

COMMUNITY CONTRIBUTION

All projects funded from the CPF will have community contribution to a minimum extent of 10% of the project cost. In case of projects largely involving urban poor communities, this requirement may be relaxed up to 5% during the appraisal process. And this percentage issue will be revisited based on the implementation experiences.

Contribution from community will be for the entire project cost including proposal preparation and administrative expenses. Community contribution shall be collected and kept in a separate account opened for this purpose, prior to release of 50% of the sanctioned amount by the ULB.

Community contribution should preferably be made by as large a set of members of the beneficiary community as possible. It is encouraged that the community members contribute in reasonable proportion to the benefits they are likely to receive. However, there is no restriction for one or more persons or philanthropy organizations contributing on behalf of the community, but no contribution made by a contractor will be acceptable.

Similarly local area development grants of MPs and MLAs or any other Government grants shall not be eligible towards community contribution.

ACCOUNTING AND AUDIT

Accounting

Separate cash book and ledger accounts shall be maintained for the project by the Implementing Agency. The ULB too shall maintain a clear record of disbursements made and expenditures claimed vide submission of Utilisation Certifications. Accounting for the project shall be done on a cash basis. The balance of funds as per cash book shall be reconciled with balance as per the project bank account on a monthly basis.

All payments at project level shall be done by cheque, to the extent possible & will be consistent with the procedures of the concerned ULB. At the end of the project, a Project Completion Certificate shall be prepared and sent to the ULB.

Audit

Audit of accounts of the ULB pertaining to CPF funds transfers shall be done as part of routine audit of the ULB. The Implementing Agency should necessarily get its project accounts audited at the end of the project. The accounts shall be audited by a Chartered Accountant. Accounts of the Implementing Agency would be open to any further audit by CAG or State Government.