



OLSIA Finance Policy

Organization of literacy support for independent Afghanistan

2025

OLSIA FINANCE POLICY

Contents

Board Approval	5
FOREWORD	6
Policy Update	7
Policy Implementation	7
Policy Orientation	7
Background of the Organization	7
Our Vision:	8
Our Mission:	8
Goal	8
Humanitarian Principles:.....	8
1. Authorization Limits	9
1.1. Delegation of authority	9
1.2. Responsibilities of main key staff	10
1.3.2. Senior Finance Officer:	10
1.3.3. Accountant – Job Responsibilities:	11
1.3.4. Cashier - Job Responsibilities:	11
2. ACCOUNTING POLICIES	12
2.1. Accrual Basis of Accounting	12
2.2. Fixed Assets	12
2.3. Stocks and Stores	12
2.4. Revenue	12
2.4.2. Bank Interest Income	12
2.5. Foreign Currency Transactions.....	13
2.5.1. Initial recognition	13
2.5.2. Reporting on subsequent balance sheet dates	13
2.5.3. Recognition of exchange gain and loss	13
3. ACCOUNTING SYSTEM	13
3.1. Regional offices	13
3.2. Main office	13
3.2.1. Cash Book/Bank Book	14
General Ledger	14

OLSIA FINANCE POLICY

3.3. Vouchers	14
3.3.1. Cash / Bank Receipt Voucher	14
3.3.2. Cash / Bank Payment Voucher	14
3.3.3. Journal Voucher	14
3.4. Design of vouchers and Voucher Numbers	14
I. Voucher Types	15
3.4. Chart of Accounts.....	15
3.5. Reporting Currency	16
3.6 OLSIA Accounting software.....	16
3.7 Fiscal Year	16
3. TRANSFER OF FUNDS	16
4.1.1. Request for funds transfer	16
4.1.2. Modes of Transfer.....	16
Transfers through bank.....	16
HAWALA	17
Transfer through OLSIA staff.....	17
5. ADVANCES	17
5.1. Advances for official expenses	17
5.2. Liquidation of Advance	18
5.2.1. Advance against salaries	18
5.2.2. Some Additional General Rules.....	18
6.BUDGETING AND REPORTING.....	19
6.1. Introduction	19
6.2. Procedure for making project budgets	19
Following procedures should be used for preparation of the budget.	20
6.3. Organizational Based Budget:	20
6.4. Internal reporting.....	21
6.5. External financial reporting.....	21
6.6. External Audit	21
6.7. Internal Audit	21
6.8. Backup of Finance files.....	21
7. Foreign Currency Transactions.....	21

OLSIA FINANCE POLICY

7.1. Reporting Currency	22
7.2. Accounting Policy	22
7.3. Foreign Currency Conversion	22
7.3.1. Data flow	23
8. INTERNAL CONTROLS	23
8.1. Cash Flow:	23
8.1.1. Cash Receipts	23
8.1.2. Cash Payments	23
8.1.3. Other Controls	24
8.2. Banks	24
8.2.3. Co-signatories	24
8.2.4. Bank receipts	24
8.2.5. Bank payments	25
8.2.6. Deposits in and withdrawal from banks	25
8.2.7. Reconciliation's	25
8.2.8. Advance Reconciliation	25
8.2.9. Segregation of Duties	26
8.3. Regular Review	26
Appendixes:	28
Salary range and step	47

OLSIA FINANCE POLICY

Board Approval

The board of director of OLSIA, by resolution duly adopted by unanimous vote at a meeting duly called and held and not subsequently rescinded or modified in any way, has duly determined that this policy is workable and fair to and in the best interests of OLSIA, the board, approve this policy, recommended for use and directed that the amendment be submitted for consideration by OLSIA board members and ED at the OLSIA board meeting.

Each member of the board agrees to perform such further acts and execute such further documents as are necessary to effectuate the purposes hereof. This policy manual shall be understood and enforce in accordance with and governed by the laws of the government of Afghanistan.

The OLSIA Board Approval constitutes approval of this policy manual undersigned.

Abdul Qaum Almas

Signature

Fazal Rabani

Signature

Abdul Jabar Ameri

Signature

Farhad Naderi

Signature

Haroon Ahmadi

Signature



OLSIA FINANCE POLICY

FOREWORD

This Finance manual is developed with a view to bring harmonization in the OLSIA activities.

The manual is aimed at regulating internal day to day affairs of OLSIA and is not purported to address legal or other issues outside organization.

For issues outside organization, reference to laws and regulations issued by government authorities should be made. Besides implementation of this manual, any law and regulation applicable to OLSIA must be properly complied with and this is the responsibility of top management to ensure that nothing is being done in violation of government laws and regulations applicable to OLSIA.

This manual shall come into force the date when Board of Directors OLSIA approves the manual. Scope of this manual extends to all finance and admin activities. It includes all financial as well as administrative aspects of activities of OLSIA.

All the staff members are responsible to make themselves familiar with its contents and for proper implementation of the same. Failure to comply with these regulations will be met with appropriate actions. The manual includes policies and procedures, while different standard formats are put as appendixes.

As the Board of Directors approves this manual, any future changes should also be approved by Board of Directors before incorporating in this manual.

This manual should be reviewed regularly to see if any updates are lagging or if any procedures should be changed.

OLSIA Director.

OLSIA FINANCE POLICY

Policy Update

To provide flexibility and operate within this policy, the financial policies and procedures in this manual are subject to review and updates on regular basis. The changes in size and complexity and implementation of new systems are subjected to changes in regulations and accounting standards, and the existed processes or policies of OLSIA will need to be modified accordingly.

Added this, it's important that any best practices or 'lessons learned' are regularly incorporated into the financial policies and procedures for continual process improvements. Any changes and updates will be incorporated in this manual on annual basis and will be effective for implementation after the approval of the OLSIA board.

Policy Implementation

For implementation, OLSIA believes that all relevant staff receive access and regular training on the financial policies and procedures of the organization, so the benefits of the structure that the document creates can be realized. Also, a regular and consistent enforcement of the policies across all levels of the organization is in place to minimize and mitigate the risks falling out of compliance with the policies.

In due course, the OLSIA board has a fiduciary duty to the organization to ensure that its resources are used appropriately. This includes making sure that there are good documented policies and procedures to protect those resources and management of OLSIA is responsible for ensuring these policies and procedures are communicated, followed, monitored, and corrected as needed.

Policy Orientation

The purpose of this policy is to provide efficient financial management, risk mitigation, and the alignment of financial operations with the overall mission of the organization. This manual includes policies and rules that govern the financial activities and align with the overall goals of the organization that are written with enough clarity to be understood by individuals throughout the organization.

It is important that all relevant staff understand the policies and procedures adopted in this manual. To effectuate, OLSIA finance department head/manager is responsible to conduct an orientation about the policy and all the updates and changes incorporated in this manual.

