




DELEGATION OF POWER

Revision -06
Dated:08.06.2020

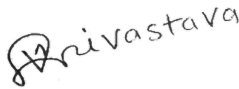
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Introduction:

Many minor and significant decisions drive the smooth functioning of an organization in the day to day activities. They are directly or indirectly related to the finances of the organization. There is a delegation of power to few authorities within the organization as per the decision of the apex decision-making body. At UPAY, the apex decision-making body is the governing body. The document contains the details of the powers delegated by the governing body to various jurisdictions in the organizations.

The document may be called as a 'DOP'.

Abbreviations:

CAO: Chief Admin officer

COO: Chief Operating Officer

FD: Functional Directors

PO: Purchase Order

SCM: Steering Committee Members

ZAO: Zonal Admin Officer

ZD : Zonal Director

ZFS: Zonal Functional Secretaries

ZOO: Zonal Operating Officers

SECTION-A

Powers Delegated w.r.t. Purchase of material/ services by placement of Purchase Orders and Payments to vendors.

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
1.	In-principle/Administrative approval of the cost estimate for the purchase of material/services.	Up to Rs. 1 lakh	Up to 5 lakhs	Up to Rs. 10 lakhs.

The proposal shall be initiated as per the value of the cost estimate	Centre head/ZOO/ZA0	Zonal functional secretary	Zonal director/Functional director/CAO/COO
	Up to Rs.20,000 thousand	Up to Rs 1 lakh	For Any value

Remarks:

1. If the initiator acts as the approver for any clause as mentioned above, it shall be sent to higher authority for approval.
2. If the provision of the expenditure is not in the budget, in-principle approval has to be taken from the competent authority as per the amount in this clause. However, for central expenses, the competent authority is the functional director/chairman. **In-principle approval shall not be required for the purchase matters already discussed in meetings in the presence of the approving authority.**
3. Reference of estimate and justification of quantity has to be attached/mentioned in the note.
4. Purchase Order (PO) shall be issued necessarily for values above Rs. 20,000/-.
5. The approval of cost estimate, tendering and PO approval may be taken in a single note as per the requirement.
6. Proposal shall be vetted by Finance before approval by the competent authority.
7. For zone related matters, representatives of zone, and for central level related matters, representatives of centre shall initiate the note for approval.
8. Draft Note- Attached at annexure-A1

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
2.	Approval for the following modes of tendering for approved cost estimates and award of POs.			
a.	Limited Tender (7 number of minimum parties through vendor enlistment).			Up toRs. 10 lakh
b.	Limited Tender (3 number of minimum parties).		Up to Rs. 5 lakh	Up toRs. 7 lakh
	Limited tender (Single response received).		Up to Rs. 2.5 Lakh	Up toRs. 5 Lakh
d	Committee Purchase (Minimum 3 quotations required)	Up toRs. 1 lakh	Up to Rs. 2 Lakh	Up toRs. 5 lakh
	Committee purchase(for single response received)	Upto Rs. 50 thousand	Upto Rs. 1 Lakh	UptoRs. 2 Lakh
E	Through 3 quotations	Upto Rs. 50 thousand	Upto Rs. 1 Lakh	UptoRs. 2 Lakh
f	Through approved vendor on single quotation (definition of approved vendor)	Upto Rs. 20 thousand	Upto Rs. 50 thousand	Upto Rs. 75 thousand
g	Through any vendor on single quotation	Upto Rs. 10 thousand	Upto Rs. 30 thousand	Upto Rs. 50 thousand

Remarks:

- Nomination for purchase committee shall be done by approving authority.
It will include:
 - One member from the initiator party.
 - One from finance.
 - One from administration or as deemed suitable by the approving authority.

*Minimum 3 members must be available for committee purchase.
- The purchase committee shall select the vendors fairly, get quotations from them and henceforth the co-ordinator will process the award of PO. Committee shall ensure that the rates quoted by L1 bidder are reasonable.

