registration & Subscription fees

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.05)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.06 Levy

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.06)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.07 Bank Interest

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.07)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

3.1.08 Miscellaneous (Income)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.3.08)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

D. Total Income (1.3.01-1.3.08)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (D)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

E. Grand Total (A+B+C+D)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (E)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

A. 1.1 Assets

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (1.1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

B. 4.1 Expenses

4.1.01 Salaries/Allowances

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.01)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.02 Salaries/Allowances (PNGO)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.02)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.03 Honorarium

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.03)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.04 Office Rent/Space Rent

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.04)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.05 Printing & Publication

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.05)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.06 Stationery

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.06)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.07 Internet & Communications

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.07)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.08 Postal Charge and Others

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.08)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.09 Repair & Maintenance

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.09)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.10 Conveyance

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.10)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.11 Traveling Allowance/Daily Allowances

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.11)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.12 Seminars, Workshops, Meetings & Cultural Function

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.12)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.13 Research Expenses

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.13)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.14 Training Expenses

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.14)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.15 Staff Training and Development

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.15)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.16 Contribution/Donation

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.16)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.17 Registration & Subscription Fees

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.17)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.18 Entertainment/Refreshment

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.18)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.19 Utilities

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.19)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.20 Fuel Cost

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.20)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.21 Advertisement

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.21)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.22 Office General Expenses

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.22)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.23 Audio Visual Materials

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.23)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.24 Overhead

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.24)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.25 Medical Support to Staff

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.25)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.26 Retreat/Picnic

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.26)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.27 News Paper & Periodicals

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.27)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.28 Bank Charges

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.28)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.29 Insurance Premium

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.29)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.30 Audit Fees

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.30)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.31 Legal Fees

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.31)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.32 Deprecation

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.32)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.33 Computer & Peripherals (Applicable for specific Project)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.33)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.34 Office Equipment (Applicable for specific Project)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.34)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.35 Furniture & Fixture (Applicable for specific Project)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.35)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.36 Books (Applicable for specific Project)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.36)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.1.37 Miscellaneous (Expenses)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.37)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

C. Total Expenses

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.37)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

D. 2.2.01 Accounts Payable

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (2.2.01)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

Grand Total (C+D+E+F)

Account Code	Description	Total	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Remaining Balance
Total (4.1.37)		-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note:

1. This form will be filled by Project Head and Accounts in Charge/Accountant or his authorized representative
2. Any changes/correction on any page of this project budget approval form should be made under full signature of Project Head, Accounts in Charge/Accountant, Treasures and Executive Director
3. Honorarium man month for Researcher should not be changed
4. Under the foreign component expenditure shall apply only to the project which will have provision for foreign expenditure involving D.Net financial management.
5. If fully reimbursable, expenditures on all line items will change with change in the exchange rate.

D.Net

Development Research Network

6/8 Humayun Road, Block: B

Mohammadpur Dhaka-1207 Bangladesh.

Telephone: 8124976, 9131424, 8156772

E-mail: info@dnet.org.bd, Website: www.dnet.org.bd

Chart of Accounts

Assets

1.1 Fixed Assets

- 1.1.01 Land & Building
 - Building
 - Land
- 1.1.02 Vehicle
 - Vehicle
- 1.1.03 Computer Peripherals
 - Computer & Peripherals
- 1.1.04 Office Equipment
 - Office Equipment
- 1.1.05 Furniture Fixtures
 - Furniture & Fixtures
- 1.1.06 Resource Materials
 - Resource Materials

1.2 Intangible Assets

- 1.2.01 Software
 - Software

1.3 Current Assets

- 1.3.01 Advance to Staff
 - Advance To Staff
- 1.3.02 Accounts Receivable
 - Accounts Receivable
- 1.3.03 Security Deposit
 - Security Deposit
- 1.3.04 Loan & Advance
 - Advance Income Tax
 - Fund Advance-PNGO
 - Loan & Advance (Assets)
 - Staff Loan & Advance
- 1.3.05 Inter Project Loan
 - Inter Project Loan (Assets)
- 1.3.06 Cash at Bank
- 1.3.07 Cash in Hand