For new staff, after the human resource orientation, the financial management policies and procedures should be explained in detail and productive training ought to be provided by finance manager as/when needed.

Background of the Organization

The Organization of Literacy Support for Independent Afghanistan (OLSIA) was founded in 2024 with the conviction that education is the cornerstone of lasting peace, economic stability, and social inclusion in Afghanistan. Grounded in the belief that every person—regardless of age, gender or circumstance—deserves the opportunity to learn and grow, OLSIA is committed to building a brighter future for Afghan communities.

OLSIA FINANCE POLICY

From its inception, OLSIA has positioned education as “first and for all,” directing its efforts toward increasing access to literacy, computer skills, vocational training and the English language. By mobilizing educated Afghan youth and partnering with local communities, OLSIA strives to overcome barriers that have long limited opportunities, especially among women and underserved populations.

Operating across multiple provinces, OLSIA implements projects that combine classroom learning with practical skill-building: establishing computer learning centers, delivering soft-skills training, and facilitating vocational pathways. These initiatives are designed not only to educate but to empower learners to participate meaningfully in the economy and society.

OLSIA’s vision is of a united and prosperous Afghanistan where development opportunities are accessible to all, thereby fostering social inclusion and stability. Its mission centers on building a collective movement of educated Afghan youth who champion education for all ages and all genders—with no discrimination. The ultimate goal is to enhance livelihoods, create economic opportunities, and contribute to the country’s long-term development.

Through transparent governance, community-centered design and partnerships that link education with employment, OLSIA seeks to ensure that every Afghan has a chance to unlock their potential. We believe that when people lead their own learning and development, the benefits ripple outward—strengthening families, communities and the nation.

Our Vision:

A united and prosperous Afghanistan where education and development opportunities are accessible to all, fostering social inclusion and stability.

Our Mission:

We aim to build a collective movement of educated Afghan youths to support education above all, education for all ages and all genders without any discrimination of any kind.

Goal

To improve access to education, vocational skills, and economic opportunities, enhancing the livelihoods of Afghan communities and contributing to the country’s long-term development.

Humanitarian Principles:

OLSIA is committed to the principles that are central to establishing and maintaining the provision of humanitarian response to the affected people in natural disasters and complex emergency situations and/or implementation of human development interventions. The main humanitarian principles defined by UN have been adopted by OLSIA. The four core principles are:

- Humanity
- Neutrality
- Impartiality and,
- Independence

OLSIA FINANCE POLICY

1. Authorization Limits

1.1. Delegation of authority

Director can delegate all or any of his powers to any person. However, such delegation of powers shall be made in writing. Also the staff should be informed accordingly in written. Standard letter of delegations is appended in appendix (see appendix 1).

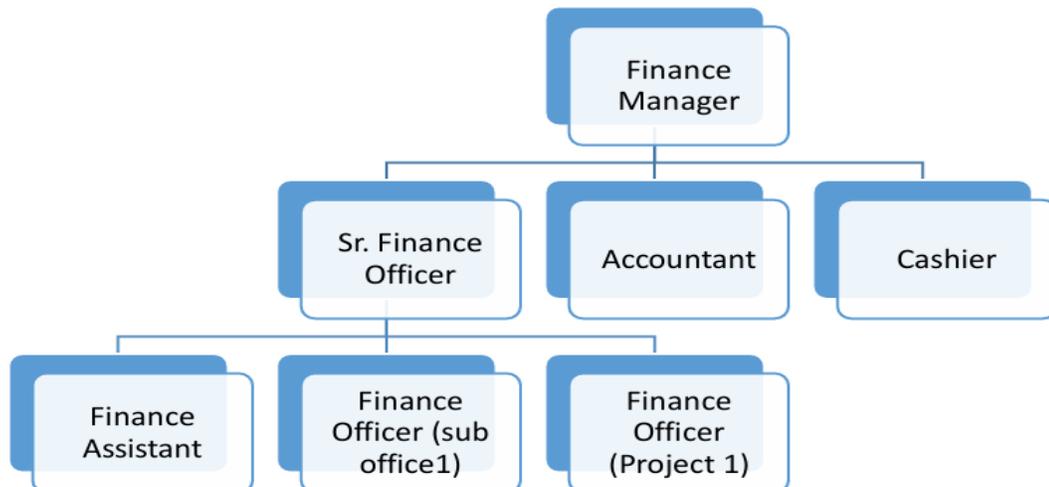
Main Office Monitory Authorization Matrix

Amount – AFs.	Control/Check	Check /Approval	Approval
500-10000	Section Manager /Check	Finance manager /Approve	
10000-100000	Section Manager /Control	Finance Manager /Check	Deputy Director
Above 100000	Section Manager /Control	Deputy /Check	Director

Sub Office Monitory Authorization Matrix

Amount – AFs.	Control/Check	Check /Approval	Approval
500-10000	Section Manager /Check	Finance manager /Approve	
10000-100000	Section Manager /Control	Finance Manager /Check	Deputy Director
Above 100000	Section Manager /Control	Deputy /Check	Director

Departmental Hierarchy of Finance Department:



OLSIA FINANCE POLICY

1.2. Responsibilities of main key staff

1.3.1. Finance Manager:

The finance manager is the head of the finance department in OLSIA. Apart from supervisory functions and monitoring responsibilities, the finance manager exercises the following duties:

- Monitor the day-to-day financial operations within the organization.
- Manage and develop financial procedures in accordance with OLSIA policies and provide proactive support and advice to the finance and program team and ensure overall management of the Finance team.
- Ensuring that all transactions are properly accounted for and the financial systems are maintained, under all procedures and controls.
- Managing bank accounts and overseeing money transfers between head-office and sub-offices.
- Signing checks, authorizing payrolls and other payments.
- Assisting and guiding the board and sr. management staff by providing relevant financial information during budgeting, accounts to donors and other decision-making activities. The manager does so, as and when requested.
- Serve as a liaison to other departments for accounting-related matters and its settlements, as well as identify discrepancies in documents and reports
- Prepare monthly and quarterly management reporting
- Manage the financial accounting, monitoring, and reporting systems
- Ensure compliance with accounting policies and regulatory requirements

1.3.2. Senior Finance Officer:

- ✚ Preparation and maintenance of the Project Budget to ensure data is complete and maintained on a timely basis.
- ✚ Work with the project team to ensure that all donor-related information is disseminated to project, finance, and logistics staff as well as partners to enable them to abide by donor rules and regulations in coordination with project staff and partners to prepare and regularly update the spending plan.
- ✚ Prepare Budget Versus Actual reports for both fees and reimbursable reports and send them to Finance Manager and other relevant staff – monthly basis.
- ✚ Establish and maintain sound financial management systems and provide administration support to the project.
- ✚ Manage the program/project cash flows while adhering to the donor's policies.
- ✚ Prepare financial reports and perform analysis as requested by management and responsible for quarterly, semiannual, and annual reporting, including financial statement preparation, and other disclosures, as well as internal, external and special audits.
- ✚ Forecast and monitor expenditures of the project and communicate results with the Finance Manager.
- ✚ Reconcile and cross-check financial data in financial software QuickBooks, run complex financial reports, and prepare basic management information records.
- ✚ Review the budget and actual expenses and forecasting results on an ongoing basis and communicate status to the Finance Manager on time.

