

VAJAHA (Vana Jana Hakka) FOUNDATION, Nagpur

HR POLICY

## PERSONNEL POLICY

### 1.1 Purpose

The purpose of the Personnel Policy is to set down the policies, conditions, rights and obligations of VAJAHA FOUNDATION NGO employees subject to their performing of the duties and responsibilities in their respective job descriptions.

From the time of contract, each employee will have access to this policy, so that he/she can adhere to it with full knowledge and information.

The policies described below may at any time be subject to modification if the Board of Members of NGO deems it necessary. In such cases, employees will be fully informed of the changes made.

### 1.2 Categories of Personnel

All personnel working for NGO are classified into following types

#### 1.2.1 Employees

Employees designate salaried individuals are given ongoing assignments, either part-time or full-time, and are paid on monthly basis. They will be contracted on yearly basis subject to periodic evaluations and performance assessments. They will have the responsibility towards the day to day functioning and/or in any one of more ongoing/prospective projects of the organization.

All the employees of the organization are classified into Management Category, Professional Category and Support Categories.

#### 1.2.2 Consultants

Consultants are professional experts hired by NGO on short-term basis only for the completion of specific tasks and assignments related to NGO or one or more of its projects. Separate and limited contracts, defining their job description, timeline, deliverables, reporting procedures and payment details will be issued to consultants. They will be paid on daily/monthly/weekly basis depending upon the nature of their assignment. They will not be considered as full-time or part-time employees of the organization.\

### 1.3 Personnel Files

The Organization maintains personal files for each employee. Personnel File are maintained for each employee of VAJAHA FOUNDATION Organization. These personnel files contain confidential documents and are managed and maintained by Human Resources staff

1.3.1 Personal Records: VAJAHA FOUNDATION Maintains personal records of all employees. During appointment of the employee the photo copies of qualifications and experience are collected along with their joining report and they will be kept in their files.

### 1.4. JOB DESCRIPTION

The Human Resource Generalist manages the day-to-day operations of the Human Resource office. The HR Generalist manages the administration of the human resources policies, procedures and programs. The HR Generalist carries out responsibilities in the following functional areas: departmental development, Human Resource Information Systems (HRIS) , employee relations, training and development, benefits, organizational development. And employment.

The Human Resources generalist is responsible for all or part of these areas:

Recruiting and staffing logistics, organizational and space planning performance management and Improvement systems, organization development, employment and compliance to regulatory concerns and reporting, employee orientation, development and training, employee relations, employee safety, welfare, wellness and health, Employee services and counseling.

The Human Resources Generalist originates and leads Human Resources practices and objectives that will provide an employee oriented, high performance culture that emphasizes empowerment, quality, productivity and standards, goal attainment, recruitment and ongoing development of a superior workforce.

The Human Resources Generalist coordinates implementation of services, policies, and programs through Human Resources staff: reports to the Human Resources Director and assists and advises the organization about Human Resources issues.

#### 1.5. Job Candidate Evaluation Form

This form enables our staff members, who are participating in the interview process with a candidate, to assess the individual's qualifications. The format provides a method for comparing the interviewers' impressions of various candidates. The questions also provide guidance about the type of skills and potential contributions the interviewers should be assessing in each candidate they interview. This format allows us to customize the questionnaire with any additional assessments which are necessary for the pertinent position. Over time, we will develop customized questions for every position you commonly fill. Even in the short term, provide some guidance to the managers and other interviewers about which questions each interviewer is responsible for asking.