Liabilities

2.1 Loan Accounts

- 2.1.01 Bank Loan
 - Southeast Bank Limited (Loan)

2.2 Current Liabilities

- 2.2.01 Accounts Payable
 - Accounts Payable
 - Audit Fees Payable

- Salaries/Allowances Payable
- Tax Payable
- VAT Payable
- 2.2.02 Loan & Advance
 - Loan & Advance (Liabilities)
- 2.2.03 Provident Fund
 - Provident Fund
- 2.2.04 Gratuity Fund
 - Gratuity Fund
- 2.2.05 Earn leaves Encashment Fund
 - Earn leave Encashment Fund
- 2.2.06 Health Insurance Fund
 - Health Insurance Fund
- 2.2.07 Inter Project Loan
 - Inter Project Loan (Liabilities)
- 2.2.08 Accumulated Depreciation
 - Accumulated Depreciation on Computer & Peripherals
 - Accumulated Depreciation on Furniture & Fixture
 - Accumulated Depreciation on Office Equipment
 - Accumulated Depreciation on Resource Materials

2.3 Fund Account

- Fund Account

2.4 Income & Expenditure Account

- Balance of Income & Expenditure Account

Income

3.1 Income

- 3.1.01 Foreign Grant/Donation
 - Foreign Grant/ Donation
- 3.1.02 Local Grant/Donation
 - Local Grant/Donation
- 3.1.03 Contribution/Overhead
 - Contribution (Income)
 - Overhead (Income)
- 3.1.04 Service Income
 - Service Income
- 3.1.05 Sales
 - Sales
- 3.1.06 Registration & Subscription fees
 - Registration & Subscription fee (Income)
- 3.1.07 Levy
 - Levy
- 3.1.08 Bank Interest
 - Bank Interest
- 3.1.09 Miscellaneous
 - Miscellaneous Income

Expenses

4.1 Expenses

- 4.1.01 Salaries/Allowances
 - Assistant Director
 - Deputy Director
 - Executive Director
 - Program Associate

- Program Director
- Project Coordinator
- Salaries/Allowances
- Senior Assistant Director
- Support Staff
- 4.1.02 Salaries/Allowances (PNGO)
 - Salaries/Allowances (PNGO)
- 4.1.03 Honorarium
 - Honorarium
- 4.1.04 Office Rent
 - Office Rent
- 4.1.05 Printing & Publication
 - Printing & Publication
- 4.1.06 Stationery
 - Stationery
- 4.1.07 Internet & Communication
 - Internet & Communication
- 4.1.08 Postal Charge & Courier
 - Postal Charge & Courier
- 4.1.09 Repair & Maintenance
 - Repair & Maintenance
 - TNT Connection
- 4.1.10 Conveyance
 - Conveyance
- 4.1.11 Traveling Allowances/Daily Allowances
 - Domestic Traveling/Daily Allowances
 - International Traveling/Daily Allowances
- 4.1.12 Seminar, Workshop, Meeting & Cultural
 - Seminar, Workshop, Meeting & Cultural Function
- 4.1.13 Research Expense
 - Research Expense
- 4.1.14 Training Expenses
 - Training Expenses
- 4.1.15 Staff Training & Development
 - Staff Training & Development
- 4.1.16 Contribution/Donation/Overhead
 - Contribution (Expenses)
 - Overhead (Expenses)
- 4.1.17 Registration & Subscription fees
 - Registration & Subscriptions fee (Expenses)
- 4.1.18 Entertainment/Refreshment
 - Entertainment/Refreshment
- 4.1.19 Utilities
 - Electricity, Water, Gas
 - Utilities
- 4.1.20 Generator Fuel
 - Generator Fuel
- 4.1.21 Advertisement
 - Advertisement
- 4.1.22 Miscellaneous
 - Contingencies
 - Miscellaneous Expenses
 - Office General Expense
- 4.1.23 Audio Visual Materials
 - Audio Visual Materials