OLSIA FINANCE POLICY

- ✚ Check and verify all project-related requisitions and review procurement requests per donor policy and allotted budget.
- ✚ Prepare and consolidate monthly invoices and expense projections.
- ✚ Analyze & review accounting transactions and ensure their completeness and accuracy.
- ✚ Analyze differences between the projections and actual spending and submit adjustments as required.
- ✚ Monitor cash flow, prepare cash flow forecasts.
- ✚ Coordinate the consolidation of partner financial reports in specific donor formats.
- ✚ Setting up financial templates for partners to report on managing and monitoring expenses vs project budget, highlighting variances and resource allocation to Project Managers.

1.3.3. Accountant – Job Responsibilities:

- Prepare the OLSIA budget according to the program requirements and staffing numbers,
- Manage the various general funds, the operating funds, and the discretionary spending accounts to budget.
- Keep enough funds available to pay bills and salaries of employees, vendors, and anticipate budgetary needs in the event of unforeseen challenges, environmental crises, and financial problems,
- Prepare the balance sheet, cash flow statements, and statements of NGO's equity,
- Analyze revenue and or receipts from donations,
- Resolve accounting discrepancies,
- Maintain cash receipts, vendor invoices, bank statements and other records of accounts as archives,
- Monitor financial reports against funds available with accuracy and detail,
- Submit timely monthly, quarterly and year-end close reports in the expected manner as per the deadlines and rules of the donor agencies and the government.
- Coordinate with the internal and external auditors during audits and prepare financial audit preparation.
- Reviewing and scrutinize the expenses while conducting a cost/benefit analysis to find ways to minimize costs.

1.3.4. Cashier - Job Responsibilities:

- Ensure payments in cash and bank is implemented as required and following OLSIA's financial policies and donors' guidelines.
- Maintain high level accuracy in preparing bank transfer, issuing Cheque and cash payments.
- Keying payment vouchers into cash book and bank book and ensure the cash closing balances reconcile with the cash at hand. Immediately report any discrepancy in cash to the supervisor/finance manager.
- Undertake timely filing of all vouchers produced at main office and received from field offices.
- Maintain the daily/monthly record of the exchange rate for USD/AFN and ensure the exchange rate as used for daily transactions (cash and bank) is correct.
- Each month collect and enter timesheets for all staff into Time Allocation Model.
- Prepare monthly report for expatriate salary advance and send to donors as requested.

OLSIA FINANCE POLICY

- Read and become familiar with OLSIA finance policies, procedures and guidelines as they relate to the duties of a cashier. For example, ensure a good understanding of OLSIA Chart of Accounts and T Codes.
- Become familiar with the responsibilities and activities of the Accountant to be able to take responsibility of his/her duties in case of absence.

2. ACCOUNTING POLICIES

The following significant accounting policies are adopted by OLSIA and consistently applied in preparation of financial statements of the organization.

2.1. Accrual Basis of Accounting

Financial statements are prepared using Accrual basis of accounting except grants from donors, which is recognized on cash basis of accounting. Accrual basis of accounting requires that the effect of transactions and other events be recognized when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting record and reported in the financial statements of the period to which they relate.

2.2. Fixed Assets

All the fixed assets are charged to Income and expenditure account in the year of purchase. Though a separate fixed assets register is maintained to exercise control over fixed assets. After project completions, the assets purchased for a specific project will be dealt with as per the donor requirement which may include to be retained for future similar projects of the same donor or other projects.

2.3. Stocks and Stores

Stocks usually include stationery items. Such items do not have material value; therefore, stationery is charged to Expenditure Account when purchased.

2.4. Revenue

2.4.1. Grants

2.4.1.1. Grant received in cash is recognized on cash basis of accounting.

2.4.1.2. Grant received in kind are not reflected in financial statements, fixed assets received as donation are recorded as grant in kind using fair market value of fixed assets received on the date of acquisition only in the asset register not in the accounting system.

2.4.2. Bank Interest Income

Interest earned on banks is recognized as income and will be dealt as per donor requirement and instructions.

OLSIA FINANCE POLICY

2.5. Foreign Currency Transactions

2.5.1. Initial recognition

Foreign currency transactions are recorded initially in reporting currency using the exchange rate prevailing at the date of transaction. For practical reasons, exchange rates on first working day of every month are used for recording foreign currency transactions incurred in the respective month.

2.5.2. Reporting on subsequent balance sheet dates

Monetary assets and liabilities denominated in foreign currency are reported in financial statements using closing rate at Balance Sheet date. Examples of monetary assets are cash in hand, cash at bank, advances given to employees, any other loan given or received from other agencies etc.

2.5.3. Recognition of exchange gain and loss

Exchange difference arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise. One of the contract clause with the donors will be about how to deal with exchange gain and loss, in order to prevent conflict in the future or during the implementation.

3. ACCOUNTING SYSTEM

OLSIA has centralized Accounting system.

3.1. Regional offices

Complete financial record is not maintained in the regions. Instead following books are maintained manually.

1: Cash Book/Bank Book

Single-column cashbook is maintained in each regional office (see appendix 2). Separate cashbook is maintained for each currency such as Afghanis, US Dollars etc. Similarly, Bank Book is maintained for each bank account, if any, maintained in regional offices (see appendix 3).

Monthly cash summary (see appendix 4) is prepared in each currency. These summaries are sent to central office along with original vouchers and supporting documents following these will be recorded in OLSIA main accounting system.

2: Advance ledger

Advance ledger includes individual accounts of employees who have taken advances.

3.2. Main office

Central office maintains complete books of accounts including cashbooks, bankbooks and ledgers for all the regions as well as for central office. Accounting record of central office includes central office data as well data pertaining to each regional office. Transactions incurred in central office are recorded on daily basis. Transactions incurred in regional offices are recorded on monthly basis after vouchers and

OLSIA FINANCE POLICY

summaries have been received from regional offices. Following books of accounts are maintained at central office.

3.2.1. Cash Book/Bank Book

Single-column double entry cashbook is maintained in each central office (see appendix 2). Separate cashbook is maintained for each currency such as Afghanis, US Dollars etc. Similarly, Bank Book is maintained for each bank account (see appendix 3).

General Ledger

General ledger mainly includes account heads including incomes, expenses. Besides these, General Ledger also includes account for any loan receivable or payable. Expense and income accounts are separately maintained for each donor (see appendix 5.)

Advance ledger

Advance ledger includes individual accounts of employees who have taken advances (see appendix 6).

3.3. Vouchers

Vouchers are the source documents used for recording financial aspect of transactions in books of accounts. Following types of vouchers are used for data entry.

