
Smile Together Partnership Accounting Guidelines (Abridged)



Last updated July 1, 2016, by the Work Together Foundation

* These Accounting Guidelines are an abridged version of the Smile Together Partnership Accounting Guidelines for STP Funds, provided by the Work Together Foundation (hereinafter "the Foundation"). Any and all details of these present Accounting Guidelines must be determined in reference to the original.

1. Submission of Accounting Documents

(1) Institutions seeking to receive STP Funds shall submit to the Foundation, by the given deadlines, the documents listed below.

<Table 1> Deadlines & Methods

Accounting Form	Deadline	Required Documents
STP Funding Contract	When Institution is selected as an STP partner and funding conditions are met	<ul style="list-style-type: none"> • STP Cooperation Proposal agreed to by both the Foundation and Institution • Funding Contract signed by both the Foundation and Institution • Copy of bank document showing existence of bank account exclusively for STP Funds • Copy of bankbook with a balance of '0'
Financial Settlement Sheet	Submitted/updated each fiscal quarter <ul style="list-style-type: none"> • 1st quarter (by 30th April) • 2nd quarter (by 31st July) • 3rd quarter (by 31st October) 	<ul style="list-style-type: none"> • Financial Settlement Sheet [Accounting Form 3] updated throughout the year • Copy of bankbook

	<ul style="list-style-type: none"> • 4th quarter (by 31st January of the following year) 	
Financial Report	31 st January of the year following the STP Funding Contract	<ul style="list-style-type: none"> • Financial Report [Accounting Form 2] including photocopies of the following documents for the STP Funding Contract period · Financial Settlement Sheet [Accounting Form 3] · Copy of bankbook · Revenue Report [Accounting Form 4] · Expense Report [Accounting Form 5] · Receipts and supporting documents · List of Tangible Assets [Accounting Form 7] · Monthly Payroll Book [Accounting Form 9]

(2) Submit all required documents before or on the deadlines.

- Failure to submit any required documents before or on the given deadlines, without justifiable cause, may result in a reduction of STP Funds to be provided for the ensuing business year.
- Amount of STP Funds to be reduced = amount of STP Funds provided in the preceding year x the number of months for which the documents have not been received past the deadline/12 months

2. Budget Compilation

- (1) Each Institution must compile a budget for its proposed project and submit it to the Foundation along with the STP Cooperation Proposal.
- (2) The budget submitted with the STP Cooperation Proposal must list all budget items according to the headings under "Classification" and "Category" headings used in Table 2 below.

<Table 2> STP Standard Accounting Codes

Section (Fixed)	Classification (Fixed)	Category (Fixed)	Item	Details
Revenue	Fund	Fund	STP Funds	Total amount received as STP Funds
	Interest	Interest	Interest	Total amount of interest incurred from the Funds (Enter the amount after tax)
	Other	<u>Write on your own</u>	Other	Revenue generated from the project such as sales (including items no longer used) or sponsorships
Expenses	Labor Costs	Project Labor Costs	Wages	Wages paid to the task force working exclusively on the STP project STP Funds are not to be used to cover the labor costs of any employees working in Korea.

				The Institution is responsible for paying for the corporate portion of the "Four Major SIS (insurances)" for Korean employees working on the project onsite.
			Staff training	Training fees for local staff
		Other Labor Costs	Sundry Payments	Payments given to workers other than regular full-time employees (part-time employees, employees hired for limited periods of time)
	Operational Expenses	Construction	Construction	Construction costs excluding wages for construction workers
			Renovation	Renovation costs, building repair costs, etc.
		Acquisition	Supplies	Consumable goods such as stationery or other office supplies (a maximum of USD 100 per unit)
			Equipment	Equipment such as office furniture, equipment, or any other tangible asset (more than USD 100 per unit)
			Machinery	Machinery (more than USD 100 per unit)
			Other	Items other than office furniture, equipment, and machinery (more than USD 100 per unit)
		Material	Material Costs	Materials purchased for STP project operations

		Operation & Execution	Travel Expenses	Expenses incurred during business trips (accommodations, transportation, meals etc.)
			Event Expenses	Expenses for hosting events (program operation, honorariums, etc.)
			Marketing & Promotion	Expenses for advertisement (printing, etc.)
			Rental	Property rental fees including security deposit. Clearly specify "security deposit" on the Financial Settlement Sheet if a security deposit has been paid.
			Taxes/Utilities	Taxes incurred and utilities used (electricity, etc.) during STP project operations
			Other	Operational costs other than the above items (service charges, communication expenses, etc.)
	Social Contributions	Direct Support of Children	Meal Support	Meals provided free of charge
			Community Support	Costs for community & activities geared towards children, other than meals.
	Other Expenses	<u>Write on your own</u>	Foreign Exchange Gain/Loss	Any gain or loss from foreign exchange

(3) Budget adjustment

- STP Fund adjustments under USD 300 in *Category*

- ① Approval from the Foundation is not required. The Institution must notify the Foundation of its STP Fund adjustments via official letter attached to the Financial Report.
- STP Fund adjustments over USD 300 in *Category* or any adjustment in *Classification*
 - ① The Institution must gain approval from the Foundation before the adjusted expenditure.
 - ② The procedure for requesting a budget adjustment is as follows;
Seek approval from the Foundation in advance → Send an official letter requesting approval for a budget adjustment → Wait for approval from the Foundation (maximum 14 days) → Budget adjustment comes into effect (if approved)

3. Financial Settlement

(1) Observance of the STP project period

- All STP Funds must be executed according to the agreed purposes and activities of spending from the start date of the STP project indicated on the STP Funding Contract and until December 31 of the same year. Any and all expenditures of the STP Funds outside the project period will not be approved.
- For exceptions, see the STP Accounting Guidelines.

(2) Separate accounting

- Each Institution must establish and manage a separate bank account along with a designated bankbook, accounting documents (Financial Settlement Sheet, Financial Report), and their backup documents separating STP Funds from other funds it holds. The STP Funds may not be combined with any other funds.

(3) Consistency between financial and accounting documents

- Details of the Financial Settlement Sheet and backup documents, such as receipts, must match. Each transaction indicated on a Financial Settlement Sheet must display the specific serial number of the Financial Report associated with it or the ID number of the backup document, which must be repeated at the top of the Financial Report or the backup document provided along with the Financial Settlement Sheet.

4. Accounting

(1) Revenue from STP Funds

- Each Revenue Report shall reflect the actual amount of STP Funds and interest received and generated in the given bank account.