- 4.1.24 Website Development & Management
 - Domain Registration fees
 - Web Hosting
 - Web Site Development
- 4.1.25 Medical Support to Staff
 - Medical Support to Staff
- 4.1.26 Retreat/Picnic
 - Retreat/Picnic
- 4.1.27 Newspaper & Periodicals
 - Newspaper & Periodicals
- 4.1.28 Bank Charges
 - Bank Charges
- 4.1.29 Insurance Premium
 - Insurance Premium
- 4.1.30 Audit Fee
 - Audit Fees
- 4.1.31 Legal fee
- 4.1.32 Depreciation
 - Depreciation on Computer & Peripherals
 - Depreciation on Furniture & Fixture
 - Depreciation on Office Equipment
 - Depreciation on Resource Materials
- 4.1.33 Computer & Peripherals
 - Computer & Peripherals (Expenses)
- 4.1.34 Office Equipment
 - Office Equipment (Expenses)
- 4.1.35 Furniture & Fixtures
 - Furniture & Fixtures (Expenses)
- 4.1.36 Resource Materials
 - Resource Materials (Expenses)

FLOW CHART FOR PROCUREMENT (GOODS & SERVICE)

Aim of Logistic Department

The aim of logistic department is to procure the items/equipments at right time, at right place and in right condition for smooth functioning of core and all projects.

Procedure/System of procurement

The following procedure/system is to be followed for procurement:

1. Raising the Demand/Memo/Requisition:

Individual user will raise/prepare the Demand/Memo/Requisition of required item/equipment and forward it to Division Head/Project Head for approval.

2. Action by Division Head/Project Head:

Divisions Head/Project Head will clarify the Demand/Memo/Requisition, determine the need for procurement and make sure that essential budget/fund are available. If budget /fund is available, Division Head/Project Head will give approval and sent the Demand /Memo/Requisition to logistic in-charge for make necessary procurement.

3. Action by Logistic In-charge:

On receipt of approved Demand/Memo/Requisition by Division Head/Project Head Logistic In-charge is to take the following actions:

a) If the procurement is within BDT.500/-:

- Get the approval from Head of Operations and make the procurement.

b) If the procurement is between BDT.500/- to 10,000/-:

- Get the approval from Head of Operations.
- Collect the spot quotation from enlisted vendor/supplier and make the procurement.