3.3.1. Cash / Bank Receipt Voucher (see appendixes 7 and 8)

Cash receipt voucher is used to record Cash receipt while Bank Receipt voucher is used for recording bank receipts.

3.3.2. Cash / Bank Payment Voucher (see appendixes 9 and 10)

Cash payment voucher is used to record Cash payments while Bank payment voucher is used for recording bank payments.

3.3.3. Journal Voucher (see appendix 10)

Journal vouchers are used to record transactions not involving Cash or Bank. Journal voucher is used for recording Cash deposits and withdrawals.

3.4. Design of vouchers and Voucher Numbers

Vouchers have been designed in order to enable the multidimensional reporting. Each and every transaction is classified on the basis of all or some of the following criteria before being recorded. Each voucher includes following information.

- Voucher type
- Currency
- Donor
- Project

OLSIA FINANCE POLICY

- Account head
- Amount (original currency)
- Exchange rate Voucher number is designed in alpha numeric form. There are five parts of voucher number to include following information.

I. Voucher Types

Voucher type	Transaction type	Code
Bank receipt voucher	for Bank receipts	TLS
Cash receipt voucher	for Cash receipts	LSP
Bank payment voucher	for bank payments	VT
Cash payments voucher	for cash payments	TVT
Journal voucher	for transactions not	RIG

Involving cash/bank or cash deposits and withdrawals

ii. Number

- a) Last part will include sequential numbers such as 1, 2, 3....
- b) Voucher No. "154" is an example to illustrate the above.
- c) One sequence of voucher numbers is used for all types of vouchers.
- d) Vouchers are filed in sequence for easy access. This makes easy keeping track of voucher numbers and help in filing the vouchers. New sequence of voucher numbers is started.
- e) Project Contract Number.

3.4. Chart of Accounts

OLSIA has standard chart of accounts. Chart of Accounts has been established according to the activities and specific reporting needs of OLSIA (see appendix 11).

3.5. Reporting Currency

Reporting currency of OLSIA is Afghani OR as per donor and Afghan government requirement.

3.6 OLSIA Accounting software

OLSIA is maintaining licensed and update version of QuickBooks accounting software. For financial reports, donor reporting templates are also used as per the requirements.

1. QuickBooks

a. Features Used

- i. Classes and sub Classes
- ii. Chart of Account
- iii. Double entry
- iv. Multi-currency

3.7 Fiscal Year

The fiscal year of OLSIA starts on 01, April and ends on 31, March each year.

3. TRANSFER OF FUNDS

4.1. Transfer from Central Office to Regional Offices

In order to carry out respective projects and programs, Central office transfers funds to regions.

4.1.1. Request for funds transfer

Provincial Office Manager/Program Manager (if he/she is in region) or in his/her absence line officer gives a written request to the Finance Manager/Officer. Request should include information about amount of funds required, Donor, and Project and nature of expense for which fund is required.

Finance Manager/Officer forwards the request to Director. Funds are transferred to regions after Director approves the request specifying the mode of transfer. Finance department intimates' regional office about the transfer of funds to region and copy is sent to Program manager. Regional office sends back confirmation of funds received to central office finance department.

4.1.2. Modes of Transfer

Transfer should be made using following modes.

- Through Bank
- Hawala
- Through OLSIA staff

Transfers through bank

Funds should be transferred preferably through bank. Other modes should be considered only if bank transfer is not possible. Transfer through OLSIA staff should be the last option as it is risk prone. It is important to note that transportation of large cash sums involves security risk.

OLSIA FINANCE POLICY

HAWALA

A related topic here is “Hawala”. OLSIA utilizes the service of money exchangers. These money exchangers have a network throughout the region. Money exchanger arranges for the agreed amount of money to be transferred to a particular place. Once the agreed amount of money is received in the concerned region, a confirmation is sent to the central office. In the central office the money exchangers is paid the sum transferred by him plus an agreed commission for the services. This facility is used where there will be no other financial services available like banking system.

Transfer through OLSIA staff

In case any other means of transfer is not available, then funds can be transferred through OLSIA staff. Before sending the money, security situation should be confirmed in order to avoid as far as possible any unwanted event. However, this practice should not be done regularly as includes high risk.

Prior approval of Director is must before sending money through OLSIA staff.

5. ADVANCES

Issue of official advances to employees is routine practice. Advances to staff includes for travelling, purchasing or other purposes. There are two broad categories of advances namely:

5.1. Advances for official expenses

The following procedures are used for official advances:

1. The employee who requests for advance fills in the Advance Form (see appendix 12). One advance form is used for one currency. If one needs advance in more than one currency, then he fills in separate advance forms for each currency required.
2. Finance Officer checks if the employee has any outstanding advances. He then mentions any outstanding balance against the employee on the Advance form. Usually an employee is not authorized to receive any advance if he/she has any pervious balance outstanding to his/her name. However, in exceptional circumstances the Director, PM or POM may allow him to receive further advance.
3. The form is then taken to the person authorized to PM or POM for approval. If the amount of advance requested is beyond the authorization limit of PM or POM (See Chapter No.1 “Authorization Limits”), he/she will forward it to Director for approval.
4. After approval, the Finance Assistant/Cashier pays advance and acknowledgement of the payee is obtained on the payment voucher.
5. Advance form is attached to the Payment Voucher. The transaction is then recorded in books against employee’s name (see chapter No.3 “Accounting system”).

5.2. Liquidation of Advance

1. After the employee incurs the expenditure, detail of expenditure incurred is mentioned on expenditure summary form (see appendix 13), supported by the original bills. Expenditure summary form is got approved See Chapter No.1 “Authorization Limits”.
2. Besides expenditure is accompanied with Advance Liquidation Form filled by the employee (see appendix 14).
3. The balance unspent is refunded to Finance Assistant/Cashier. In case of over-expenditure Finance Assistant/Cashier reimburses the over expended amount. Advance is then adjusted in books.
4. An official advance can under no circumstances be used for personal reasons.
5. Advance should be cleared within reasonable time limit. The advance clearance time limit depends on the nature of purchase or other activity. After the completion of the activity, the incumbent should make the clearance within a week.

5.2.1. Advance against salaries

The general rule is that staff is not allowed to take out advances against salaries. Advances may only be given against salaries in exceptional circumstances, with a written approval by the Director. The amount of advance shall not exceed one month’s salary, which shall be fully deducted in salary.

The normal procedure should be to deduct a set amount from the employee’s salary over a few months or as the employee and the finance agreement about refund but the refunding shouldn’t be going beyond the current year.

5.2.2. Some Additional General Rules

Private Advances vs. Official Advance

Advances for official expenses should not have any influence on personal advances (against salaries).

A clear distinction should be made between official and personal advances and both advances should be adjusted on separate basis.

Currencies of advances:

Advance can be given in any currency. However, advances given in different currencies should be recorded separately in the original currency (not the reporting currency).