As an example, when recruiting ORW, the selection committee should have the responsibility to assess the individual's ability, his or her aggressiveness, and other specific work requirements. The Human Resources Director may want to assess the candidate's cultural fit with both questions and observations about how the candidate treated staff. A peer will want to know HOW The candidate works in a team environment, how the candidate handles rejection, how the candidate gets leads and how the person might fit as a coworker

By sharing questions and responsibility across interviewers, we will learn more about the candidate, discover whether the candidate "fits" for the organization,

#### 1.6. Appointment Letter and Staff Orientation

##### 1.6.1 Appointment Letter

Any personnel employed with NGO will be issued an appointment letter prior to his/her employment by NGO. The appointment letter will officially announce his/her position within the

organization, the place of assignment and the effective date of employment. The appointment letter will carry annexes, specifying the employee's job description, terms of reference, salary and benefits and other relevant terms of employment

#### 1.6.2 Probationary Period

A probation period of three months shall apply to all new employees from the date of hire. Exceptionally, the probation period may be extended to six months. In case, if a new employee fails to perform in accordance to expectations of NGO staff/board, he/she will be given a notice, terminating the contract at the end of the probationary period.

#### 1.6.3 Staff orientation

All new employees will get an orientation about the organization's mission and strategies, its structure and the staff within it, the policies and conditions of employment, the internal rules and regulations, etc.

#### 1.6.4 Remuneration

NGO believes in attracting and retaining a qualified and effective workforce through a system of payment that is both appealing and fair. All employees of NGO are entitled to salary, depending upon their skills, qualification, experience and as per the guidelines of funding agencies. Salary will be mentioned in the appointment letter.

#### 1.6.5 Working Days and Hours

##### 1.6.5.1 Working Days

NGO will follow a 6 days a week working schedule from Monday to Saturdays and Sunday considered non-working day. Unless otherwise specified, NGO will observe the same public holidays as those prescribed by the Government not exceeding 12 days a year. The President will prepare a calendar of public holidays not exceeding 12 calendar days at the beginning of each fiscal year and circulate it to all staff.

##### 1.6.5.2 Office Hours

The office shall open from 09.30 am in the morning till 05.30 in the evening. All employees are expected to complete 8 working hours daily. There will be one hour lunch-break.

#### 1.7 Travel Rules & Regulations

##### 1.7.1 Travel

Staff members may be asked to travel away from their usual workplaces on authorized missions. The policy on payment of travel allowances adopted NGO applies to all employees regardless of job category or status. It also applies to the consultants, when mentioned in their agreement. After reimbursable expenses are made, the person making an expense claim shall use the appropriate forms available.

The expenses will not be reimbursed if proper justifying documents (original receipts) are not attached except for per diem. Eligible expenses include:

#### 1.7.2 Mode of Transport

NGO will pay only surface transport as far as possible, i.e. Train/bus. If any individual is using personal vehicle for NGO related work, they can be reimbursed the actual fuel cost based upon the mileage. Some maintenance will also be awarded if required.

However, the private transport must be shared by more than one NGO member or employee.

### 1.7 Leave and Holidays

#### 1.7.1 Leave

All employees of NGO are entitled to 12 working days off as paid leave per year.

#### 1.7.2 Holidays

All employees are entitled to 12 days of paid leave due to public holidays. Public holidays are specified in advance by the Director in consultation with staff members.

Employees who are required to work on public holidays are entitled to compensatory day off. NGO will keep records of number of hours/days worked by its employees on public holidays. Request for compensatory leave shall be substantiated with this record and approved in advance by the President.

### 1.8. Absences

(1) An employee who is unable to come to the office is required to notify the office of the reason for his/her absence.

(2) Unauthorized absences are grounds for disciplinary action. The following procedures shall apply:

i. An employee that has been absent for two consecutive working days without notice nor explanation shall be personally sought of by the President. He/she shall be asked to put in writing the reason(s) for his/her absence.

ii. If, after seven consecutive days of absence, the employee continues to fail to give any explanation of the cause of his/her absence, the employee will be considered to have resigned from his/her position.

iii. In cases where the employee cannot give any satisfactory answer to the cause of his/her absences, in the judgment of the President, the employee may be subjected to disciplinary action.