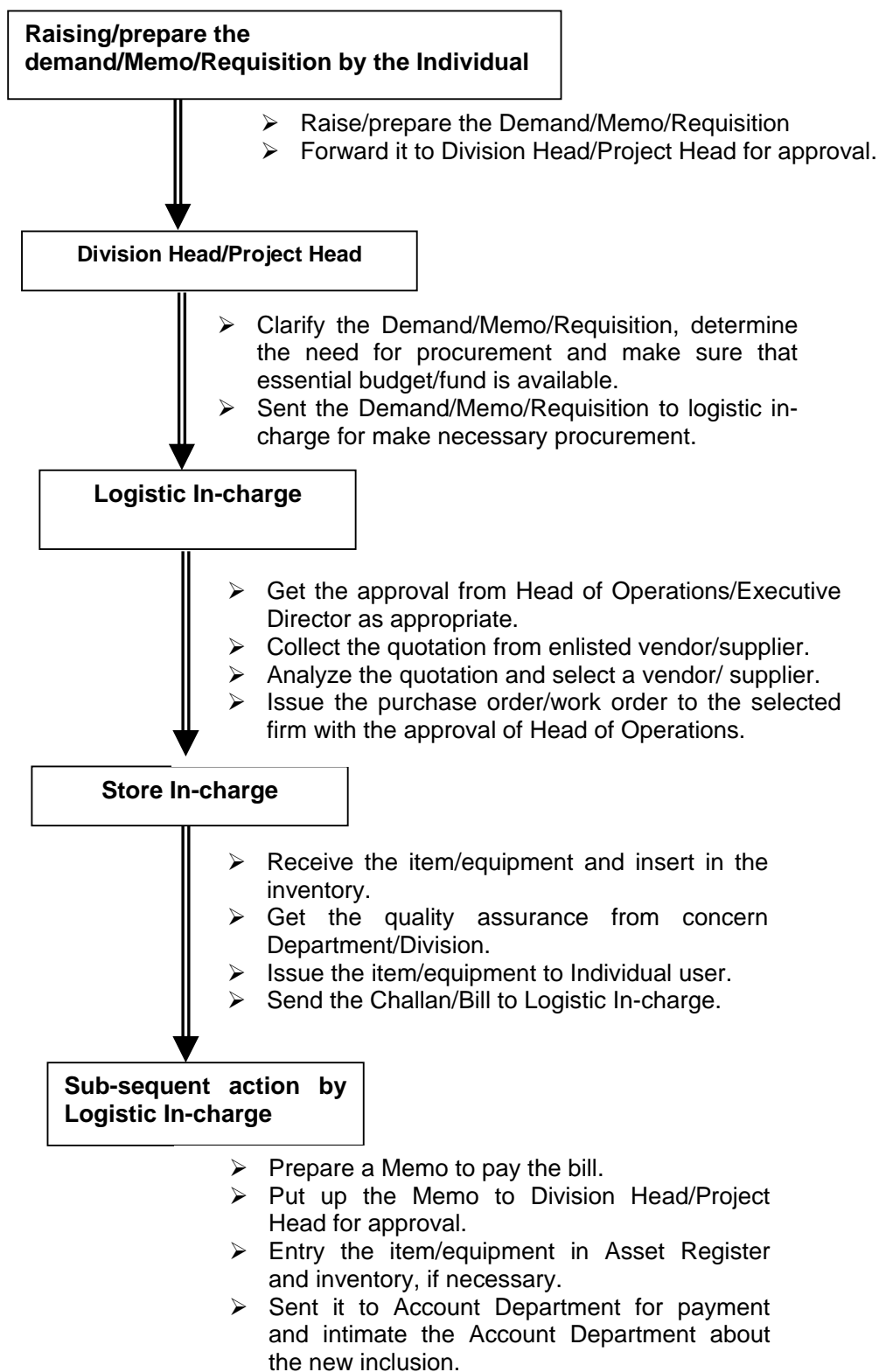
c) If the procurement is between BDT.10,000/- to 50,000/-:

- Get the approval from Head of Operations/Executive Director as appropriate.
- Collect the quotation from at least three enlisted vendor/supplier.
- Analyze the quotation and select a vendor/ supplier.
- Issue the purchase order/work order to the selected firm with the approval of Head of Operations.

- b) If the procurement is between BDT.50, 000/- to BDT 300,000/:
- Forward to Executive Director through Head of Operations for formation of a procurement committee.
 - Collect the quotation from enlisted vendor/ supplier.
 - The procurement committee will analyze the quotation and select a vendor/ supplier.
 - The chairperson of procurement committee will inform the committee's decision to Executive Director. There after Logistic in-charge will issue the purchase order/work order.
- c) If the procurement is above BDT 300,000/-:
- Forward to Executive Director through Head of Operations for formation of a procurement committee.
 - Advertise in the newspaper or as per donor requirement for tender.
 - The procurement committee will analyze the quotation and select a vendor/ supplier following the practiced procedure.
 - The chairperson of procurement committee will inform the committee's decision to Executive Director. There after Logistic in-charge will issue the purchase order/work order.
4. Action by Store In-charge:
- Receive the item/equipment from vendor/ supplier.
 - Get the quality assurance from concern Department/Division and get the functional test satisfactory report from specialist incase the item/equipment is of IT related or in technical nature.
 - Issue the item/equipment to Individual user.
 - Send the Challan/Bill to Logistic In-charge along with the quality assurance certificate/functional test satisfactory report.
5. Sub-subsequent action by Logistic In-charge:

On receipt of Challan/Bill along with the quality assurance certificate/functional test satisfactory report, Logistic In-charge is to take the following actions:

- Prepare a Memo to pay the bill.
- Put up the Memo to Division Head/Project Head for approval.
- Entry the item/equipment in Asset Register and inventory, if necessary.
- Sent it to Account Department for payment and intimate the Account Department about the new inclusion.