Adjustment of advance against salaries:

Advance given to employees against salaries should be adjusted in currency in which advance is given i.e. the original currency. Further, advance shall be given to employees in the currency in which they are drawing salaries. In case of advances given to employees before implementation of this manual, those shall be adjusted in the currency in which employees are drawing salaries.

OLSIA FINANCE POLICY

Adjustment of advance for expenses:

Advances given for official expenses can be exchanged into another currency. It will be reported to finance clearly stating the amount exchanged, the amount received, and the conversion rate. Support of conversion must be attached. A receipt of exchange rate will be used to make balances and reconcile the advance taken.

6. BUDGETING AND REPORTING

6.1. Introduction

Budgeting is the key factor for successful implementation of a project. Budget serves as planning and control tool. As planning tool, budget provides information about expected/planned cost of a project, expected income from the project and fund requirements for the project.

As control tool, it helps implement the project in such a way that ensures that targets are achieved and actual results are in line with planned results. Budget is a financial plan for the whole year. Budget preparation assumes immense importance in that it forms a basis for all the activities and operations of OLSIA. Budget is an estimate based on assumptions about future.

Unrealistic assumptions may lead to incorrect estimates and in turn unrealistic budget and will consequently lead to huge budget variances/lapse of the projects in case actual cost of the projects materially exceeds the budget. Thus all the care should be taken to prepare a realistic budget.

Not only does the budget form the basis for one or more year's operations, but it is also the base for our funding applications to the various donors. At the end of a project, the donor will investigate how OLSIA has dispersed the funds and will also compare actual results with approved budget. Small variances may be tolerated without any major problem; however, large variances from the original plans may pose questions about the organization's operations. As such, it is important that the budget reflects the actual activities planned, and that the expenditures are recorded accurately.

6.2. Procedure for making project budgets

Budget is prepared for an activity, project, department, or whole organization. The most important and basic item in budget preparation is "Cost Unit". Cost item is some identifiable item to which some cost can be allocated. Cost unit may be different in different situation, e.g. while preparing budget for construction of building, cost units includes cement, sand, and iron etc. to be used in construction.

Budget preparation process is joint task of program and finance departments. Program department provides estimate of level of activity or in other words estimated number of cost units to be used, estimated cost of cost unit, expected time for the project completion and other program related information. Finance department has an important role in putting financial and non-financial information together and giving it a shape of financial forecast.

OLSIA FINANCE POLICY

Following procedures should be used for preparation of the budget.

1. Program manager prepares the budget using following guidelines.

- A. Market prices of items should be based while preparing a budget. Proper survey should be conducted to collect market prices.
- B. Level of activity should be estimated based on some realistic assumptions.
- C. Prices should be adjusted for expected inflation factor; however, adjustment should not exceed 10% of original prices. maximum
- D. If quantity or prices are not known from similar activities, action should be taken to collect information from other agencies
- E. Support functions should be included as a percentage OR as separate indirect cost lines, depending on donor regulations. If a percentage is not used please make sure all acceptable cost (salary monitoring, communication, audit etc.) are included.
 - **Unit cost of equipment, material or services**
 - **Rent**
 - **Transportation**
 - **Salaries**
 - **M&E**
 - **Income Taxes**
- F. All budgets should be made in Afghani and converted to reporting currency at an exchange rate prevailing at the time of preparing proposal.

2. Donor guidelines are used for formats and standards etc.

3. The Finance manager checks the budget to ensure that budget is prepared according to donor requirements, and format is compatible with information system.

4. The budget should be approved by the Director 5. The budget is sent to the donor for approval as part of the proposal for funding

5. The budget is sent to the donor for approval as part of the proposal for funding

6. After the grant approval, the budget plan may require revision. In such case the relevant line manager revises budget plan. While revising budget plan specification of approved budget should be kept in view.

The finance department should have all approved budgets, budgets applications and grant letters in their files. The admin department needs copy of budget related to support functions.

6.3. Organizational Based Budget:

OLSIA mostly relies on donor funds. However, overhead cost occurs to run the organization. Finance department shall prepare budget for whole organization including costs that are/aren't directly related to project implementation. The overhead cost may be charged to the projects to bear a portion of the administrative costs. These could be items like salaries, rent, fuel, electricity bills etc. These costs shall be allocated on the basis of agreed percentage and the projects shall bear some portion of the costs of the organizational operation.

OLSIA FINANCE POLICY

If there are multiple projects implemented simultaneously, then organizational based budget are prepared comprising of all project budgets plus overhead cost. Project budgets are the basis for organizational budget. When prepared and approved, finance department consolidates these budgets as a united budget for the organization.

6.4. Internal reporting

Finance Manager/Officer prepares quarterly financial reports for presentation to Board of directors. Such reports are forwarded to relevant line managers so that they can give their feedback on budget variance. Line manager are responsible to give written justification of any material variances. Such report is presented in quarterly workshops to be held within three weeks after the end of each quarter. After presentation in quarterly workshop, such reports along with written justification of material variances are submitted to Director for approval. Quarterly financial reports are prepared in standard format (see appendix 15).

6.5. External financial reporting

Donor reports are made according to donor format and within time frame specified in grant letter by donor. Overall financial statements of OLSIA should be issued within three months of close of financial year.

6.6. External Audit

External audit of financial statements of OLSIA will be done by a Chartered Accountants' firm. The firm will be selected based on OLSIA's procurement stated procedures and requirements.

6.7. Internal Audit

Internal audit is conducted regularly; the audit committee is composed of finance manager, program manager of view. The audit report is prepared and documented.

6.8. Backup of Finance files

OLSIA backups the finance files weekly in two portable hard drives on is kept in the organization and the second copy is kept in outside the organization place accessible to director and finance manager of OLSIA.

7. Foreign Currency Transactions

Activities of OLSIA are carried in various parts of Afghanistan. As monetary system in Afghanistan is not yet stable, multiple currencies are being used in business community in different areas. OLSIA also keeps all the currencies required for the purpose of smooth functioning of its activities.

OLSIA FINANCE POLICY

7.1. Reporting Currency

The reporting currency of OLSIA is Afghani. However, financial reports to the donor with currency other than Afghani are prepared as well following the donors' reporting currency requirements. "Reporting currency" means the currency used in presenting the financial statements. Currencies other than reporting currency are called "Foreign currencies". AFN currency will be used for reporting to Afghan government as per Central bank exchange rate.

7.2. Accounting Policy

As per accounting policy mentioned in Chapter No.2.5 "Accounting policies" exchange gains and losses on foreign currency transactions are recognized as income or expense in the period in which they arise. For detail about accounting policy please refer to chapter No.2.5.

7.3. Foreign Currency Conversion

An important topic about foreign currencies transactions is physical conversion of currencies. Below is given procedures adopted by OLSIA for currency conversion. Currency conversion means physically converting one currency into another. Since OLSIA operates in a multi-currency environment, it often converts one currency into another. Following procedure is followed for currency conversion.