### 1.9 Staff Movement

#### (1) Assignments and Transfers

According to project needs, any employee can be transferred temporarily or permanently to any location where NGO conducts its activities.

A permanent transfer to a new place of work that includes a new job mandate shall result in a contract renewal.

## (2) Interim positions and promotions

An employee may be called on to temporarily perform a job in a higher category. That does not automatically give him the right to the salary and benefits of this position. However, after a reasonable amount of time, NGO shall reclassify the employee in the category of the new job or return him/her to his/her former duties.

An employee who receives a promotion can be required to complete a trial period in the new position. If the trial period is successfully concluded, the employee will be reclassified in the new job category and at a salary scale level higher than his former position. If the trial period is not satisfactorily completed, the employee will be reinstated in a position at the same level as his former position.

### 1.10.DISCIPLINE (Progressive Discipline)

Progressive discipline is a process for dealing with job-related behavior that does not meet expected and communicated performance standards. The primary purpose for progressive discipline is to assist the employee to understand that a performance problem or opportunity for improvement exists. The process features increasingly formal efforts to provide feedback to the employee so that he or she can correct the problem. The goal of progressive discipline is to improve employee performance.

The process of progressive discipline is not intended as a punishment for an employee, but to assist the employee to overcome performance problems and satisfy job expectations. Progressive discipline is most successful when it assists an individual to become an effectively performing member of the organization.

Failing that, progressive discipline enables the organization to fairly, and with substantial documentation, terminate the employment of employees who are ineffective and unwilling to improve,

Typical VAJAHA FOUNDATION in a progressive discipline system may include these. Counseling the employee about performance and ascertain his or her understanding of requirements. Ascertain whether there are any issues contributing to the poor performance that are not immediately obvious to the supervisor. These issues are solved, if possible.

The employee will be verbally reprimanded for poor performance.

Written warning will be given to the employee, in an effort to improve employee performance.

Providing an escalating number of days in which the employee is suspended from work. Start with one day and escalate to five. Ending the employment of an individual who refuses to improve.

### 1.11. Employees Termination

#### 1.11.1 Conditions for Termination

Employees shall lose their jobs under any of the following conditions:

(1) Voluntary Resignation

- i. Personnel wishing to resign from post may do so by giving a resignation letter to the Executive Director stating the reasons for resignation and effective date of the same. Three months of prior notice is required for such resignations.
- ii. The date in which the resignation letter is received at the NGO office is considered the date on which notice of resignation is given. Failure to provide sufficient notice may be ground for forfeiture of all accrued employee benefits.

The employee will be relieved if anybody gets Government job, any other job for which they get more salary than what they are drawing now, if the health condition will not permit to work and on production of medical certificate, any other genuine cause the organization believes, if get married not willing to work.

If they will not full fill the above conditions the employees will be relieved after repaying two months of salary to the organization.

(2) Redundancy of the Position

Depending on the nature and volume of its operation, NGO may declare certain positions redundant. Persons occupying those positions will therefore be forced to be separated from NGO with proper notice. While doing so, NGO will give at least 2 months' notice in advance.

(3) Termination with Cause Grounds for employee termination are the following:

- i. continuing inefficiency and gross negligence of duty.
- ii. fund embezzlement.
- iii. Misuse of office equipment, and other properties.
- iv. repeated unauthorized absences and leaves
- v. intoxication while on official business or within office premises
- vi. unauthorized disclosure of official information

## FINANCE POLICY

### 2.1. Fund Receipt

#### 2.1.1 Sources of Funds

NGO receives funds from the following sources:

- i. Project fund.
- ii. Membership fees.

iii. Income from short term professional services and consultancy assignments undertaken by NGO.

iv. Grants Donations received from philanthropic organizations and individuals.

v. Grants received from Government

#### 2.1.2 NGO Core Fund

The following are identified as NGO's core programme:

A. NGO's administrative expenses (house rent, utilities, administrative officer, peon).

Any programme coming to NGO must allocate some funds to support this core programme.

#### 2.1.3 Signatories to Cheque Books

The President of NGO, its Treasurer will be signatory to NGO's cheques. Money can be released by the signatures of two signatories.

#### 2.1.4 Types of Accounts

The following three types of accounts will be maintained by NGO:

(i) Central Account

All income accrued to NGO will be deposited in the Central Account.

The President, and Treasurer are authorized to operate the bank account. Two signatures of these officials will be required for fund disbursement.

(ii) Savings Account

NGO will keep savings account for its project related fund.

(iii) Petty Cash Fund

A petty cash fund is kept to cover payments not exceeding Rs.5000. The Accountant/Office Administrator will handle this account and is to be liquidated every two weeks.

The President and/or Treasurer will ensure proper handling of petty cash fund through surprise checks from time to time.

(iv)FCRA Account

All the foreign contribution will be deposited in this account. The President and Treasurers are authorized to operate the bank account. Separate program wise accounts are maintained.

### 2.2. Fund Disbursement

All payments be made either by cheque or cash.

#### 2.2.1 Payment by Cheque

Crossed cheques will be issued for all the payments

(i) Payment for Purchases

Payment against purchases exceeding 1000 shall be made by cheque.

(ii) Payment for Services Rendered

a. Payments for Staff Salaries

i . Payment Calendar

Staff salaries are paid within seven days following the completion of the month. Single bank statement and single cheque will be sent to the bank with the name and account numbers of staff members for depositing their salary in their respective accounts or if any individual are not having bank account they will be issued individual cheques.

ii. Staff payroll

Staff payroll (salary sheet) is prepared by the Accountant as the basis of payment. The staff payroll contains information on the employees' basic salary for the month, allowances if any, deductions and net salary payable. The staff payroll is checked by the Treasurer and approved for payment by the President.

iii. Advance Pay

Advance payment will not be given to the NGO's employees. For travel purposes, NGO employees shall be given cash advances for expenses covered on official trips. Request for cash advances is prepared by the personnel concerned, recommended by the Treasurer or Project Director and is approved by the President. All cash advances for travel are to be liquidated within a week following the completion of the trip.

iv. Tax Deduction at Source

NGO will deduct tax at source where applicable as per Government rules.

v. Professional Tax deduction

Registered with Government for the deduction of professional tax.

Renewing registration every year.

Professional Tax deducted from the staff and paying to commercial tax department.

b. Payment for Contractual Services

Payment for contractual services is done through cheque disbursements. The schedule of payment depends on the Terms of Reference (TOR) agreed upon by the personnel concerned and NGO.

Payments are covered by a Request for Payment Form prepared by the accountant and approved by the President.

## 2.2.2 Procedures for Fund Disbursements

- All requests for payments are to be made using the appropriate forms.
- Requests for payments are to be properly substantiated with bills/receipts and essential documents.
- Requests for payments are prepared by accountant and submitted to the President for checking and approval.

## 2.3. Book Keeping and Recording

### 2.3.1 Book Keeping

The recording system of NGO's financial transactions allows to monitor bank balances, status of funds receipts and expenditures, and a comparative statement of budget vs. actual expenditure on a regular basis.

NGO will maintain records of fixed assets, petty cash disbursements, supplies, inventory, the use and maintenance of office equipment.

### 2.3.2 Accounting

The following sets of financial reports will be prepared by NGO:

A. Quarterly financial reports will be prepared for review by each individual project manager of NGO's specific projects as well as of its core activities. This quarterly report will be reviewed by the Board of NGO.

Financial reports to donors will be submitted as prescribed in the agreement between donors and NGO.

B. Annual Balance Sheet and Statement of Income and Expenditures will prepared for each financial year.

C. Separate Annual balance sheet and statement of Income and Expenditures will be prepared for the foreign contributions.