(2) Expenditures from STP Funds

- The STP Funds are to be spent, in principle, either in the form of transactions using a debit card under the given Institution's name or by inter-bank transfers.
- Each Institution shall carry out its project within the bounds of the given STP Funds budget. Any expenses in excess of the budget shall be paid out of pocket.
- However, any expenses in any category and in excess of the given budget that neither exceed USD 100 nor the total budget may be paid with STP Funds.
- In using STP Funds, each Institution must prepare the required documents listed in Table 3.

<Table 3> Required Documents & Additional Documents

Item	Required Documents	Additional Documents
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Paid Salaries	<ul style="list-style-type: none"> Signed Monthly Payroll Book [Accounting Form 9] A copy of identification cards of all personnel paid 	Bank transfer or debit card slip
Paid Interns, Part-Time Staff	<ul style="list-style-type: none"> Signed Monthly Payroll Book A copy of identification cards of all personnel paid 	Bank transfer or debit card slip
Consulting Fees	<ul style="list-style-type: none"> Consultation report Confirmation of Consulting Fee Payment [Accounting Form 12] A copy of identification card of the payee Resume/CV of person(s) whose consulting services were utilized 	Bank transfer or debit card slip
Conferences/Meetings	<ul style="list-style-type: none"> Minutes <ul style="list-style-type: none"> No payment shall be made to internal staff Consultation services used during conferences are to be listed as "Consulting fees" 	Bank transfer or debit card slip
Accommodations, Transportation	<ul style="list-style-type: none"> Business Trip Report Receipts: only actual expenditures incurred shall be considered legitimate expenses 	Bank transfer or debit card slip
Materials & Supplies, Equipment	<ul style="list-style-type: none"> Quotes from <u>two</u> different suppliers as well as the final approved quote if the overall price of one item from one supplier exceeds USD 300 Officially recognized receipt with VAT and/or other tax payment records if 	Bank transfer or debit card slip

	<p>applicable</p> <ul style="list-style-type: none"> • Photographs of the purchased item (can be replaced with a catalog) 	
Rentals, Security Deposits	<ul style="list-style-type: none"> • A copy of the lease • A copy of lessor's identification • Photographs of the property - interior and exterior 	Bank transfer or debit card slip
Construction, Renovation	<ul style="list-style-type: none"> • Quotes from <u>two</u> different suppliers including the final approved quote • A copy of the contract • Officially recognized receipt with VAT and/or other tax payment records if applicable <ul style="list-style-type: none"> - If contract exceeds USD 10,000, open bidding is necessary, and the Foundation may join the process 	Bank transfer or debit card slip
Food Service	<ul style="list-style-type: none"> • Food Service Expense Report [Accounting Form 15] • Photographs of food service provided • List of food service recipients 	
Banners, Brochures, Publications	Photographs of the purchased items (banners, booklets), and relevant receipts	Bank transfer or debit card slip

* For expenses not covered by Table 3 above, the Institution shall submit proof of actual budget execution referring to the details for back up documents in Table 3 above.

** Positive consideration (additional points on the STP Funds financial review evaluation) will be granted in the STP Funds Review when both required documents and additional documents are submitted.

(3) Returning remaining STP Funds

- Each Institution must return all remaining STP Funds that exceed USD 100 at the end of the STP project (end of the third year of the project).
- For exceptions to this requirement and the return process, see the Accounting Guidelines (full version).

(4) Foreign exchange rates

- In principle, the US dollar (USD) shall be considered the main currency for remittances, spending, returns, and reporting of STP Funds.
- In writing the required reports, each Institution may apply the STP monthly exchange rate, the exchange rate at either the beginning or end of the given month, or the exchange rate indicated on the exchange receipts from the given month.
- Rules of reporting differ according to the exchange arrangements used (i.e., using the USD as the single currency, using the local currency as the single currency, or using both the USD and the local currency) in executing STP Funds. See the Accounting Guidelines (full version) for details.

(5) Required accounting forms

- Upon using any of the STP Funds, each Institution must prepare the documents listed in Table 4.

<Table 4> Required Accounting Forms

Type	Required Documents	Documents Replaceable by the Institution's Own Forms
Reports	<ul style="list-style-type: none"> - Submission mandatory - Only STP Accounting Forms are acceptable 	<ul style="list-style-type: none"> - Submission mandatory only if events occur that require any of the following forms regarding revenue, expenses, tangible assets, payroll, primary

		vendor registration, consulting fee, potential conflicts of interest, and food service to be filled out in accordance with the Accounting Guidelines
Forms	[Accounting Form 2] Financial Report [Accounting Form 3-1] Financial Settlement Sheet (single currency) [Accounting Form 3-2] Financial Settlement Sheet (dual currency) [Accounting Form 6] Return of Unused Funds	[Accounting Form 4] Revenue Report [Accounting Form 5] Expense Report [Accounting Form 7] List of Tangible Assets [Accounting Form 9] Monthly Payroll Book [Accounting Form 11] Primary Vendor Registration [Accounting Form 13] Confirmation of Consulting Fee Payment [Accounting Form 14] Disclosure Form for Potential Conflicts of Interest [Accounting Form 15] Food Service Expense Report

* Additional points in accounting evaluation will be granted if the Institution encloses the documents listed under "Documents Replaceable by the Institution's Own Forms".

- Financial Settlement Sheet (Accounting Form 3) and Financial Report (Accounting Form 2)

The Financial Settlement Sheet shall include bank statements and cash book records. The deposits, withdrawals, and balances indicated on the bank statements must match the deposits, withdrawals, and balances indicated on the STP Funds account and bankbook.

The withdrawal details on the bank statement and the cashbook of the same

date must match each other.

- List of Tangible Assets (Accounting Form 7)

Each Institution must include any office furniture, computers, equipment, and other such assets acquired with STP Funds for the purpose of carrying out the project and that cost USD 100 or more each in the List of Tangible Assets, thus distinguishing between assets acquired with STP Funds from other assets.

- Monthly Payroll Book (Accounting Form 9)

Each Institution must keep a payroll book with the signature from each recipient upon payment. The payroll book must also include photocopies of the recipients' IDs of all personnel paid a salary.

5. Other

Upon sale of goods no longer used, each Institution shall include the proceeds in either its project budget or the amount of STP Funds to be returned to the Foundation, and enter the proceeds as "Other Revenue" on the Financial Settlement Sheet.

Should you have any inquiries regarding the Accounting Guidelines, please contact us at:

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Smile Together Partnership Accounting Guidelines (Full Version)

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1. General Provisions

1.1 General Guidelines

1.1.1 Purpose

- 1) The STP Accounting Guidelines set forth the accounting, financing and operational practice standards for each partner (hereinafter referred as "Institution") of the Work Together Foundation's (hereinafter referred as "the Foundation") Smile Together Partnership funding (hereinafter referred as "STP Funds").
- 2) The purpose of the STP Accounting Guidelines is to ensure the integrity, fairness and transparency of accounting, reporting and financial systems and to promote successful implementation of the STP Funds.