- i. If a specific currency required is not available in cash or bank account, bank is intimated to convert money from other currency account to the required currency account. However, it should be ensured that bank uses exchange rates issued by State Bank (Da Afghanistan Bank).
- ii. In case bank facility is not available, the bank is not following the official rates, or bank rate is sufficiently lower than open market rate, then cash may be converted in the open market.
- iii. Finance Assistant/Cashier obtains three quotations from the list of the approved money exchange dealers. Another person should also verify rates from dealers. The person verifying the rate should be from admin.
- iv. Finance Assistant/Cashier prepares comparative statement (see appendix 16) mentioning rates offered by different money exchange dealers, and gets it approved from Director/Provincial Office Manager.
- v. The person approving conversion selects the most favorable quotation (keeping in view quotation rate, security risk involved or any other matter).
- vi. If a quotation offering highest rate is not selected, reason is written on the face of comparative statement or justification is attached to comparative statement.
- vii. The successful money exchange dealer is asked to bring the agreed converted currency to OLSIA office if possible.
- viii. Payment is made to the money exchange dealer for the amount of the actual currency exchanged when he brings the currency required.

OLSIA FINANCE POLICY

7.3.1. Data flow

The accounting treatment for currency conversion is as follows.

Original currency:

When a currency is converted into another, “Cash Payment Voucher” is prepared in original currency i.e. the currency converted into another.

Converted currency:

In the converted currency, “Cash Receipt voucher” is prepared.

8. INTERNAL CONTROLS

Following general internal controls are in operations for general transactions.

8.1. Cash Flow:

All OLSIA offices have an office safe. The safe is kept in the office with one of the people with a key/knowledge or the combination (keys are preferred). The safe should be bolted down on the floor, the office door where the safe is kept must be locked and kept locked when not in use. It is advisable that the safe shouldn't be visible from the corridors or through the windows.

8.1.1. Cash Receipts

- When cash/check is received, Finance Assistant/Cashier prepares cash memo (see appendix 17) in duplicate and gives one copy thereof to the payer as token of receipt.
- Finance Assistant/Cashier then prepares cash receipt vouchers “CRV”.
- Cash receipt Voucher is then checked and verified by finance officer.

8.1.2. Cash Payments

• All transactions should be made in wire where financial services are not available. Payments up to 100,000 AFN may be made in cash. Above such limit, payment should be made through bank. However, for the time being, due to lack of good banking system in Afghanistan, cash payments may be made over the stated limit. After banking system starts functioning, the above ceiling must be implemented.

- Cash payment must not be made before the payment is approved by person authorized (see chapter No.1 “Authorizations Limits”).
- Cash payment voucher “CPV” is prepared by Finance Assistant/Cashier.
- Acknowledgement of the payee must be obtained on the face of Cash payment voucher, or in case of a firm, acknowledgement should be received on that firm's letterhead.
- Finance Assistant/Cashier stamps as “PAID” all the bills at the time of payment.
- CPV is then checked and verified by Finance officer.
- The project manager in consultation with the regional manager and finance officer should make an assessment of what the maximum amount of cash that can be kept in the office for keeping the cash flow need smooth on monthly bases in the project site.

OLSIA FINANCE POLICY

8.1.3. Other Controls

Petty Cash:

- Finance Assistant/Cashier is the person responsible for keeping cash in safe custody.
- Cash should be kept in locker/safe and Finance Assistant/Cashier is the only person to have access to the locker/safe.
- Cash receipts and payments should be timely entered in books.
- Finance Assistant/Cashier is responsible to make daily reconciliations of cash balance (as per books) with physical cash in hand.

Cash Count:

- Finance Assistant/Cashier performs cash count twice a month in the presence of two witnesses. Finance Assistant/Cashier and both the witnesses shall sign Cash Count Form (see appendix 18). Any discrepancy shall be reported to Finance Manager/Officer.
- Cash ceiling for central office is USD 8,000 and USD 5,000 for regional offices, however in regional offices cash must be spent immediately after it is received. The cash ceiling can be increased by Finance Manager for a limited time period after Director Approval.

8.2. Banks

8.2.1. Separate bank account for each donor

Separate bank account should be maintained for each donor.

8.2.3. Co-signatories

There should be at least two signatories for every bank account. The signatories will be as following.

Main Office Signatories:

- Director
- Finance Manager

Sub-Office Signatories:

- Provincial Manager
- Provincial Finance Officer

8.2.4. Bank receipts

- Checks received should be immediately deposited in bank if it is more than US\$ 1,000.
- Bearer Cheque should be crossed before depositing into bank.
- When Cheque is received and deposited in bank or an amount is directly received in bank, Finance Assistant/Cashier prepares Bank Received voucher "BRV".
- Photocopy of Cheque should be attached with Bank Received voucher.
- Bank receipt voucher is checked and verified by finance officer.

8.2.5. Bank payments

- Bank payment must not be made before the payment is approved by person authorized (see chapter No.1“Authorization Limits”).
- Bank payment voucher “BPV” is prepared by Finance Assistant/Cashier.
- Acknowledgement of the payee must be obtained on the face of Bank payment voucher, or in case of a firm, acknowledgement should be received on that firm’s letterhead.
- Photocopy of each cheque should be attached to Bank payment voucher.
- Finance Assistant/Cashier stamps as “PAID” all the bills at the time of payment.
- BPV is then checked and verified by finance officer.

8.2.6. Deposits in and withdrawal from banks

- When cash is deposited in bank “Cash Payment Voucher” is prepared.
- When cash is withdrawn from bank, “Bank Payment Voucher” is prepared.

8.2.7. Reconciliation’s

- Bank reconciliations should be made for each bank account on monthly basis. A Finance representative is assigned for preparing Bank Reconciliation.
- OLSIA, through the relevant staff in finance department, reconcile the cash books with the bank statements once a month and a reconciliation statement showing all reconciling items between the cash book and the bank.
- Bank reconciliation statements are prepared in an approved format and entered in the cash book and certified as correct by the Finance Manager and checked and verified by Head of finance or his/her appointed representative within ten (10) days after the end of each month.
- All un-presented or un-cleared Cheques shall be disclosed in the Bank Reconciliation Statement every month for a maximum period of three months from the date of drawing of the Cheques.
- All monthly bank reconciliations are submitted to the head of finance through Finance Manager All the account holders shall be availed with the monthly reconciliations by OLSIA
- After six months of un-presented or un-cleared Cheques, the head of finance shall write to stop the bank from honoring those Cheques. Thereafter, the transactions affected by the said Cheques shall be reversed in the accounts of OLSIA.

8.2.8. Advance Reconciliation

Advances includes travelling, purchasing or other purposes. There are two broad categories of advances namely; advances for official expenses and for personal expenses. The procedure for advances as explained in chapter five will be reconciled as followings:

- Reconciliation shall be made for each currency given as advance.
- Finance designated staff shall check and calculate the advance against the expenditure. The balance unspent is refunded to Finance department and over-expenditure will be reimbursed. Advance is then adjusted in books. The advance clearance time limit depends on the nature of the activity. After the completion of the activity, the incumbent should make the clearance within a week.