3. Similar committee called tender committee shall be formed by the approving authority in order to finalize the vendor, float enquiries of limited tender and process for award of the PO.
4. Reasons to proceed for award with single offers against limited tender/purchase committee or single tender shall be mentioned in the award approval.
5. Proposal shall be vetted by Finance before approval of the competent authority.
6. Purchase orders shall be issued by finance (zonal/centre) after the approval of the competent authority.
7. Purchase Order (PO) shall be issued necessarily for values above Rs. 20,000/-. Up to Rs.20,000, PO may or may not be issued and the decision shall be taken by approving authority.
8. POs may not be issued for online purchases even if the value exceeds Rs. 20,000/-. In such cases, advance/claim for the expenditure shall be permissible through powers under section B of the DOP.
9. Above Rs.10,000, payment to the vendor has to be made directly by raising a claim request.
10. Payment made by volunteer/member to vendor upto Rs. 10,000, for single item may be reimbursed on approval of the claim request. Advances for to the volunteer/member for such cash purchases are permissible. Against such advances availed, 'claim against advance' has to be raised after the purchase. The platform for such requests to raise would be as per circulars issued from time to time. The power for such advance/claims is governed under section-B.
11. In case of emergency with proper justification in writing, Chairman may approve for lower mode of tendering for value upto Rs.10 Lakhs.
12. A vendor with whom any business has been done, shall be entered in the 'approved vendors' list. Each zone shall maintain the list of these vendors. The vendors who submitted quotations against committee purchase or limited tender shall also be included in the list.

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
3	Approval for deviation in PO value and amendment in PO thereof:			
a.	Upto PO of value of Rs. 1 lakh	30%	40%	50%
b.	Upto PO of value of Rs. 5 lakh		30%	40%
c.	Upto PO of value of Rs. 10 lakh			30%

1. Reasons for amendments in quantity, terms or rate shall be recorded.
2. The change in rates, if any has to be reasonable with respect to the trend of rates in market.
3. Deviation may be granted to the same party on the same rates, terms and conditions as stipulated in the original order with finance concurrence against previous orders, subject to the following
 - a. The normal processing of the case is likely to delay the procurement and adversely affect the work
 - b. The executed qty shall not be more than 3 months after completion of the earlier order.
 - c. A reasonable assessment and certification by the initiator that there has been no downward trend in prices and vetted by finance.
 - d. The prices against earlier order were not escalated to compensate for earlier deliveries.
4. Full power of approval for deviation in PO value and amendment in the same shall be vested to a team consisting of Director(Finance), Dir(admin) and Chairman.

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
4	Approval for cancellation/closure of PO.	The same authority which approved PO or higher		

Remarks:

1. In case of poor performance of the vendor/contractor, the order issued earlier may be cancelled with the approval of authority which had awarded approval earlier.
2. The proposal shall contain:
 - a. Warning letters/communications issued to intimate about the poor performance
 - b. The work as completed and the payment payable to the agency.
3. After the proposal for cancellation of PO is approved and communicated to the vendor, due payment to the vendor/contractor shall be made.
4. The vendors may be blacklisted depending on their performance. At least three-member committee, consisting of one member from finance and one member from concerned function and one from any other as deemed appropriate by the approving authority, shall be constituted for the review of vendor's performance. The committee may recommend for blacklisting for certain minimum duration or for indefinite period. Based on the recommendation, approving authority may approve the blacklisting. Blacklisted vendor details to be communicated to central level finance team along with the suitable reasons. A list of such vendors shall be maintained by zone.

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
5	Approval for extension in the time duration of PO	The same authority which approved PO or higher		

Remarks:

1. If the work or the material supply remains incomplete within the time provided in PO, the extension in duration may be sought from the authority which approved the award of PO subject to following-
 - a. No decrease in the price of items in PO.
 - b. No loss to the organisation.
2. The proposal shall be vetted by finance team before approval of the competent authority.

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
6	Approval for advance/payments to vendors as provided in the PO	Upto Rs 1 lakh	Upto Rs 2 lakh	Upto Rs 10 lakh

Remarks:

1. The advance/payments to the vendor as provided in awarded purchase order shall be done as per the clause mentioned above.
2. In case of zonal/central expenditure, payment shall be made from respective zonal/central account after the approval from the competent authority.

NOTESHEET

Sub: In-principle/Administrative approval for cost estimate of Rs.....
for the work/purchase of for zone.....