1.1.2 Basic Principles for Financing & Accounting Operations

- 1) Each Institution must operate STP Funds according to the STP Cooperation Proposal.
- 2) Each Institution must administer STP Funds in accordance with the requirements of the STP Accounting Guidelines and any other applicable national laws by which the Institution is regulated. If the STP Accounting Guidelines conflict with national law, national law will supersede the Guidelines. However, the Institution must inform the Foundation in advance of such cases.

1.1.3 STP Fiscal Year

- 1) A fiscal year for the STP Funds is from the 1st of January to the 31st of December, unless there is a separate agreement on the fiscal year for STP Funds made with a specific Institution by the Foundation.
- 2) The Institution must operate its allocated STP Funds so that they are

expended during the agreed fiscal year.

1.1.4 Transparency & Comparability

- 1) The Institution must use its STP Funds only for the purposes specified in the Memorandum of Agreement signed between the Institution and the Foundation and within the budget plan approved by the Foundation.
- 2) The Institution is responsible for proper and accurate preparation of required financial documents, including the Financial Settlement Sheet and Financial Report, in a timely manner so that the agreed deadlines are met.

1.1.5 Separate Accounting Records

- 1) In its use of the STP Funds, each Institution must establish and maintain an accounting system to record all accounting activities for the STP Funds separately from the Institution's other accounting activities.
- 2) Each Institution must prepare required STP Funding documents in addition to its own general accounting documents. However, an Institution may substitute its own reporting forms for the STP accounting forms when deemed more efficient and if the Institution's forms provide all the information required by the STP Funding documents (See 3.2.3 Required Documents)

1.2 Submission of Financial Documents

1.2.1 Types of Financial Documents, Deadlines & Methods

- 1) Each Institution must submit to the Foundation, by the appointed dates, the accounting forms and documents listed below.

<Table 1> Deadlines & Methods

Accounting Form	Deadline	Required Documents
STP Funding Contract	When Institution is selected as an STP partner and funding conditions are met	<ul style="list-style-type: none"> • STP Cooperation Proposal agreed to by both the Foundation and Institution • Funding Contract signed by both the Foundation and Institution • Copy of bank document showing existence of bank account exclusively for STP Funds • Copy of bankbook with a balance of '0'
Financial Settlement Sheet	Submitted/updated each fiscal quarter <ul style="list-style-type: none"> • 1st quarter (by 30th April) • 2nd quarter (by 31st July) • 3rd quarter (by 31st October) • 4th quarter (by 31st January of the following year) 	<ul style="list-style-type: none"> • Financial Settlement Sheet [Accounting Form 3] updated throughout the year • Copy of bankbook

<p>Financial Report</p>	<p>31st January of the year following the STP Funding Contract</p>	<ul style="list-style-type: none"> • Financial Report [Accounting Form 2] including photocopies of the following documents for the STP Funding Contract period · Financial Settlement Sheet [Accounting Form 3] · Copy of bankbook · Revenue Report [Accounting Form 4] · Expense Report [Accounting Form 5] · Receipts and supporting documents · List of Tangible Assets [Accounting Form 7] · Monthly Payroll Book [Accounting Form 9]
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1.2.2 Instructions for Submission

- 1) Financial Settlement Sheet must be submitted using [Accounting Form 3].
 - ① Note that the accounting form for single currency [Accounting Form 3-1] differs from the one for dual currency [Accounting Form 3-2].
 - ② While the Financial Settlement Sheet shall be submitted via email only, it is the Institution's responsibility to confirm that the Foundation has received it.
- 2) The Foundation shall present the second disbursement of STP Funds to the Institution by the 31st of August if no reason has occurred to suspend funding to the Institution after reviewing the Interim Statements and Financial Settlement Sheet submitted by the deadline (31st July, 2016).

- 3) Accounting documents must be reviewed and signed by the Institution's representative before submitting to the Foundation.
 - ① The Financial Report and Financial Settlement Sheet must be signed by the representative, who thereby takes full responsibility for their accuracy in accordance with all provisions of the STP Accounting Guidelines.
 - ② If the Institution has an electronic document approval system, an electronic signature can be used.
- 4) The following information must be submitted in either English or Korean:
 - ① Detailed description of all transactions with receipts written in local languages (besides English or Korean);
 - ② Summary of any copies of contracts signed by the Institution and written in local languages;
 - ③ Documents which need to be screened by the auditor or the Foundation as part of the financial review and audit.
- 5) Upon passing of the deadline for submission of financial documents
 - ① If the required financial documents are not submitted by the required deadline, the Foundation shall investigate the cause for delay. If the reason for the delay is not acceptable, the STP Funds for the next year will be cut according to the length of delay. If the reason for the delay is inappropriate, the Institution may suffer the consequences and restrictions in post-contract support and future program participation. In some cases, immediate discontinuation of STP Funds may result.
 - ② Amount of STP Funds to be reduced = amount of STP Funds provided in the preceding year x the number of months for which the documents have not been received past the deadline/12 months
 - ③ If reporting delays repeat even after the STP Funds have been reduced as a penalty for missing a deadline, consequences for the Institution may include restrictions in post-contract support and

future program participation. In some cases, immediate discontinuation of STP Funds may result.

2. Budget Compilation

2.1 General Guidelines

2.1.1 Basic Principles

1) Relevance

- ① The Institution is responsible for preparation of a budget outlining the purposes for the STP Funds.
- ② The Institution is responsible for preparation of such a budget in a thorough and accurate manner.

2) Accuracy

- ① Non-specific accounts, such as “Miscellaneous Expenses” and “Emergency Reserves” should be of conservative amounts.
- ② Details of the basis for calculation of each expense item shall be presented.
- ③ Budgets for the STP Cooperation Proposal are classified into *Classification, Category and Item* in the STP Standard Accounting Codes (See Appendix 1).

3) Cost Effectiveness

- ① Budgeting shall be done in a cost-effective manner to minimize operating expenses.
- ② Budgeting shall be done deliberately to avoid greatly increasing the budget for food expenses, consulting fees, conference expenses, and labor costs from hiring short-term employees to fill gaps that were not considered in the budget.

2.1.2 STP Standard Accounting Codes

- 1) The Institution must submit the STP Cooperation Proposal including the planned budget for usage of STP Funds.
- 2) *Classification and Category* in the STP Standard Accounting Codes [Appendix 1] shall be used in compilation of the budget and preparation of accounting documents.

