**Standard Operating Procedure (SOP) for Finance Team of Paradox**

To ensure smooth financial operations during the event, it is important that everyone involved in purchasing goods/services is aware of the following guidelines:

**Note:** All departments are required to make a list of all the requirements in advance and share it with their respective finance heads so that the budget can be planned.

**Bill Collection:**

* The team must collect all bills from vendors, service providers, and other parties related to the event.
* All bills collected by the finance team ***must have the GST number on the bill***, as per the rules set by the Government of India, and a valid **GST Tax Invoice** should be submitted for reimbursement.
* Bills without valid GST Number should be approved prior by the Finance Team given that the value of the bill is less than Rs. 5000/-, Bills above Rs. 5000/- without valid GST Tax Invoice will not be approved under any circumstances.
* Organizers are requested to get a ***proforma invoice from the vendor*** to get an idea of the bill template.
* The bill should be addressed to "***IITM Student Activities Trust, (IITM BS Degree Programme), Dean of Students Office, IIT Madras, Chennai - 600036***", as per the instructions provided by the IIT Madras administration.
* The team ***must upload the softcopy of the bills*** as soon as possible and also ***maintain a physical copy to hand over to the Finance Department heads*** in person upon their arrival on campus.
* The bill if produced for ***student reimbursement*** needs to have been approved prior by the ***FR team.***

**Approval:**

* All bills must/will be reviewed and approved by the finance team before any payment is made.
* The team needs to have the proforma invoice approved by the finance heads, and only then proceed with the purchase for it to be reimbursed. This applies to all departments and individuals involved in the event.
* For approval, the bill needs to have the signature of the Finance Super Co-Ordinator of the department and the Head of Finance.
* Finance Department super coordinators assigned to departments need to ensure that the department always stays under budget and provide timely reports to the finance team on all financial transactions related to the event.

**Reimbursement:**

* Reimbursement of claims students, there could be three cases for reimbursement:
  + The exact bill amount was approved earlier on, in which case, it would go through without any trouble. The finance team should verify the authenticity of the claim and process it within the deadline.
  + For a requirement outside the budget, approval needs to be obtained from the Event/Department Core before proceeding with reimbursement.
  + If a requirement was not already mentioned, FR Super Co-ordinator and Event Core need to provide details/approval before processing the reimbursement.
* The value of the Bill for Student Reimbursement shall not exceed Rs. 20,000/-.
* Any bill exceeding Rs. 20,000/- but below Rs. 40,000/- may be reimbursed only with the explicit approval of the Head of Student Affairs.
* Bills exceeding Rs. 40,000/- are ineligible for reimbursement and must adhere to the proper Vendor Payment Procedure.
* All reimbursement requests must be accompanied by proper and Valid GST Tax Invoice and follow the established reimbursement process.
* Any deviations from these reimbursement limits require prior written approval from the Head of Student Affairs and must be processed in accordance with the Vendor Payment Procedure.

**Vendor Payment Procedure:**

1. **Vendor Registration:**
   1. All vendors must be registered and approved by the finance team before any payments can be processed.
   2. Required documentation includes a valid business license, tax identification number, and bank account details.
2. **Invoice Submission:**
   1. Vendors must submit a detailed invoice, including a description of goods or services provided, the total amount due, and any applicable tax information.
   2. Invoices should be submitted directly to the finance team for review.
3. **Invoice Verification:**
   1. The finance team will verify the accuracy of the invoice.
   2. Any discrepancies must be resolved with the vendor before proceeding.
4. **Approval Process:**
   1. Invoices must be approved by the relevant department head, finance head and the Secretaries.
   2. For invoices exceeding Rs. 1,00,000/-, additional approval from the Head of Student Affairs is required.
   3. Once approved, the invoice will be processed for payment.
5. **Record Keeping:**
   1. All payment transactions must be recorded in the financial system.
   2. Supporting documents, including invoices, approvals, and payment confirmations, must be filed and maintained for audit purposes.
6. **Dispute Resolution:**
   1. Any disputes or issues regarding payments should be reported to the finance team immediately.
   2. The finance team will work with the vendor and relevant departments to resolve disputes promptly.

**Record Keeping:**

* The finance team should maintain a record of all financial transactions related to the fest, including bills collected, payments made, and reimbursements processed.
* The finance team should maintain a ledger book to record all transactions and ensure that it is updated regularly.
* The finance team should provide a report to the Paradox Secretaries and the Head of Finance, summarizing all financial transactions at the end of the event, and ensure that it is accurate and complete.

**Event Budget:**

* Once the overall budget is approved by a majority vote, each event department will prepare their respective Event Teams Budget using established criteria.
* The prepared budget will be subject to approval by the Secretaries.
* Upon approval by the Secretaries, the budget will be made public to the respective Event Heads.
* Heads of Event Departments must convey the approved budget to the Event Heads, either in a meeting or via email.
* Event Heads have the right to contest the budget allocated to them by providing valid reasons.
* Initial budget concerns should be reported to the Department Head.
* If a satisfactory response is not received from the Department Head, the Event Head can escalate the issue using the Standard Escalation Matrix.

**General Paradox Budget Preparation/Passing:**

* The Head of the Finance Team is responsible for preparing a detailed budget for the fest, in close coordination with the Secretaries.
* Following the initial scrutiny of the budget by the Secretaries, the budget must be published to all Heads of Departments.
* The budget will be subject to approval by a majority vote among the Heads of Departments.
* In the event of a tie vote, the Secretaries will cast the deciding vote.
* The approved budget must be documented and communicated to all relevant parties.
* Any revisions to the budget post-approval must be re-submitted for review and approval following the same procedure.

**General Guidelines:**

* Cash Vouchers can be generated only for amounts below Rs.1000/- any thing more than that should be planned and should have a valid GST Tax Invoice, and all cash vouchers should be approved by the Head of Student Affairs and will be signed by the Professor in Charge.
* The total value of all Cash Vouchers for any Edition of Paradox should not exceed a total value of Rs.50,000/- in any circumstances.
* The Finance Report should be published after every season of Paradox to all students and should be made available for the public in the Paradox Website. The Head of Student Affairs can make an exemption for this rule.
* All Advances should be only done through Paradox Finance Portal and Advance Settlement form should have the signature of Professor In Charge, and any advance should be settled within 14 Working Days.
* All Bills Whose Value is More than 1 Lakh, should be approved prior by the Steering Committee and Head of Student Affairs.

By following these guidelines, we can ensure that all financial transactions related to the event are transparent, accurate, and within the budget.