D.Net

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6/8 Humayun Road Block: B

Mohammadpur Dhaka-1207 Bangladesh.

Telephone: 8124976, 9131424, 8156772

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Day Off Duty Form

1. Name of Employee: _____

2. Designation: _____

3. Division/ Programme/ Project: _____

4. Purpose of Duty: _____

5. Place of Duty: _____

6. Period Covered: _____

Signatures & Date:

g) Applicant:

h) Executive Director /Division Head / Programme/ Project Chief:

Terms of Reference (ToR) of Audit Committee of the Governing Body of D.Net

1. Introduction

The Audit Committee of the Governing Body of D.Net hereinafter, referred to as “Audit Committee” or “Committee”, is a committee formed by the Governing Body of D.Net as independent from the Executive Committee of D.Net. The primary purpose of the Audit Committee is to assist the Governing Body in the proper discharge of its responsibilities with regard to the fairness of financial reporting and in providing assurance towards the effectiveness of internal control.

2. Scope

The Audit Committee will have the explicit authority to evaluate Financial Statements as to its fairness of presentations and adequacy of disclosures. All the activities of D.Net, funded from whatever source, will fall within the scope of the Audit Committee as to its financial reporting and related internal control matters. The Internal Control activities of D.Net as a whole will fall under the purview of the Audit Committee. The “Financial Statements” referred to as above will mean the Financial Statements required as per statutory requirements of the country where it operates. The definition and scope of “Internal Control” will be the same as has been defined in the “Internal Control –Integrated Framework” of the Committee for Sponsoring Organizations of the Treadway Commission of USA commonly known as COSO.

3. Specific Responsibilities

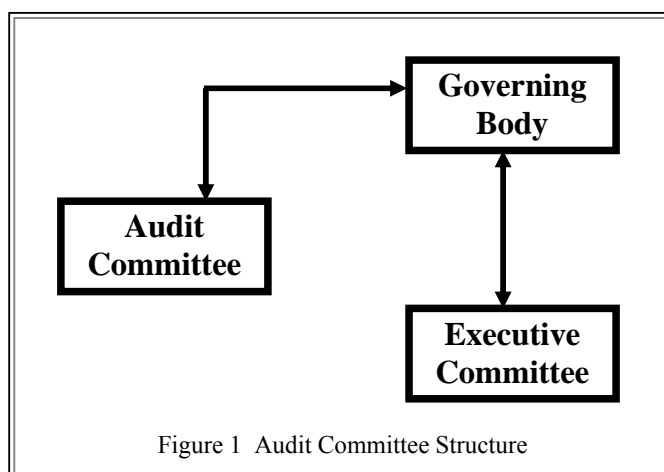
- 3.1 The Audit Committee will review the Financial Statements and provide opinion to the Governing Body with special reference to:
 - a. Fairness of presentations and adequacy of disclosures;
 - b. Completeness of accounting policies and procedures followed;
 - c. Qualifications of Audit Report if any;
 - d. Adjustments/ passed as per the recommendations of the auditor;
 - e. Compliance with the relevant accounting and reporting standard; and
 - f. Any other matters considered material by the Committee.
- 3.2 Recommend the appointment of External and Internal Auditors and their terms of references.
- 3.3 Review the Internal and External Auditors’ reports/ views on Internal Control systems and follow-up actions.
- 3.4 Evaluate Internal Control Systems of D.Net from time to time and recommend improvement actions where the Committee considers appropriate and report the material deficiency to the Governing Body.