2.1.3 Verification of the Budget

- 1) The Foundation shall review and approve the appropriateness of the planned budget before final selection of each STP partner (Institution).
- 2) The Foundation shall request modifications to the planned budget if it is deemed to include inappropriate and/or inaccurate elements.

2.2 Adjustments to the Budget

2.2.1 Reason & Time Frame

- 1) Reason and purpose
 - ① The Institution may request modification of the budget plans if there are alterations to the project plan or the number of estimated participants/beneficiaries.
 - ② The Institution may propose modification of the budget plans if a more efficient way of executing them is identified.
- 2) Time frame
 - ① If the Institution intends to make changes, it shall send a request to the Foundation for modification at least 15 days prior to the planned changes.
 - ② The Institution shall request adjustments two months prior to the end of the fiscal year (by 31st October), with such adjustments limited to once a quarter.

2.2.2 Procedure for Requesting Adjustments to Budget for STP Funds

- ① STP Fund adjustments under USD 300 in *Category* Approval from the Foundation is not required. The Institution must notify the Foundation of its STP Fund adjustments via official letter attached to the Financial Report.
- STP Fund adjustments over USD 300 in *Category* or any adjustment in *Classification*
 - ① The Institution must gain approval from the Foundation before the adjusted expenditure.
 - ② The procedure for requesting a budget adjustment is as follows;
Seek approval from the Foundation in advance → Send an official letter requesting approval for a budget adjustment → Wait for approval from the Foundation (maximum 14 days) → Budget adjustment comes into effect (if approved)

2.2.3 Instructions for Budget Adjustments

- ① Requests for budget adjustments must also be made should the Institution have a surplus after budget execution (due to either an effort to minimize expenditures or extra funding from other sources) and wishes to use it for similar purposes.
- ② If any budget changes are made and/or applied without approval from the Foundation, the Institution may suffer the consequences and restrictions in post-contract support and future program participation. In some cases, immediate discontinuation of STP Funds may occur.

3. Financial Settlement

3.1 General Guidelines

3.1.1 Management of Bankbook

- 1) Opening of a bank account exclusively for STP Funds
 - ① If the Institution is a legal entity, the Institution must open an account under its own name.
 - ② If the Institution is not a legal entity, the Institution must open an account under the representative's name.
- 2) If the Institution already possesses a bank account:
 - ① The Institution must update its bank account so that the account balance is "0" at the time STP Funds are received.
 - Any Institution continuing an STP project from the previous year is exempted from this requirement if its future STP Funds have been deducted due to unused funds from the previous year.
 - If circumstances make it impossible to open a separate bank account for STP Funds, the Institution shall notify the Foundation of the reason through an official letter. The Institution shall also propose alternative methods to manage the STP Funds separately.
 - The Foundation shall decide if the Institution can execute the budget while adhering to the principle that STP Funds be kept separate without having a separate bank account. It shall then notify the Institution of its decision.

3.1.2 Separate Accounting

- 1) Maintaining separate accounting records
 - ① The Institution must administer the accounting records for the STP Funds separately from the Institution's other accounting records.

- ② The Institution must establish and manage a separate bank account along with a designated bankbook, accounting documents (Financial Settlement Sheet, Financial Report), and back-up documents separating STP Funds from its other funds. STP Funds may not be combined with any other funds.
- 2) Unclear separation of accounts
- ① The Institution assumes the responsibility of proving that STP Funds are used exclusively for STP projects and in accordance with the STP cooperation proposal agreed upon by the Institution and the Foundation.
 - ② If STP Funding expenditures cannot be separated from expenditures of other funds or the purpose of such expenditures cannot be clearly verified, they shall be classified as unused funds and subject to return.

3.1.3 Conformity with Financial Documents

- 1) Consistency between account activities and receipts/documents
 - ① Each entry on the financial documents (Financial Settlement Sheet, Financial Report) must match the receipts and other supporting documents.
 - The Institution shall write down the document number on each financial document and its related receipts, and ensure these numbers are on the Financial Report and Financial Settlement Sheet as supporting document numbers.
 - ② If no match is possible, such expenditures must be verified with adequate back-up documents. If the purpose of the expenditure cannot be clearly defined, the amount of the expenditure shall be classified as unused funds and subject to return.

3.1.4 Observance of the STP Funding Period

- 1) The Institution must manage and use its STP Funds exclusively for the

purpose of the project written on the STP Cooperation Proposal within the agreed STP Funding period. Any expenses made outside of the approved STP Funding period shall not be approved.

- 2) All causative acts and acts of expenditure of STP Funds must be completed before December 31 of the year of the STP Funding Contract.

3.1.5 Compliance with Regulations & Continuity

- 1) The Institution must comply with the laws and regulations of the country in which it operates. These include:
 - ① Generally accepted accounting standards;
 - ② Related laws including those on labor standards, income tax, corporate tax, and value-added taxes;
 - ③ Other laws and regulations related to accounting and financing.
- 2) The Institution must fully and consistently comply with its own regulations.

3.2 Accounting

3.2.1 General Guidelines

- 1) Scope of the STP Accounting Guidelines
 - ① The STP Accounting Guidelines regulate the use of STP Funds and accounting activities including accounting of revenue/expenses and unused funds, and application of the exchange rate.
 - ② In the event of an incident occurring beyond the scope described in the STP Accounting Guidelines, the general accounting standards of the Institution's country must be followed.
- 2) Currency
 - ① All accounting activities must be recorded either in a single currency (USD or local currency) or dual currency (USD and local currency).

- ② Use [Accounting Form 3-1] for single currency use and [Accounting Form 3-2] for dual currency use.
- ③ Refer to 3.2.2 4) Foreign Currency for the application of currency exchange.

3.2.2 Accounting Instructions

1) Revenue from STP Funds

- ① Upon receipt of STP Funds, the Institution must prepare a Revenue Report [Accounting Form 4].
- ② Record the total amount written on the designated bankbook as deposits [Accounting Form 1] for the Revenue Report.
- ③ The net interest earned (after deducting taxes) on the STP Funds stays with and becomes part of the STP Funds.
- ④ All revenues generated from STP Funds shall be used for addressing the social issues the Institution raised on the STP Cooperation Proposal only. This must be reported on the Financial Report and the STP Results Sharing Paper.
- ⑤ Preparation of the Revenue Report
 - All entries on the Revenue Reports must match the income records in the bankbook in terms of both the number of events and the amounts.
 - Refer to 3.2.2 4) Foreign Currency for the application of currency exchange.

2) Expenditures from STP Funds

- ① Accepted methods
 - All expenditures from the STP Funds are to be made using a corporate debit card with the Institution's name on it or through bank transfer.
 - However, in locations where debit cards or bank transfers are difficult to use due to poor banking infrastructure, cash payments

are acceptable.

