



## Zabarang Kalyan Samity Policy Cover Sheet

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<b>Primary person responsible for updates to this policy:</b>	Mathura Bikash Tripura
<b>Job title:</b>	Executive Director

**Circulation:** This policy has been approved by the executive committee members and is available to staff and general committee members. It is addressed to all staff members, volunteers and applies at any organizational services.

**Reviewed by:** 

Mathura Bikash Tripura  
Executive Director  
Zabarang Kalyan Samity

Date: 15 December 2022

**Approved by:** 

S Ananta Bikash Tripura  
Chairperson  
Zabarang Kalyan Samity

Date: 15 December 2022

# Cost Share Policy



## Zabarang Kalyan Samity

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# Cost Sharing Policy

## 1. Introduction

Zabarang is a Khagrachhari based local leading non-profit NGO that has been working in Khagrachhari and Chittagong Hill Tracts as well since 1995. It established on 28<sup>th</sup> of January 1995. Since its establishment, Zabarang has been implementing several donor funded projects in different areas to empower and educate marginalized and disadvantaged community. In operating several donor funded projects Zabarang faces difficulties in reimbursing bills for some common costs that usually made for more than one project. Moreover, this organization faces limitation of funding in implementing some specific activities. In these circumstances, formulation of cost sharing policy becomes a real need of Zabarang.

## 2. Objectives

The objectives of cost sharing policy are to:

- ensure ownership of the project participants, project holders and the donors as well in some organizational common costs/activity by sharing partial costs from their relevant sources;
- maximize resources and benefiting more people with relatively less funding from individual costs.

## 3. Reason for Policy

Cost sharing has been common required by many funding agencies and the auditors as well since last three more years. It becomes a mandatory task to develop a policy on cost sharing nowadays. It frequently becomes a common observation about non availability of cost sharing policy by the external and internal auditors.

This policy provides Zabarang and its staff with guidance to assure compliance with donor requirements. It will also provide direction to utilize local resources in development activities. In addition, donors and auditors must be able to verify that funds committed to cost sharing or matching/in-kind have been provided towards the work and scope of the awarded project. The process creates sense of ownership among the relevant stakeholders.

Therefore, this policy and its procedures have been developed to assist organization and project management in planning, implementing, accounting and reporting in regard to sharing cost and matching/in-kind funds.

  
Matkura Bikash Tripura  
Executive Director  
Zabarang Kalyan Samity

  
Chairperson  
Zabarang Kalyan Samity

#### 4. Guiding Principles/ Core principles

The core principles are as follows:

- cash and in-kind contributions by the project community or project fund or organization will be accepted and accounted;
- upfront contribution by the project community or project fund or organization for capital cost and contribution in installments will both be accepted;
- capital cost may be based on category of project community or availability of project fund or capacity of organization;
- in case of cost sharing by the project participants or service receivers they will not be forced to share costs in-kind or cash or labour rather they will be facilitated why they should and how;
- a clear system of accountability will be ensured through programme and financial monitoring by senior management;
- a written document will be produced to justify the percentage or ratio of cost sharing;
- the document must have approval sign from the Executive Director;
- number of staff volume will be given first priority in calculating the common costs by more than one projects. If there is any difficulties to calculate by considering staff volume, this policy allows to consider proportionate of total program cost or specific budget line items of those projects.

**5. Examples of cost sharing elements:** To share costs the followings can be included

- Office rent;
- Utility and office maintenance;
- Phone bill and communications;
- Fuel and maintenance of generator;
- Supplies Items/Stationery (Office letter head, Envelop, travel bill, voucher and different formats);
- Audit Fees;
- Evaluation Fees;
- Central Monitoring and Evaluation cost;
- Administrative cost;
- General Meeting cost;
- Day observation;
- Annual Report printing cost;
- Year planner/diary printing cost;
- Central newsletter publication cost;
- Construction work;
- Community Development scheme;
- Partial salary for core staff (e.g. Executive Director, Programme Coordinator, Resource Coordinator, Monitoring and Evaluation Officer, Administrative Officer, Management Support Associate and Support Staff).