## 2.4. Auditing

Books of Accounts of NGO shall be audited annually by an independent auditor appointed by the General Body.

NGO may hire internal auditor in order to streamline its accounting systems and procedures

## 2.5. Formation of Committees

The following committees are constituted for different programme activities

- i. Programme Committee

ii. Financial Committee

iii. Purchase Committee

## FIXED ASSETS POLICY

### 3.1. Purpose

To carry out its activities, NGO needs material resources. The quality of these resources is dependent upon how they are used.

Material resources are in large part durable goods, which need to be well-managed to be maintained in good condition. These goods include stationary, tables, chairs, shelves, computers and related accessories. The Fixed Assets Policy will aim for:

- precise identification of goods that are part of the asset base;
- sensible use of goods;
- periodic taking of physical inventory;
- effective maintenance of goods;
- replenishment of goods when required.

### 3.2. Procedures

At NGO, the management of material resources is the responsibility of the Accountant and Administrative officer. The procedures involved in managing these resources are

- receiving and recording goods;
- using goods properly;
- maintaining goods;
- taking inventory of goods;
- disposing of goods.

Material resources are managed by means of records or files.

### 3.3. Asset inventory

The purpose of the inventory is the physical monitoring of the items belonging to a project. The inventory makes it possible to detect differences between information about goods in the records and the actual state of goods.

Inventory is usually done once a year and is the responsibility of the finance division.

### .4. Procedures

The inventory procedure is composed of the following VAJAH FOUNDATION:

a. Creation of record cards on which is found:

- type of item

- description of item
- identification code
- service user or name of manager
- assigned location
- previous placement of item
- notes on condition of item
- record updates
- minutes of physical inventory

b. Final removal of an item

c. Replacement of an item

d. List of annual needs

### 3.5. Removal of items

The inventory procedure described above permits the identification of dilapidated or defective goods whose presence in office presents more inconveniences than advantages, for various reasons:

- steep rise in operating or maintenance expenses;
- excessive cost of repair;
- any other objective reason.

The President should give the authorization to take out of service, transfer or dispose of any items, and that should be noted in the book of assets

## PROCUREMENT POLICY

### 4.1. Purpose

The purchase of goods and services is necessary for the smooth operation of the organization. The aim of the internal control system for the supplying of goods and services is to ensure orders are handled by individuals having skills in evaluating what purchases are required from suppliers offering the best deals, to ensure purchases made do not exceed the budget provided and to ensure purchased goods and services conform with the quantity and price specified in the order.

### 4.2. Methodology

VAJAH FOUNDATION will follow certain methods in purchasing goods, equipment and services required for the needs of the organization or its projects. Use of competitive bidding shall be a priority practice. The first criterion in choosing a supplier shall be the lowest bid.

However, if a supplier does not provide the required level of service or an adequate guarantee, then other criteria shall also be considered. NGO shall specify in the purchase file the reasons the lowest bid was not chosen.

- For purchases of single item up to Rs: 10000/-, Quotation is not required.
- For the purchase of more than one item up to Rs20000/- quotation is not required
- For the Purchase of item above Rs: 20000/- to 5 00000/-

Three quotation are required.

- The purchase file shall contain all the documents pertaining to each transaction, i.e. the purchase requisition, quotations, contact information of suppliers purchase contracts or orders, invoices, delivery slips and any other pertinent documents.

#### 4.3. Purchases

Employees making purchases as part of the project activity or organizational work shall follow these mechanisms:

##### a. Requisition form

The employee requesting a purchase fills this form, has it approved by the President and sends it to finance division.

##### b. Order form

The finance division issues the order form, after it is signed by the President. The concerned employee or the finance division will make the purchase successful on the basis of the order form.

##### c. Delivery slip

After the purchase has been made, a delivery slip will be issued by the finance division for the supplier, who will sign it and give it back to the finance division.

#### PERFORMANCE EVALUTION SYSTEM POLICY

5.1. Elements of the Performance Evaluation System performance evaluation system is composed of three main stages that generally take place over a period of a year:

##### 5.1.1. Performance planning

The performance planning stage enables employees and supervisors to come to an agreement on what is to be accomplished during the year and how it will be carried out. The following procedures and tools are used to facilitate this stage:

##### a) Job description or list of duties

Each employee must have an up-to-date job description defining the purpose of the work and the responsibilities involved.

##### b) Setting of objectives

For each key responsibility associated with a position, at least one objective should be established for a particular period. The objectives should be clear and quantifiable, and the assessment criteria should be mentioned.

### c) Individual action plan

The individual action plan is a planning tool used to specify the VAJAHA FOUNDATION to be taken to achieve the objectives set beforehand. The action plan should be prepared jointly with the immediate supervisor. It may also involve new initiatives facilitating improved productivity or personal capacity development.

## 5.2. Performance Monitoring and Management

Staff performance and productivity should be managed on an ongoing basis throughout the year. The following elements among others are involved

### a) On-going Supervision

This means taking the time to observe, examine sources of difficulty and seek solutions.

### b) Regular Communication

This involves regular exchanges so that employees can receive feedback about their performance and receive the necessary supervision.

### c) Periodic Evaluation

This involves formal, scheduled meetings between an employee and supervisor to discuss activities carried out, end results and the adjustment of the action plan and objectives, if necessary. A minimum of one meeting every six months is suggested to ensure satisfactory results.

5.3. Annual Performance Evaluation: The annual performance evaluation is the analysis, based on documentation from previous stages of the process, of an employee's work record. The evaluation addresses two fundamental questions. The first relates to the past and involves verifying what was accomplished qualitatively and quantitatively during the year. The second relates to the future and consists of identifying means to be considered to ensure the employee continues to grow and develop.

The performance evaluation form should include all the sections needed for the evaluation. This includes a section relating to performance evaluation in relation to the objectives established at the outset and in relation to the responsibilities of the position, a section that specifies or targets what is needed for the employee's development and finally a section allowing the employee and the evaluator to express their comments and affix their respective signatures. The form should also include a performance level classification and a definition of each of these levels.

The annual performance evaluation does not have any financial impact on salaries. It is first and foremost a tool to evaluate the employee's performance and take remedial action if necessary.

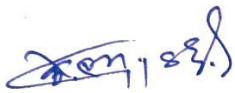
5.4. Bond: As part of the staff and organizational development activities, NGO may at times decide to send a designated staff person for trainings and/or further studies both abroad as well as at local level. NGO will bear the full/partial costs of the trainings/studies for this. However, the designated staff sponsored for the trainings/studies is required to sign a bond with NGO that requires him/her to complete the full tenure of working with the organization.

## ATTENDANCE AND ABSENTEEISM POLICY

An effective attendance policy or absenteeism policy helps the organization to ensure employee attendance to accomplish work. Depending on the type of Work the attendance policy or absenteeism policy may designate the number of days on which employees can be absent from work. A fair and consistently administered attendance policy or absenteeism policy is critical for success of the organization.

**The Role of the Supervisor in Managing Absenteeism:** Almost two out of three employees who are absent are not ill, for most organizations, the responsibility for managing absenteeism has fallen primarily on immediate supervisory. These supervisors are often the only people who are aware that a certain employee is absent. They are in the best position to understand the circumstances surrounding an individual's absence and to notice a problem at an early stage. Their active involvement in managing absenteeism is critical.

Excellent attendance is an expectation of all employees of the organization. Daily attendance is especially important for employees. Attendance registers are maintained in all the places where staff is working. When the employee comes for duty they have to sign in the register. A separate moment register is maintained in all the offices and staff will enter the date, time and the purpose they are leaving the office. In this attendance policy, the notification requirements are stressed. Excuses are reviewed and excessive absenteeism is a disciplinary issue.



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