② Expenditures within the budget

- It is the Institution’s responsibility to operate the project within the budget. If the total amount of expenditures exceeds the budget, the excess amounts must come from the Institution’s own funds (not from STP Funds)
- However, the Foundation allows an excess of up to USD 100 for expenditures in each *Category* found at the time of final settlement.

③ Expenditures within the fiscal year

- Only expenses made only during the signed period on the agreement (STP Funding Contract) are accepted. Any expenses made before or after the signed periods are not considered expenditure of STP Funds.
- All expenses paid for with STP Funds before and/or after the agreement periods are classified as unused funds and subject to return.
- However, if such expenditures are verified with the appropriate document and approved by the Foundation, they shall be accepted. (Example: cost of postage to send the Financial Report, original receipts, etc. for the 3rd year of STP Funds)

<Table 2> Excluded Amounts from Requirement to Return STP Funds in a Lump Sum at the Closing of the STP Fund

Example	Return/Process Time
<ul style="list-style-type: none"> • A security deposit that is returned at the end of a lease 	<ul style="list-style-type: none"> • Return on the end date of lease.
<ul style="list-style-type: none"> • A transaction was done on an advanced payment basis and the transaction date and advanced payment date do not fall in the same fiscal year 	<ul style="list-style-type: none"> • Report as an expenditure on the Financial Settlement Sheet (This is not classified as unused funds) and mark as “advance payment” on the Financial Settlement Sheet. • The Foundation shall exclude the

	<p>advance payment amount from the next year's disbursement of STP Funds.</p>
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④ Other key instructions for preparation of the Expense Report

- Only actual expenditures incurred are considered expenses.
- Expenses must be reported according to the budget classifications under *Classification and Category* of the STP Standard Accounting Codes.
- Expense amounts recorded on the Expense Report must be identical to the amounts appearing on the receipt.
- Two or more expenses incurred on the same day for the same *Item* shall be reported on one Expense Report.
- Expenses for different *Items* shall not be recorded on the same Expense Report, but shall be reported separately with separate receipts.
- The following information must be provided on the Expense Report: an Expense Report number, date, customer, the Accounting Codes (*Classification, Category, and Item*), descriptions and amounts.

⑤ Receipts and supporting documents

- Supporting documents indicated in <Table 3> Required Documents, Additional Documents must be prepared and submitted.
- If the required documents cannot be prepared in the Institution's country, other qualifying documents acknowledged by its country must be submitted instead.
- Acceptable receipts clearly contain the following information: supplier's business name, address, contact number, sellers' signatures or stamps, receipt number, date issued, items purchased,

quantity, and amount. [See Appendix 2]

- Any expenses under USD 20 can be reported without an acceptable receipt; however, such an Expense Report must be signed and reviewed by the representative of the Institution and a non-official receipt attached.
- For any purchases made via account transfer, the account transfer receipt shall include information on supplier's business name, name of the person receiving the funds, and amount.
- An organized method shall be established to accumulate and file all documents. The order of filing shall be: Expense Report – Receipt – Other required documents
- Refer to Table 3 below for the documents required for preparation of the Expense Report.

<Table 3> Required Documents & Additional Documents

Item	Required Documents	Additional Documents
Paid Salaries	<ul style="list-style-type: none"> • Signed Monthly Payroll Book [Accounting Form 9] • A copy of identification cards of all personnel paid 	Bank transfer or debit card slip
Paid Interns, Part-Time Staff	<ul style="list-style-type: none"> • Signed Monthly Payroll Book • A copy of identification cards of all personnel paid 	Bank transfer or debit card slip
Consulting Fees	<ul style="list-style-type: none"> • Consultation report • Confirmation of Consulting Fee Payment [Accounting Form 12] • A copy of identification card of the payee • Resume/CV of person(s) whose consulting services were utilized 	Bank transfer or debit card slip
Conferences/Meetings	<ul style="list-style-type: none"> • Minutes - No payment shall be made to internal 	Bank transfer or debit card

	<p>staff</p> <ul style="list-style-type: none"> - Consultation services used during conferences are to be listed as "Consulting fees" 	slip
Accommodations , Transportation	<ul style="list-style-type: none"> • Business Trip Report • Receipts: only actual expenditures incurred shall be considered legitimate expenses 	Bank transfer or debit card slip
Materials & Supplies, Equipment	<ul style="list-style-type: none"> • Quotes from <u>two</u> different suppliers as well as the final approved quote if the overall price of one item from one supplier exceeds USD 300 • Officially recognized receipt with VAT and/or other tax payment records if applicable • Photographs of the purchased item (can be replaced with a catalog) 	Bank transfer or debit card slip
Rentals, Security Deposits	<ul style="list-style-type: none"> • A copy of the lease • A copy of lessor's identification • Photographs of the property - interior and exterior 	Bank transfer or debit card slip
Construction, Renovation	<ul style="list-style-type: none"> • Quotes from <u>two</u> different suppliers including the final approved quote • A copy of the contract • Officially recognized receipt with VAT and/or other tax payment records if applicable <ul style="list-style-type: none"> - If contract exceeds USD 10,000, open bidding is necessary, and the Foundation may join the process 	Bank transfer or debit card slip
Food Service	<ul style="list-style-type: none"> • Food Service Expense Report [Accounting 	

	Form 15] <ul style="list-style-type: none"> • Photographs of food service provided • List of food service recipients 	
Banners, Brochures, Publications	Photographs of the purchased items (banners, booklets), and relevant receipts	Bank transfer or debit card slip

* For expenses not covered by Table 3 above, the Institution shall submit proof of actual budget execution referring to the details for back up documents in Table 3 above.

** Positive consideration (additional points on the STP Funds financial review evaluation) will be granted in the STP Funds Review when both required documents and additional documents are submitted.

⑥ Other key required processes and supporting documentation for Expense Reports

- Any contract over USD 10,000 must be performed through an open bidding process.
<Public bidding> Public notice on a bid (two weeks prior) → Bid briefing session (for prospective bidders) → Notice on bidding result (one week after)
- The Institution should notify the Foundation prior to the bidding process.
- The Foundation should participate in the bidding process as an observer, if deemed necessary.
- The Institution can purchase materials in Korea through the Foundation if it is deemed more cost-effective to do so. The Foundation shall review the feasibility of the purchase request and notify the Institution of its decision.
- A comparison of price quotations can be provided, including directly researched prices from suppliers, online prices, or quotation statements offered by the supplier.