OLSIA FINANCE POLICY

- Advances against salaries shall be given to employees in the currency in which they are drawing salaries.
- Advances given for official expenses can be exchanged into another currency. It will be reported to finance clearly stating the amount exchanged, the amount received, and the conversion rate. Support of conversion must be attached. A receipt of exchange rate will be used to make balances and reconcile the advance taken.

8.2.9. Segregation of Duties

For internal control, segregation of duties is considered the principle and no single individual is given authority to execute two conflicting duties. Segregation of duties is compulsory in procurement, and financial affairs.

The following practices come under the principle of segregation of duties.

1. Purchase Request;
Purchase requisition shall be initiated by the requesting staff or unit.
2. Approval i.e., authorized personnel approve request
Approval shall be obtained from department head or supervisor and submitted to procurement department.
3. Authorization i.e., approval to purchase
Purchase order is generated by the procurement/logistics department and approved by the deputy director of OLSIA.
4. Execution i.e., purchasing, receiving and payment
The purchasing process is followed as per the procurement policy and procedures by the procurement staff or the committee. Payment of the purchased item is made by the finance department of OLSIA.
5. Recording i.e., accounting
Accounting and further documentation in finance are carried out by the designated staff of finance department.
6. Reconciliation
Bank and cash reconciliation is performed by the designated staff of finance department with the bank and the concerned staff of OLSIA.

8.3. Regular Review

This policy is regularly reviewed and updated in order to provide flexibility and operate within this policy. Any best practices or 'lessons learned' are regularly incorporated into the financial policies and procedures for continual process improvements. Any changes and updates will be incorporated in this manual on annual basis and will be effective for implementation after the approval of the OLSIA board.

OLSIA FINANCE POLICY

Following steps are taken to review and update the policy:

- a)** Annual performance evaluation an annual performance evaluation of the finance department shall be carried out.
- b)** Internal Auditor Internal auditor will conduct the regular audits and report the findings for processes improvements.
- c)** Senior management team Senior management team shall regularly review and control the policy and suggest improvements for implementation.
- d)** Policy Implementation Evaluation All relevant staff shall receive access and regular training on the financial policies and procedures for its implementation. Also, a regular and consistent enforcement of the policies across all levels are implemented to mitigate the risks falling out of compliance with this policy.
- e)** Keeping updated the finance system The changes in size and complexity and implementation of new systems are subject to changes in regulations and accounting standards, and the existed processes or policies of OLSIA will need to be modified accordingly.

OLSIA FINANCE POLICY

Appendixes:

Appendix 1: Letter of delegation

Your Voice Organization OLSIA

LETTER OF DELEGATION OF POWERS

Reference: _____

Date: _____

I hereby delegate the following powers and responsibilities to _____

Title _____.

- 1. Authorize purchases within authorized budgets up to _____.
- 2. Sign contracts up to _____ within the authorized budget IF the contract period is within the budget timeframe.

3. _____

4. _____

The authorized person signs this letter to confirm that he or she has understood the authorizations.

OLSIA rules and regulations have to be followed in all cases independent of authorizations. This authorization shall remain valid until I cancel this letter.

OLSIA Director

Person authorized.

OLSIA FINANCE POLICY

Appendix 4: Monthly Cash Summary

OLSIA

MONTHLY CASH SUMMARY

_____ OFFICE

FOR THE MONTH OF _____

PARTICULAR	Dollars	Afghanis	Currency3	Currency 4
OPENING CASH IN HANDUS	_____	_____	_____	_____
RECEIPTS	_____	_____	_____	_____
PAYMENTS	_____	_____	_____	_____
CLOSING CASH IN HAND	_____	_____	_____	_____

CASH IN HAND AS PER HEAD OFFICE

(To be filled in by Head office finance staff)

DIFFERENCE _____

Prepared by:

Checked by:

OLSIA FINANCE POLICY

Appendix 6:

OLSIA

CASH RECEIPT VOUCHER

_____ **OFFICE**

CURRENCY _____

Voucher No. _____

Date: ____ / ____ / ____

Exchange: _____ rate: _____

Received from: _____

Donor /GL	Location	Project	Account	Description	Amount
Total:					

Amount in words: _____

Narration: _____

Prepared by:

Checked by:

Approved by:

OLSIA FINANCE POLICY

Appendix 8:

OLSIA

CASH PAYMENT VOUCHER

_____ **OFFICE**
CURRENCY _____

Voucher No. _____ Date: ____ / ____ / ____ Exchange rate: _____

Paid to: _____

Donor /GL	Location	Project	Account	Description	Amount
Total:					

Amount in words: _____

Narration: _____

Prepared by Checked by Approved by Recipient acknowledgement

OLSIA FINANCE POLICY

Appendix 9:

OLSIA

CASH PAYMENT VOUCHER

_____ **OFFICE**
CURRENCY _____

Voucher No. _____ Date: ____ / ____ / ____ Exchange rate: _____

Bank Account: _____ Cheque No. _____

Paid to: _____

Donor /GL	Location	Project	Account	Description	Amount
Total:					

Amount in words: _____

Narration: _____

Prepared by Checked by Approved by Recipient acknowledgement

OLSIA FINANCE POLICY

Appendix 10:

**OLSIA
JOURNAL VOUCHER**

_____ OFFICE
CURRENCY _____

Voucher No. _____ Date: ____ / ____ / ____ Exchange rate: _____

Donor /GL	Location	Project	Account	Description	Amount
Total:					

Amount in words: _____

Narration: _____

Prepared by Checked by Approved by Recipient acknowledgement

OLSIA FINANCE POLICY

Appendix 11:

OLSIA CHART OF ACCOUNTS

Account Codes	Head of Account/Sub-head of Account Assets
1001000	Loans Receivable-USD
1003000	Loans Receivable-AFS
1007006	Advances to Employees-USD
1009000	Advance against salary-USD
1009001	Advance for expenses-USD
1009001	Advances to Employees-AFS
1009044	Advance against salary-AFS
1009055	Advance for expenses-AFS
1009033	Advances Others-USD
1009002	Advances Others-AFS
1009001	Security Deposits
1009022	Security for Telephone
1009011	Security of Electricity
1009032	Security of Gas
1009023	Security of House
1009034	Security of Membership
1009301	Prepaid Insurance
1009401	Prepaid Rent
1009501	Bank Accounts-USD

OLSIA FINANCE POLICY

OLSIA

OLSIA ADVANCE FORM (ADVANCE FOR EXPENSES)

_____ **OFFICE**

Date: ____ / ____ / ____

Form No. _____

Advance requested by: _____

Currency: USD / AFS /

Amount requested: _____

Purpose: _____

Advance outstanding against the employee (to be filled in by cashier)

Prepared by

Cashier

Approved by

OLSIA FINANCE POLICY

Appendix 13:

OLSIA

OLSIA

EXPENDITURE SUMMARY FORM

_____ OFFICE

CURRENCY _____

Expenditure incurred by:

Date: _____

S.No	Donor G/L	Location	Project	Account	Description	Amount
Total:						

All bills must be numbered and attached to this form. Please cross out lines not used when the form is checked and signed.