Justification of Requirement:

(Please enter why is it required, reference to discussions in the meetings or any circular which contains the information may also be given)

Justification of quantity: (brief explanation about how the quantity has been estimated)

Rate reference: (mention any latest awarded rate or quotation from the vendor)

SECTION-B

Powers delegated w.r.t. Advances, claims for individuals

Sl.no.	Nature of power	Zonal Director/ Functional Director	Chairman	Governing body
1.	Approval for advance /imprest and claims against expenditures to the individuals.	Upto Rs. 50,000/-	Upto Rs. 1 lakh	Above Rs. 1 lakh
	Max permissible amount to a. Volunteer: Upto Rs 5000 b. Centre head/ZAO/ZOO: Upto Rs. 15000 c. ZFS/CAO/COO: Upto Rs. 50000 d. ZD/FD/Chairman: Upto 2 lakhs.			

Remarks:

1. This power shall normally be used for small expenditures. It can also be used where normal procedure of making a purchase are not applicable/possible as per the given circumstances. Advance availed under this clause shall not be utilised for making the payment/procurement of a single item/service of value above Rs 10000. However, advance/claim for the online purchases of multiple items made as per procedures in section-A of DOP, shall be permissible.
2. Same authority cannot initiate the request and approve. E.g. for advance/claim of Rs. 25 thousand to/by ZD or FD, approval of the Chairman is required.

Part A: Advance and claims:

- I. Advance or claim requests shall be vetted by finance team before approval of the competent authority.
- II. If the expenditure against not so common item/work is to be done, in-principle/administrative approval shall be taken first.
- III. Claim against every advance availed shall be raised within 30 days. The unutilised amount shall be deposited to the respective zonal/central account. Additional expenditure shall be reimbursed by finance.

Part B: Imprest

1. Provision of advance to volunteer/member/staff for small expenditures on monthly basis is termed as imprest. One-time approval is required for the sanction of imprest which shall be valid till the end of ongoing financial year or till the time as specified in approval note. It won't hold validity later than the end date of ongoing financial year.
2. Afterwards, the volunteer/member shall raise a request for advance.

3. Claim has to be raised for the expenses made preferably at the end of every month or as per requirement. After the claim is approved by competent authority, the approved amount will be reimbursed by finance.

Sl.no.	Nature of power	Zonal Director/ Functional Director	Chairman
2.a.	Approval for sanction of advance to paid staff such as teacher/ZOO/ZAO/COO/ CAO from its stipend/remuneration.	Upto amount equal to 2-month stipend/ remuneration or Rs 25000 whichever is LOWER	Upto amount equal to 4-month stipend/ remuneration OR Rs 50 thousand whichever is LOWER.

Remarks:

1. In case of personal urgent requirement such as those related to medical treatment, advance amount may be granted to the paid staff of UPAY.
2. The request shall be raised by the concerned staff. The reasons shall be mentioned and necessary documents shall be submitted to justify the requirement.
3. The advance shall be deducted from the stipend/remuneration of staff in the subsequent months. The advances approved by zonal directors shall be settled in 6 months and those approved by chairman within 9 months. E.g. if the advance amount is deposited in May 2020, adjustment shall begin from June 2020 onwards.

Sl.no.	Nature of power	Zonal Director/ Functional Director	Chairman
2.b	Approval for waiving off advance or part of it or relaxation in duration for repayment of it paid vide 1.a of section-B	-----	Full power

Remarks

1. This power shall be utilised only if it is established that the staff is not in a position to return the advance taken due to unforeseen conditions not in its capacity.

Sl.no.	Nature of power	Zonal Director	Chairman
3	Approval for advance / reimbursement for/of expenditure towards travel for official work	For zonal works	For central works

Remarks:

1. UPAY will pay only surface transport as far as possible, i.e. bus, train, auto, taxi etc.
2. In case of train journey, fares of 3 Tier-AC class shall be reimbursed.
3. Reimbursement of actual fuel cost of personal vehicle used for official work is permissible, provided the vehicle was shared with other officials of the organisation.
4. Air travel is permissible for urgency cases. However, prior approval of chairman is required for the reimbursement.
5. Accommodation expenditures at the rate of Rs.1500/day in Metro cities and Rs.1000/day in Non-metro cities shall be reimbursed. Accommodation reimbursement amount can be revised by UPAY executive body from time to time.
6. Dearness Allowances will be provided to the volunteers, members and associates at the standard rate of Rs. 400 per day per person.
7. Maximum permissible amount for inter-zone travels would be as per circular dated 08.07.2019 till the issue of next circular.