- In the event of a potential conflict of interest, the Institution must notify the Foundation with a Disclosure Form for Potential Conflicts of Interest [Accounting Form 14].
- Registration of Primary Vendor: If the Institution is expected to deal with a certain store for items exceeding USD 5,000 during the STP Funding period, the Institution must report this to the Foundation and provide an adequate reason for registering it as the primary vendor prior to making any business deals [Accounting Form 11].

3) Returning/Collecting Unused Funds

- ① Unused funds and remaining balance shall be returned to the Foundation.
 - Any unused STP Funds at the end of the 1st and 2nd year shall be retained and used for execution of the next year's budget.
 - At the end of three years of use, all unused funds greater than USD 100 must be returned.

<Expenditures Considered Unused Funds & Requiring Return>

- Any payments made during the agreed fiscal year for expenses before and after the agreed period
- Any expenditures made before or after the period indicated on the agreement
- Any expenditures greater than USD 300 from the original amount under *Category* of the budget for STP Funds
- Any payments whose amount cannot be verified with back up documents (receipts, etc.)
- Any payments which are identified to not be directly related to the mission of the project during Financial Review by the Foundation (Example: newspaper subscriptions, local NGO membership fees, per diem for business trips, honorariums for internal staff, etc.)

② Accounting records for unused funds

- Any unused funds shall be returned to the bank account below. Before returning the unused funds, the Institution must complete and submit the Return of Unused Funds form [Accounting Form 6] to the Foundation.
- The Institution must return all unused funds in USD. Currency exchange must be done on the date of return.

<Deposit Account Information>

Bank Name: WOORI BANK (Seokyo Joong-Ang Branch)
 Account Name: HAMKKE
 Account Number: 513-196182-13-103
 Swift Code: HVBKKRSEXXX
 Bank Address: 205-20 Dongyo-dong, Mapo-gu, Seoul, Korea
 Phone Number: +82-(0)2-330-0720 / +82-(0)10-8860-1026
 Address: 203-4 Dongyo-dong, Mapo-gu, Seoul, Korea
 Zip Code: 121-819
 <In Korean>
 입금계좌: 우리은행 513-196182-13-103 (재)함께일하는재단

4) Applying Exchange Rate

① Use of Currency for Wiring STP Funds

- USD shall be used when preparing Financial Settlement Sheet, returning any unused funds, and wiring STP Funds to the Institution.
- When the Institution's country has a local common currency, the Institution can use the local currency as a single currency for STP Fund expenditures.

② Applicable Exchange Rate

- When converting local currency into USD, use the exchange rate provided below. A chosen exchange rate must be consistently applied on the Financial Settlement Sheet throughout the relevant months.
- If any payments were made with local currency, the Institution shall choose the applicable exchange rate from the below as the Monthly Exchange Rate, write down the Monthly Exchange Rate on the Financial Settlement Sheet, and provide supporting documents.
- Applicable exchange rates: the monthly average exchange rate, the basic exchange rate at the beginning or the end of the month, or the exchange rate appearing on the receipt issued within the relevant month

③ Use of currency for budget expenditures

A. When the Institution uses USD as the single currency

- Use USD when preparing the Financial Settlement Sheet and Financial Report without any exchange of currency.
- Use [Accounting Form 3-1].

B. When the Institution uses a local currency as the single currency

- Convert STP Funds received in USD into the local currency at the time of filing the Revenue Report.
- Use the local currency for drawing up Financial Settlement Sheet and write down the monthly exchange rate for each time. Use USD for the Financial Report.
- Use [Accounting Form 3-1].

C. When the Institution uses dual currencies;

- Enter both the local currency and USD on the Financial Settlement Sheet separately and write down the monthly exchange rate for each time. Use USD for the Financial Report.
- Use [Accounting Form 3-2].

5) Other instructions for accounting reports

- ① The Financial Settlement Sheet and Financial Report must be clarified with *Classification, Category, Item* and detailed descriptions of transactions must be indicated in the *Details* column.
- *Classification and Category* should follow the STP Standard Accounting Codes [Appendix 1].
 - *Item* in the STP Standard Accounting Codes can be defined by the Institution itself.

3.2.3 Required Documents

1) Basic principles

- ① The STP Accounting Forms are listed in Table 4 below and should be used for STP Funds only.
- ②

<Table 4> Required Accounting Forms

Type	Required Documents	Documents Replaceable by the Institution's Own Forms	
Remarks	- Submission mandatory - Only STP Accounting Forms are acceptable	- Submission mandatory only if events occur that require any of the following forms regarding revenue, expenses, tangible assets, payroll, primary vendor registration, consulting fee, potential conflicts of interest, and food service to be filled out in accordance with the	· Positive Consideration will be given during the STP accounting evaluation if the Institution proves that it has properly carried out recording of events on the forms listed in the box immediately below

		Accounting Guidelines	this one and submits them with the Financial Report
Forms	[Accounting Form 2] Financial Report [Accounting Form 3-1] Financial Settlement Sheet (single currency) [Accounting Form 3-2] Financial Settlement Sheet (dual currency) [Accounting Form 6] Return of Unused Funds	[Accounting Form 4] Revenue Report [Accounting Form 5] Expense Report [Accounting Form 7] List of Tangible Assets [Accounting Form 9] Monthly Payroll Book [Accounting Form 11] Primary Vendor Registration [Accounting Form 13] Confirmation of Consulting Fee Payment [Accounting Form 14] Disclosure Form for Potential Conflicts of Interest [Accounting Form 15] Food Service Expense Report	[Accounting Form 8] Registration of Items No Longer Used [Accounting Form 10] Overall Personnel Record

* Additional points in accounting evaluation will be granted if the Institution encloses the documents listed under "Documents Replaceable by the Institution's Own Forms".

- ③ Favorable consideration will be given during the accounting evaluation at fiscal yearend if the Institution submits the supplementary documents listed above. Submission of the supplementary documents

(Accounting form 8 & 10) indicates that the Institution is able to demonstrate effective management of the STP Funds and its own operation. The STP Accounting Forms can be used if the Institution does not have similar forms in use, and conversely, they can be substituted with similar forms used by the Institution.

2) Description of the STP Accounting Forms

- ① Financial Documents (Financial Settlement Sheet [Accounting Form 3] and Financial Report [Accounting Form 2])
 - The Financial Settlement Sheet includes “Bank Statement” and “Cash Book” sections.
 - The amount deposited and withdrawn out of the bank account must be equal to the deposited and withdrawn amounts recorded on the Financial Settlement Sheet. The current balance carried must be equal to the total balance appearing on the Financial Settlement Sheet.
 - The Financial Settlement Sheet is where all entries of deposit and withdrawal are managed, through the Bank Statement, Cash Withdrawal and Cash Book Expense categories
 - The amount of a withdrawal on the Bank Statement should match the amount of a cash withdrawal from the Cash Book on the same date.
 - The Cash Book section on the Financial Settlement Sheet is for recording bank withdrawals, expenses, cash balances, and details in chronological order.