Prepared by

Checked by

Approved by

OLSIA FINANCE POLICY

Appendix 14: Certificate of Payment

OLSIA

Certificate of Payment

Project Name: _____
 No: _____

Receipt Date: _____ Receipt
 PO No: _____

Amount: _____ AFN. USD

No	Description of Payment	Rate	Quantity	Amount	Code

Past here

Date of filling

Name who filed

Signature

Receiver signature	Dept. Supervisor	Director	Finance

OLSIA FINANCE POLICY

Appendix 15:

OLSIA
QUARTERLY FINANCIAL REPORT
FOR THE QUARTER ENDING _____

Total Budget Year to date Up to previous quarter Current quarter

PARTICULAR	For (year)	Budget	Expenditure	Variances	Spending %age	Total budget	Expenditure	Variances	Total budget	Expenditure	Variances	% of Variance
DONOR												
Donor 1	--	-	-	-	-	-	-	-	-	-	-	-
Donor 2	--	-	-	-	-	-	-	-	-	-	-	-
Donor 3	--	-	-	-	-	-	-	-	-	-	-	-
Donor 4	--	-	-	-	-	-	-	-	-	-	-	-
Donor 5	--	-	-	-	-	-	-	-	-	-	-	-
Total	--	-	-	-	-	-	-	-	-	-	-	-

OLSIA FINANCE POLICY

Appendix 16:

OLSIA
Comparative Statement
Exchange Rates for Currency Conversion

Date: ____ / ____ / ____

S. No.	Money exchange dealer	Phone/ Address	Rate offered
1	Dealer 1		
2	Dealer 2		
3	Dealer 3		

Dealer / rate approved _____

Remarks/justification _____

Quotations called by

Rates verified by

Approved by

Appendix 17:

OLSIA
CASH MEMO

Date: ____ / ____ / ____ No. _____

Received with thanks from Mr. _____

USD / AFS/ / _____ only on account of _____

Amount in words _____

Received by

OLSIA FINANCE POLICY

Appendix 18:

OLSIA

OLSIA CASH COUNT FORM

_____ OFFICE

CURRENCY _____

Date: _____

Denomination		No. of Note		Amount
10,000	X		=	
5,000	X		=	
1,000	X		=	
500	X		=	
100	X		=	
50	X		=	
10	X		=	
5	X		=	
2	X		=	
1	X		=	

Total _____
 Cash in hand (as per Cashbook) _____
 Difference _____

Remarks _____

Cash counted by _____

Witness 1 _____

Name / Designation: _____

Witness 2 _____

Name / Designation: _____

Appendix 19:

**OLSIA
COMPARATIVE STATEME
SALE OF FIXED ASSETS**

Date: ____ / ____ / ____

S. No.	Name of bidder	Rate offered
1	Bidder 1	
2	Bidder 2	
3	Bidder 3	
4	Bidder 4	

Bidder / rate approved _____

Remarks: _____

Member purchase and
auction committee

OLSIA FINANCE POLICY

Appendix 21:

OLSIA REQUISITION FORM

Form No. _____ OLSIA REQUISITION FORM Date: ____ / ____ / ____

Request made by _____ Department _____

No.	Item	Donor/GL	Location	Project	Account	Quantity	Availability in store	Review by finance
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								

Prepared by

Recommended by

Approved by

Availability checked by

OLSIA FINANCE POLICY

Salary range and step

Column 1		Column 2	Column 1	Column 2	Column 4
CATEGORIES		Steps	Percentages Increase against Lower Level	Salary	
H	Chief / Housekeeper/ Cleaner	Basic	0%		
		2	14%		
		3	14%	10,220	1020
		4	14%	11,340	1020
		5	14%	12,460	1020
		6	14%	13,580	1020
		7	14%	14,700	1020
		8	14%	15,820	1020
		9	14%	16,940	1020
		10	14%	18,060	1020
G	Technician / Driver/ Security Guard	Basic	0%	17,990	0
		2	11%	19,880	1890
		3	11%	21,770	1890
		4	11%	23,660	1890
		5	11%	25,550	1890
		6	11%	27,440	1890
		7	11%	29,330	1890
		8	11%	31,220	1890
		9	11%	33,110	1890
		10	11%	35,000	1890
F	Assistants, Associate and Clerks	Basic	0%	21,980	0
		2	9%	24,010	2030
		3	9%	26,040	2030
		4	9%	28,070	2030
		5	9%	30,100	2030
		6	9%	32,130	2030
		7	9%	34,160	2030
		8	9%	36,190	2030
		9	9%	38,220	2030
		10	9%	40,250	2030
E	Field Supervisor/ Community and Surveyors	Basic	0%	24,990	0
		2	12%	27,860	2870
		3	12%	30,730	2870
		4	12%	33,600	2870
		5	12%	36,470	2870
		6	12%	39,340	2870

OLSIA FINANCE POLICY

Salary Rang and steps

Column 1		Column 2	Column 1	Column 2	Column 4
CATEGORIES		Steps	Percentages Increase against Lower Level	Salary	
STAFF Grade	Position				
		7	12%	42,210	2870
		8	12%	45,080	2870
		9	12%	47,950	2870
		10	12%	50,820	2870
D	Supervisors / Officers	Basic	0%	38,010	0
		2	15%	43,680	5670
		3	15%	49,350	5670
		4	15%	55,020	5670
		5	15%	60,690	5670
		6	15%	66,360	5670
		7	15%	72,030	5670
		8	15%	77,700	5670
		9	15%	83,370	5670
		10	15%	89,040	5670
C	Coordinators, Advisor, Senior Officer and Provincial Manager	Basic	0%	76,020	0
		2	9%	83,090	7070
		3	9%	90,160	7070
		4	9%	97,230	7070
		5	9%	104,300	7070
		6	9%	111,370	7070
		7	9%	118,440	7070
		8	9%	125,510	7070
		9	9%	132,580	7070
		10	9%	139,650	7070
B	Managers, Specialist, Senior Advisor and Head of Division	Basic	0%	128,030	0
		2	11%	142,240	1410
		3	11%	156,450	1410
		4	11%	170,660	1410
		5	11%	184,870	1410
		6	11%	199,080	1410
		7	11%	213,290	1410
		8	11%	227,500	1410
		9	11%	241,710	1410
		10	11%	255,920	1410
A	Directors / Senior Advisors	Basic	0%	160,020	0
		2	11%	177,800	
		3	11%	195,580	17780
		4	11%	213,360	17780
		5	11%	231,140	17780
		6	11%	248,920	17780
		7	11%	266,700	17780
		8	11%	284,480	17780