SECTION-C

Powers delegated w.r.t.write off, sale of items and others

Sl.no.	Nature of power	Zonal Director	Functional Director	Chairman
1	Approval for write-off in case of theft or loss of any item, obsolete object, unserviceable/irreparable items such as PCs, cameras, printers etc.	25 thousand	50 thousand	75 thousand

Remarks:

1. A committee shall be constituted of members belonging to the concerned function, finance and admin or as deemed fit by the competent authority. The committee shall assess the usability of the item and submit its recommendation. Accordingly, the competent authority shall take the decision.
2. Amount mentioned above will be the depreciated value.
3. Photograph of current condition to be attached along with the note.

Sl.no.	Nature of power	Zonal director	Zonal Director/ Functional Director	Chairman
2	Approval for sale of scrap items/old items or items after their shelf life.	Upto Rs. 50000	Upto Rs. 1 Lakhs	Upto Rs. 2 Lakhs

Remarks:

1. For the declaration of any item as scrap or take the decision to sell any old item, a committee shall be constituted of members belonging to the concerned function, finance and admin or as deemed fit by the competent authority. The committee shall recommend whether the item can be declared as scrap after proper analysis. The competent authority shall take the decision based on the recommendations of committee.

Sl.no.	Nature of power	Zonal Director/ Functional Director	Chairman
3	Approval for sale of new items such as items	Upto Rs. 1 lakh	Upto Rs. 5 lakh

Remarks:

1. A committee of at least three persons with one member of finance team shall be formed by approving authority to analyse and recommend the rate of items to be sold. The competent authority shall take the decision based on the recommendations of committee.

Sl.no.	Nature of power
4	If such a situation arises, chairman may delegate some powers to zonal director/functional director to the extent he decides for a certain duration.

Remarks: The power shall be used under extra-ordinary circumstances only.

Section-D

Powers to quote rates on behalf of UPAY and related

Sl.no.	Nature of power	Zonal director	Functional Director	Chairman
1	Approval of rates to be quoted for supply of items or services on behalf of UPAY and acceptance of Purchase Order from the respective clients and raising the invoices against the accepted PO/works	Upto Rs 1 lakh	Upto Rs 5 lakh	Upto Rs 15 lakh

Remarks:

1. As per the value of quotation against an enquiry raised, the approving authority may vary. E.g. for submission of quotation of Rs. 1.5 lakh, approval of the concerned functional director shall be required.
2. A committee of three members consisting of finance member may be formed to analyse the requirements of enquiry and prepare an estimate of rates and submit the same to the competent authority. All the calculations, references, assumptions shall be noted clearly in the recommendations.
3. Recommendations of committee will provide a fair idea to the approving authority to enable the members to take suitable decision. After considering all the factors, approving authority may finalise the rates to quote in the tender enquiry.
4. The approving authority may nominate CAO/COO/ZOO/ZAO for quoting the approved rates in client's system.

SECTION-E

(DOP w.r.t appointments)

Sl.no.	Nature of power	Zonal director	Functional Director	Chairman
1	Appointment of staff/trainee as per requirement with stipends / remuneration up to.	Upto Rs 15 thousand per month	Upto Rs 25 thousand per month	Upto Rs 50 thousand per month

Remarks:

1. Before initiating the process of selection of candidates, in-principle approval from the chairman shall be required. Requirement of staff, expected remuneration, qualifications shall be mentioned in the note of approval.
2. After the in-principle approval, detailed responsibilities to be given to the staff. Henceforth, the process for calling applications or scheduling interview and finalisation of candidate shall be done with the approval of the approving authority in this sl.no.
3. The selection committee shall include minimum four members having one of them from administration. Moreover, in case of appointment for zones, one member from another zone or centre shall be nominated.
4. The committee shall submit recommendation to the approving authority after selection process.

General Notes:

1. Representatives of zones shall initiate processes of approvals for requirements/matters of zone.
2. Zonal Director may nominate ZOO/ZAO in the committees mentioned in the DOP.
3. Chairman/Functional Director may nominate COO/CAO in the committee mentioned in the DOP.
4. SCM appointed for upcoming zones shall have power of value of 50% of zonal directors mentioned in DOP.
5. Approvals shall be processed through proper channels only. For approval of chairman on zonal matters, the note shall be routed through zonal director.