- ② List of Tangible Assets [Accounting Form 7]
 - Any tangible assets, including office furniture and computer equipment (referred to hereafter as “tangible assets”), shall be listed on the List of Tangible Assets.
 - All tangible assets exceeding USD 100 in value shall be registered on the List of Tangible Assets.

- ③ Monthly Payroll Book [Accounting Form 9]
- The Institution must record and manage the monthly payroll status of its employees. The Monthly Payroll Book must be signed by each employee upon payment.
 - A copy of each employee's identification card must be attached to the Monthly Payroll Book.

4. Management of Tangible Assets

4.1 General Guidelines

4.1.1 Basic Principles for Management of Tangible Assets

- 1) The Institution shall manage the tangible assets purchased with the STP Funds
- 2) The Institution shall manage its tangible assets in a reasonable manner and demonstrate its effectiveness through supplementary reports [Accounting Form 8] submitted to the Foundation, for which positive consideration will be given during the accounting evaluation.

4.1.2 Obligations of the Tangible Assets Manager

- 1) The Institution's representative shall designate a tangible assets manager. If no such manager is designated, the representative shall be deemed the person responsible.
- 2) All tangible assets purchased with STP Funds shall be carefully recorded in a tangible asset management list.

4.1.3 List of Tangible Assets

- 1) Management of tangible assets

- ① The Foundation requires all tangible assets purchased with STP Funds to be given serial numbers and registered on a List of Tangible Assets.
- ② This is towards maintaining accurate inventories of assets purchased with STP Funds.

2) Submitting the List of Tangible Assets

- ① All tangible assets acquired with STP Funds and exceeding USD 100 in value must be recorded on the List of Tangible Assets [Accounting Form 7]. The List of Tangible Assets must be submitted to the Foundation.

4.2 Tangible Assets & Inventory Check

4.2.1 Basic Principles

- 1) Inventories of tangible assets must be regular
 - ① The tangible assets manager shall conduct an inventory of all tangible assets recorded on the List of Tangible Assets once a year.
- 2) Non-scheduled Tangible Assets Inventory
 - ① The Institution representative shall conduct a non-scheduled tangible assets inventory if necessary.
 - ② The Institution shall conduct a tangible assets inventory if requested by the Foundation.

4.2.2 Handling of Items No Longer Used

- 1) Determining items as unused
 - ① The tangible assets manager and the Institution representative shall determine a tangible asset no longer used if it can no longer be used

or is unmendable.

- ② For any such items no longer used, the Institution must submit a Registration of Items No Longer Used form [Accounting Form 8] as well as documents (or photographs) proving verifying its condition.

2) Selling items no longer used

- ① Any revenue made from the selling of items no longer in use must be transferred into the budget.
- ② When revenue is transferred to the budget, the Institution must submit a budget modification form to the Foundation, which must then be approved.
- ③ Any revenue made from the selling of such items is to be counted in miscellaneous revenue by the Institution on the STP Financial Report.

5. Monitoring & Evaluation of Accounting Activities

5.1 General Guidelines

5.1.1 Monitoring of Accounting Activities

- 1) The Foundation shall monitor project operations at least once each fiscal year through onsite surveys or in writing.
- 2) Partner institutions shall cooperate with the Foundation's monitoring requests as well as provide all required documents.

5.1.2 Evaluation of Accounting Activities

- 1) The Institution shall be evaluated at the end of the fiscal year by the Foundation on whether its project budget has been run and balanced appropriately.
- 2) The Foundation must use the Accounting Evaluation Form [Appendix 3].

5.2 Monitoring & Evaluation of Accounting Activities

5.2.1 Recommendations

- 1) The Foundation shall conduct an annual review of STP partners and order improvements to accounting activities as necessary.
- 2) If the required improvements indicated in the annual review are not fulfilled or the results of the monitoring and evaluation fall short of acceptable levels, the Foundation shall use such information in its decision making on whether to temporarily suspend STP Funds.

5.2.2 Unlawful Acts

- 1) In the event of inappropriate or unlawful acts by an Institution in terms of project operation or accounting management which may cause any damage (financial or other) to STP Projects or the Foundation, the Foundation shall take legal action against such Institution.
- 2) The Foundation shall discontinue disbursing STP Funds immediately and the Institution must return all unused funds. The Institution shall be barred from being an STP partner the following year.

6. Supplementary Regulations

6.1 Effective Date/Enforcement Period

- 1) These STP Accounting Guidelines shall be in effect as of December 1st, 2017. They supersede all previous editions of the Accounting Guidelines since 2011.
- 2) If requested by a partner Institution, the STP Accounting Guidelines shall be applied retroactively.

7. Appendices

[Appendix 1] STP Standard Accounting Codes

Section (Fixed)	Classification (Fixed)	Category (Fixed)	Item	Details
Revenue	Fund	Fund	STP Funds	Total amount received as STP Funds
	Interest	Interest	Interest	Total amount of interest incurred from the Funds (Enter the amount after tax)
	Other	<u>Write on your own</u>	Other	Revenue generated from the project such as sales (including items no longer used) or sponsorships
Expenses	Labor Costs	Project Labor Costs	Wages	Wages paid to the task force working exclusively on the STP project STP Funds are not to be used to cover the labor costs of any employees working in Korea. The Institution is responsible for paying for the corporate portion of the "Four Major SIS (insurances)" for Korean employees working on the project onsite.
			Staff training	Training fees for local staff
		Other Labor	Sundry Payments	Payments given to workers other than regular full-time employees

	Operational Expenses	Costs		(part-time employees, employees hired for limited periods of time)
		Construction	Construction	Construction costs excluding wages for construction workers
			Renovation	Renovation costs, building repair costs, etc.
		Acquisition	Supplies	Consumable goods such as stationery or other office supplies (a maximum of USD 100 per unit)
			Equipment	Equipment such as office furniture, equipment, or any other tangible asset (more than USD 100 per unit)
			Machinery	Machinery (more than USD 100 per unit)
			Other	Items other than office furniture, equipment, and machinery (more than USD 100 per unit)
		Material	Material Costs	Materials purchased for STP project operations
		Operation & Execution	Travel Expenses	Expenses incurred during business trips (accommodations, transportation, meals etc.)
			Event Expenses	Expenses for hosting events (program operation, honorariums, etc.)
			Marketing & Promotion	Expenses for advertisement (printing, advertisement, etc.)
			Rental	Property rental fees including security deposit. Clearly specify "security deposit" on the Financial Settlement Sheet if a security

				deposit has been paid.
			Taxes/Utilities	Taxes incurred and utilities used (electricity, etc.) during STP project operations
			Other	Operational costs other than the above items (service charges, communication expenses, etc.)
	Social Contributions	Direct Support of Children	Meal Support	Meals provided free of charge
			Community Support	Costs for community & activities geared towards children, other than meals.
	Other Expenses	<u>Write on your own</u>	Foreign Exchange Gain/Loss	Any gain or loss from foreign exchange

[Appendix 3] Accounting Evaluation Form

- The evaluator gives the Institution one of the five grades (A to E) with respect to each criterion, and the final score is calculated as the average of all the grades the Institution has received. Where there are five or more evaluators, the highest and lowest scores are not included in the final scoring.

Grade	Qualitative Criteria	Quantitative Criteria (Rate of Error)
A	Institution observes all provisions in the Guidelines and shows little to no room for improvement. Institution is cooperative with Foundation policies.	0~10 %
B	Institution observes most of the Guidelines, but there exists some room for improvement. Institution is cooperative with Foundation policies.	10~20 %
C	Institution shows some significant room for improvement, but is making progress. Institution is cooperative with Foundation policies.	20~40 %
D	Institution fails to show a good grasp of the Guidelines and has serious issues requiring improvement.	40~60 %
E	Institution fails to observe any or most of the Guidelines, and is uncooperative with Foundation's policies.	60% or more

Criteria		Grade	A	B	C	D	E	Score
		Points/weight	1.0	0.8	0.6	0.4	0.2	
A. General Provisions								
A1	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution submit all required documents listed under 1.2.1 of the Accounting Guidelines by the deadlines fixed by the Foundation? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Score "A" if all required documents are submitted by the deadlines. - Lower the grade by one for each omission or delay in submission. 	20						
A2	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution submit all required documents listed under 1.2.1 of the Accounting Guidelines using the forms required by the Foundation? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to Rate of Error to use the designated form(s). - No lowering of grades if the Institution has submitted its own equivalent forms that suit the same purpose. 	5						
A3	<p>Question:</p> <ul style="list-style-type: none"> - Do the Financial Settlement Sheet and Financial Report submitted by the Institution indicate the names of the 	5						

	<p>Institution and its representative and the representative's signature?</p> <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to Rate of Error to indicate names and signatures. 							
A4	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution submit English or Korean translations of important supporting documents and contracts? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the according to Rate of Error to submit translations of important documents. 	5						
		35						
B. Budget Compilation								
B1	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution prepare its budget according to the general guidelines for budget compilation (i.e., general validity, feasibility, specificity, and cost-effectiveness)? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Use the qualitative grading criteria to decide which grade the Institution is to receive. 	5						

B2	<p>Question:</p> <ul style="list-style-type: none"> - Does the Institution's budget comply with the Standard Accounting Codes? Did the Institution comply with the proper readjustment procedure in changing and readjusting its budget? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to Rate of Error to comply with the Standard Accounting Codes. - Lower the grade by one for each instance of failure to comply with the budget readjustment procedure. 	10					
		15					
C. Financial Settlement							
C1	<p>Questions:</p> <ul style="list-style-type: none"> - Does the Institution keep STP Funds in a separate bank account and use a separate bank book? Has the Institution prepared accounting and supporting records for the STP Funds separate from those for the Institution's general accounting? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Score "A" if the Institution keeps both the STP funds in a separate bank account and keeps separate accounting records. - Score "C" if the Institution 	15					

	<p>keeps either a separate bank account or separate accounting records.</p> <ul style="list-style-type: none"> - Score “E” if the Institution fails to keep a separate bank account and separate accounting records. - Score B or D depending on the seriousness of the omission. 							
C2	<p>Question:</p> <ul style="list-style-type: none"> - Does the Institution use document ID numbers for its Financial Settlement Sheet and Revenue and Expense Reports? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade for failure according to Rate of Error to keep document ID numbers. 	5						
C3	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution execute the STP Funds properly within the project period and scope of the agreed budget? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to the percentage of excess and/or failure to spend (look at the rate of error) 	5						

C4	<p>Question:</p> <ul style="list-style-type: none"> - Are the amounts of the STP Funds and revenue from interest indicated on the Institution's Financial Settlement Sheet consistent with those indicated on the statements of the Institution's bank account for its STP Funds? Did the Institution write and submit proper Revenue Reports, complete with receipts and supporting documents? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to Rate of Error of inconsistencies and omissions. 	5					
C5	<p>Question:</p> <ul style="list-style-type: none"> - Does the Institution's Expense Report indicate all required items and information, and include attachments of the required supporting documents? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to Rate of Error for the omissions. 	10					

C6	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution return the exact amount of remaining STP Funds with the correct Return of Unused Funds form? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Score “A” for either there being no remaining STP Funds to return, or for the exact amount remaining STP Funds being returned on time, complete with the Return of Unused Funds form. - Score “C” if the Institution returned the remaining STP Funds, but not the exact amount OR without the proper Return of Unused Funds form. - Score “E” for a failure to return the remaining STP Funds. 	5					
C7	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution write and submit an exact Financial Report, bank statements, and cashbooks in compliance with the Accounting Guidelines? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Lower the grade according to Rate of Error to comply with the relevant provisions in the Accounting Guidelines. 	5					
		50					
D. Additional Points							

D1	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution provide documents in addition to those required as proof of its expenditures? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Bank transfer confirmations or debit transaction receipts submitted (i.e., 1 - error rate). 	5					
D2	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution submit documents in its own forms accepted as substitutes as defined under 3.2.3 of the Accounting Guidelines? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Score "A" for submitting both completed forms (Registration of Items No Longer Used and Overall Personnel Record). - Score "B" for submitting two forms but only one complete. - Score "C" for submitting only one complete form, and not submitting the other at all. - Score "D" or "E" for submitting two forms but both incomplete. 	5					
D3	<p>Question:</p> <ul style="list-style-type: none"> - Did the Institution submit other documents intended as evidence of its management? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Raise the grade by one for each document that the evaluator deems as necessary 	5					

	or useful for strengthening the evidence of the Institution's management.							
D4	<p>Question:</p> <ul style="list-style-type: none"> - Is the Institution showing improvement in its management and greater willingness to comply with the Foundation's advice? <p>Scoring criteria:</p> <ul style="list-style-type: none"> - Use qualitative grading by the evaluator 	5						
		20						
	Total	120						

Contact us through the following person for further inquiries.

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