The Committee will conduct an exit meeting with the auditors at the end of each statutory audit and provide its opinion to the Governing Body on independence of Auditors, Financial Statements and related internal control matters. The Audit Committee will provide advices to resolve the audit disputes if any.

4. Committee Structure

The Audit Committee will comprise maximum five members including a Chairperson and a Member Secretary. Beside the Chairperson, there will have one ‘independent member’ from outside the management of D.Net (two if total members of the Committee are five) and one ‘internal member’ from the Governing Body of D.Net. The Member Secretary to the Audit Committee will be deputed by the Governing Body of D.Net.

The Chairperson will be a person from outside the management of D.Net who have no or did not have any 'office of profit' or any business relations with D.Net. The Chairperson needs to be financially literate person having minimum ten years' practical experience in financial management, accounting and financial reporting with at least three years in senior management positions in any prominent organization(s). The independent member(s) also need(s) to be financially literate person having minimum ten years' practical experience in financial management, accounting and financial reporting.



The Audit Committee will be appointed for two years and will be considered for renewal by the Governing Body at least six months before the expiry of the tenure.

In order to ensure the independence of the Audit Committee, the Governing Body of D.Net reserves the right to appoint and terminate any member of the Audit Committee. Any changes to the constitution and ToR of the Committee shall be done through formal approval of the Governing Body by passing resolution in its meeting.

5. Access

The Audit Committee members have rights of access to all of the D.Net records, and information which it considers necessary to fulfill its responsibilities. The Chairperson of the Audit Committee has right to contact the Chairperson of the Governing Body and the Executive Director.

The Chairperson of the Audit Committee has right to communicate external auditors regarding any matters related to risk management, control and governance. In turn, the external auditors may directly communicate the Audit Committee with requests for any information or records needed to discharge their responsibilities or may share their observations.

6. Responsibilities of D.Net Management

The D.Net Management will provide all records and information to the Committee as and when necessary and will provide responses/explanations to the queries of the Committee within 7 days or within the days as the Committee may extend. The D.Net Management will facilitate the Committee with adequate resources necessary to fulfill its responsibilities.

7. Special Reviews or Investigations

The Audit Committee may conduct special reviews or investigations as it may decide from time to time or in response to request by the Governing Body or the Executive Committee, provided they are not in conflict with the objective of the Committee. The D.Net management will provide necessary resources to perform the special reviews or investigations.

8. Reporting

The Committee will present an “Audit Committee Report” annually to the Governing Body of D.Net expressing its opinion on its evaluation of financial statements, internal control practices and any other matters the Committee may think fit to inform.

9. Meeting

The Audit Committee will meet quarterly, preferably fifteen (15) days before the commencement of the quarterly Governing Body Meeting. In addition, the Chairperson may call special meeting any time as he/she may considers necessary from time to time or in response to any request by any Member of the Committee or the Governing Body. The Chairperson can delegate his/her role as Chairperson to any of its independent members to act on his/her behalf for the purpose of accomplishing the activities of the Committee. The Member Secretary will serve at least 15 day’s notice in consultation with the Chairperson. The Chairperson can call an urgent meeting on short notice as and when necessary.

10. Effective Date

The Terms of Reference (ToR) will come in to force with retrospective effect from 18th October 2008. The existing Audit Committee (1st Audit Committee) will be considered as deemed to have been constituted under this Terms of Reference.

11. Audit Committee – proposing the ToR

Chairperson	Mr. Gopal Chandra Ghosh FCA, CMA Finance Controller Lafarage Surma Cement Ltd.	-----
Member	Mr. M. Shafiqul Islam Additional Director, CPD	-----
Member	Dr. Sarwar Uddin Ahmed Treasurer, D.Net	-----
Member Secretary	Mr. Ajoy Kumar Bose Head, Institutional Affairs D. Net	-----

12. Approval of ToR

SIGNED ON BEHALF OF THE GOVERNING BODY

Chairperson	Mr. Toufic Ahmad Choudhury D.Net	----- -----
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