

HR and Finance Policy

Understanding Basics of Policy

What are organizational policies?

- Rules and regulations employees must follow to keep operations running smoothly.
- Provide guidance to employees and protect the organization from legal risks.
- Cover areas such as:
 - Safety
 - Hours
 - Dress code
 - Use of company assets
 - Employee benefits
 - Paperwork submission
 - Harassment
 - Check signatories
 - Expenditure approvals

Why do you need policy?

- Helps control and monitor resources.
- Training tool for staff.
- Reference for staff, management, auditors, and evaluators.
- Ensures accurate data entry from documents.
- Enables effective management and reporting.

Why do you need procedures?

- Policies = "why"; Procedures = "how."
- Clear steps for routine tasks, with checklists and timelines.
- Defines individual roles and timelines for processing and reporting.

Who makes Policies?

- Board of Directors or Board Members appoint a financial committee.
- The committee prepares a draft, discussed and approved by the Board.

Responsibility for Implementation

- **Finance:** Director-Finance or Finance Manager
- **HR:** Director-HR or HR Manager
- Both ensure implementation and suggest updates.

Is Policy Only for Finance/HR Departments?

No, because:

- Every decision has finance or HR impact.
 - Quality procurement and recruitment depend on policy.
 - Organizations function through crosschecks and shared responsibility.
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Finance Policy Contents

- Accounting Basics
- Budgeting and Budget Monitoring
- Investment, Treasury, Banking
- Donor Management
- Authorization Matrix
- Fund Flows
- Procurement
- Asset Management
- Travel Policy
- Petty Cash
- Audits and Assurance
- Fraud Management
- Sub Grants
- Statutory Compliance

Detailed Finance Topics (with Takeaways):

- **Accounting Basics:** Understand codes and documentation. Enables informed approvals.
 - **Investment, Banking, Treasury:** Roles in fund access, bank signatories, and reporting.
 - **Donor Management:** Respect commitments, maintain grant records, build credibility.
 - **Budgeting:** Know processes, tracking, variances, and unbudgeted expenses.
 - **Authorization Matrix:** Who can approve what (e.g., vouchers, bills, recruitment).
 - **Fund Flows:** Monthly projections, request and release formats.
 - **Procurement:** Templates, thresholds, good procurement leads to success.
 - **Assets:** Buying, selling, maintenance, depreciation, and responsibilities.
 - **Travel Policy:** Travel claims, approvals, entitlements, and conduct.
 - **Petty Cash:** Limits, approval, storage, and reimbursement guidelines.
 - **Audits and Assurance:** Types of audits, responsibilities, and rights during audits.
 - **Fraud Management:** Prevention, helplines, investigation, and reporting.
 - **Sub Grant Management:** Choosing sub-grantees, assessments, and fund release.
 - **Statutory Compliance:** Legal structure, calendar for compliance, responsibilities.
 - **Other Topics:** Office opening/closure, travel advances, vehicle use.
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HR Policy Contents

Illustrative Policies

- Whistle Blower Policy
- Late Coming Policy
- Transfer Policy
- Promotion Policy
- Mobile Policy
- Job Rotation Policy
- Laptop Policy
- Reward & Recognition Policy
- Code of Conduct
- Harassment Policy
- Nepotism Policy
- Leave Policy

- Referral Policy
- Attendance Policy
- Recruitment Policy
- Compensation & Appraisal Policy
- Probation & Confirmation
- Internet Usage
- Dress Code

Why HR Policy Matters

- **Senior Management:** Implements policy with efficiency.
- **Managers:** Ensure transparency.
- **Employees:** Know their rights and duties, increasing trust and output.

HR Policy Details

- **Leave Policy:** Types, usage, carry-forward, monetization.
- **Recruitment Policy:** Channels, approvals, process, documentation, and onboarding.
- **Appraisal Policy:** Goal setting, measurement, ratings, feedback, timelines.
- **Promotion Policy:** Criteria, committees, timelines, and fast-track paths.
- **Transfer Policy:** Need-based, support offered, relocation help.
- **Job Rotation:** Rationale, coverage, protocol, evaluation.
- **Nepotism Policy:** Family member employment, definitions, conditions.
- **Anti-Harassment Policy:** Follows law and grants, covers all harassment types.
- **Code of Ethics:** Employee obligations, declarations.
- **Equal Opportunity Policy:** No bias based on gender, caste, etc.
- **Termination Policy:** Grounds and process for exit.
- **Asset Usage Policy:** Proper use and care.

Other HR Aspects

- Salary structure, increments, rewards, trainings
- Master file management
- Payroll creation
- Attendance/timekeeping
- Visitor policies

Other Policies

- **Risk Management:** Mapping, mitigation.
 - **Disaster Management:** Backups, alternate setups.
 - **Security Policy:** Threats and response protocols.
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