

Vouchers for Reproductive Health Services Project



Vouchers for Reproductive Health Services Project (“VMA”)
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Standard Operating Procedure (“SOP”)

TITLE: ADVANCE

Version Date: Wednesday, 02 February 2011

Replaces SOP No.: New

Dated: New

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Use only current electronic version of SOPs for reference purposes.

In hard copy, this version is only valid on the day of printing.

Wet ink signed originals are valid unless superseded by an updated version

1. OBJECTIVE

The objectives of this SOP are to ensure that:

- Advance is used for the achievement of project objectives
- Cash advance is approved before releasing the cash
- All advances are properly controlled and the outstanding advances are easily identified and followed up
- All advances are settled within the timeframe. Moreover, the form of liquidation of advance is a reference to ensure that the advance is cleared with proper supporting documents
- The project expenditure is properly recorded

2. SCOPE

This SOP is applicable to all administration and financial management of the Vouchers for Reproductive Health Services project. The SOP covers:

- The approval of providing advances to VMA and AFH representatives, including receipt acknowledgement;
- The clearance of advance by using supporting documentation, also referred to as settlement.
- Recording and management of advances, including follow-up and reporting procedures.

3. DELEGATION OF AUTHORITY

Team Leader delegates his duties and authority to Deputy Team Leader in the case of his absence. The memo of delegation of authority must be made and signed by TL.

4. POLICY

- Advances can only be made and utilised for the achievement of the objectives of VMA and to reputable and authorised people.
- Staff advance should be cleared within one month after the intended activity completed and supported by documentation of proof.
- Use funds for purpose intended with economy (best price and quality) and efficiency (delivery time).

5. NOTE

The following procedures are written based on the understanding that the VMA employ only four staff as follows: Team Leader (TL), Deputy Team Leader (DTL), Project Administrator (PAD), and Admin Assistant (AA).

6. PROCEDURES

Activity	Segregation of duties			
	TL	DTL	PAD	AA
1. Types of Advance:				
<p>1.1 Advance to AFH:</p> <p>1.1.1 AFH initially request advances from VMA for voucher costs of beneficiaries and the baby package. The request is attached by budget plan for a period which is approved by Project Administrator.</p> <p>1.1.2 The Advance Requisition Form (Annex 1) is used for this request. The form is requested by Project Administrator, checked by Administrative Assistant (against approved budget) and approved by Team Leader.</p> <p>1.1.3 The advance is released by using Bank account for Disposition Fund and transferred to Disposition Fund bank account of AFH, though a cheque or bank transfer from which is prepared by AA and approved by TL. [Please refer to SOP on Banking Management for the process of bank transfer]</p>			X	
	X		X	X
	X			X
<p>1.2 Advance to VMA Staffs:</p> <p>There are different types of staff advances:</p> <ul style="list-style-type: none"> • Advance for Field Project and Workshop • Advance for Travel • Advance for Others <p>1.2.1 Advance for Field Projects and Workshops</p> <p>Staff complete the Advance Requisition Form supported by the budget of field activity plan or budget plan for the workshop as approved by Team Leader.</p> <p>These types of advance will be done in cash. [Please refer to SOP on Banking Management for the process of bank transfer and use of cheque].</p> <p>1.2.2 Advance for Travel</p> <p>Where staff travelling are related to VMA project, they will be entitled to request for travel advance. The staff will complete the Advance Requisition Form supported by a mission letter as approved by Team Leader.</p>				

<p>Travel advance will be done by Petty Cash.</p> <p>1.2.3 Advance for Others:</p> <p>Staffs are entitled to get advance for the routine expenditure such as purchase of supplies, bill of electricity...etc. Staffs request the advance by using Advance Requisition Form. Staffs pass the form to Administrative Assistant for checking and to be approved by TL.</p> <p>This advance will be done by Petty Cash.</p>				
<p>2. Advance Processing</p>				
<p>2.1 Advance Requisition Form:</p> <p>2.1.1 The Advance Requisition Form (Annex 1) is used for the purpose of all cash advance.</p> <p>2.1.2 The form is checked by Administrative Assistant for accuracy.</p> <p>2.1.3 The requisition form is approved by Team Leader.</p>	X			X
<p>2.2 Advance Register:</p> <p>2.2.1 After cash advance is approved, Administrative Assistant updates the Advance Register and Outstanding Summary (Annex 2).</p> <p>2.2.2 The Advance Register and Outstanding Summary is used to control all advances and clearance of advances. At every month end, the AA prepares the Advance Register and Outstanding Summary (Annex 2), listing by staff name, date of advance and outstanding balance. If there are advances outstanding over one month, AA follow up immediately.</p> <p>2.2.3 Team Leader reviews and signs on the Advance Register and Advance Outstanding Summary at the end of the month.</p>	X			X X
<p>2.3 Settlement of Advance:</p> <p>2.3.1 Staff uses the Advance Liquidation Form (Annex 3) for the settlement of cash advances.</p> <p>2.3.2 The Administrative Assistant checks the form to verify that they are supported by proper document and settled within timeframe.</p> <p>2.3.3 Team Leader reviews and approves on the form</p> <p>2.3.4 All advances have to be settled within one</p>	X			X

<p>month after the completion of the activities.</p> <p>2.3.5 Then, Administrative Assistant will prepare Petty Cash Payment Voucher to record payment. Please refer to cash and bank procedures for payment.</p>	X			X
<p>2.4 Recording of Expense:</p> <p>2.4.1 Actual expense is recognised at the date that the advance is cleared.</p> <p>2.4.2 Administrative Assistant checks and verifies those supporting documents for accuracy and validity of the expenditure. The reversed transaction will be updated from Advance Register to clear off the correspondent advance.</p> <p>2.4.3 AA updates all advance transactions in Advance Register. The Advance Outstanding Summary will be reported in monthly financial report.</p>	X			X

7. REVISION HISTORY

This SOP should always be reviewed together with the SOP for claim processing

Date Reviewed	Date Revised	Replacement SOP#	Initials

8. ANNEXES: 3

Voucher Management Agency



Advance Requisition Form

Location: _____ Date: _____

Project Title: _____

Project No.: _____

Name of requester: _____

Purpose of request: _____

Amount: _____

Amount in Word: _____

Requested by: _____

Certified by: _____

Approved by: _____

Name:

Name:

Name:

Position:

Position:

Position:

Date:

Date:

Date:

Voucher Management Agency



Advance Register and Outstanding Summary Form

No.	Payee	Advance Register				Outstanding Summary				
		Description	Amount	DV No.	Date	Description	Amount to	Amount Expense	DV No.	Date
							Be Reimb.		Cleared	Cleared
Total			0.00				0.00	0.00		

Prepared by

Checked by

Approved by

Name:

Name:

Name:

Position:

Position:

Position:

Date:

Date:

Date:

