

**MINUTES OF THE BOARD MEETING OF  
THE ASSOCIATION FOR PROMOTING SOCIAL ACTION (APSA)**

**Date: 23<sup>rd</sup> November 2013**

**Venue: APSA Dream School, Vimanapura, Bangalore**

-----

**Board members present**

<i>Member's Name</i>	<i>Designation</i>
Mr. P. Lakshapathi	Secretary
Ms. Sheila Devaraj	Treasurer
Mr. Mukunda T.	Board of Directors
Ms. Saritha	Board of Directors
Mr. Nagendra	Board of Directors
Mr. Ramkumar	Ex-Officio Member
Mr. Patil	Ex-Officio Member
Ms. Vishala	Ex-Officio Member

**Board members absent**

<i>Member's Name</i>	<i>Designation</i>
Mr. Alan Batchelor	Board of Directors
Mr. R. Shankar	Board of Directors
Dr. Swarup Kumar	Board of Directors
Mr. Venkatachalam	Board of Directors
Mr. Srinivas Reddy	Ex-Officio Member

**Invitees**

Ms. Aisha Surany Raman	Communications Officer, APSA (documenting proceedings)
Mr. Anand	Finance Officer, APSA (presenting Audit Report for 2012-13)

**Agenda for the Day's Meeting**

<i>Agenda No.</i>	<i>Agenda Particulars</i>
Agenda 1	Sharing of minutes of previous two Board Meetings; ratification of previous meeting minutes
Agenda 2	Restoration of FCRA registration
Agenda 3	Presentation of the program progress report for 2013
Agenda 4	Adoption of NIOS Syllabus for Dream School
Agenda 5	FCRA Consultation by MHA at Hyderabad, follow-up and implementation of FCRA guidelines
Agenda 6	Approval of Audit Report for the financial year 2012-13
Agenda 7	Amendments to APSA HR Policy
Agenda 8	MoUs with funding partners – new and renewal
Agenda 9	Sharing of report of the Child Rights external evaluation
Agenda 10	Rotation of Ex-officio members representing the Managing Council

Agenda 11	Approval for sale of fixed assets
Agenda 12	Approval for purchase of fixed assets
Agenda 13	Building maintenance and renovation work at Dream School, Nammane and Kaushalya
Agenda 14	Sharing on the FORUT partners' meet
Agenda 15	Any other agenda with the permission of the Chair

The meeting commenced at 2.56 p.m. with a welcome by Mr. Lakshapathi, Executive Director of APSA. He informed the Board that two Board members could not attend the meeting due to personal reasons and stated that Mr. Mukund, another Board member had informed Mr. Laksha that he would join the meeting mid-way.

**Agenda 1: Sharing of Minutes of Previous Board Meeting and Ratification**

Ms. Sheila Devaraj first informed the Board about the Emergency meeting that was held in July 2013 to discuss restoration of the FCRA, the trials APSA went through to obtain this and the letter from the MHA on procedures to be followed.

This was followed by reading out the minutes of the previous Board meeting held on 2<sup>nd</sup> February 2013 that included FCRA cancellation and organizational strategies towards cost-cutting, the Child Rights Evaluation and other organizational matters.

With no further clarifications, the Minutes was approved and ratified by the Board members present.

**Agenda 2: Restoration of FCRA Registration**

Ms. Sheila Devaraj spoke about restoration of APSA's FCRA registration and the process that APSA had followed in the matter. She informed the Board that APSA appreciated the fact that it's donor partners had stood by the organization through the entire process.

**Agenda 3: Presentation of the Program Progress Report for 2013**

Ms. Sheila presented a power point highlighting the program report for the year 2013.

Mr. Mukund asked for further clarifications on the government's move to reduce the age of the juvenile from 18 to 16 years. He questioned whether the government's move was the right one in light of the fact that the age of the juvenile was between 15 and 16 years in countries abroad.

Ms. Sheila and Mr. Laksha explained that APSA was one of the NGOs opposing the move as the decision did not take into consideration social and economic conditions in the country. Also, most crimes were committed by adults influencing and instigating young children, yet most adults went scot-free while children were punished. Mr. Laksha also stated that NGOs were pressuring the government to explore alternate care for children from dysfunctional families.

Ms. Sheila and Ms. Vishala, ex-officio Board member added that, while most child offenders were unschooled, APSA's aim was to work on strengthening government school systems, help improve teacher functioning, identify and re-enroll school dropouts (particularly girls) and thereby ensure universalization of education for all.

Mr. Mukund concluded the discussion by suggesting that APSA could increase its focus on strengthening the RTE component with an aim to increasing good literacy levels among children.

#### **Agenda 4: Resolution adopting NIOS Syllabus for Dream School**

Ms. Sheila Devaraj addressed the members on the proposed shift of the Dream School syllabus from the State Board to an open schooling system under the National Institute of Open Schooling (NIOS). The State syllabus being changed to a stricter, more challenging syllabus would make it difficult for Dream School children (especially slow learners) to follow, necessitating the shift to NIOS, which was easier to follow.

There being no questions or clarifications, the Governing Body approved and passed a unanimous resolution shifting APSA's Dream School academic syllabus from the State Board to an open schooling system under NIOS.

#### **Agenda 5: FCRA Consultation by MHA at Hyderabad, Follow-up and Implementation of FCRA Guidelines**

Mr. Laksha stated that the Ministry of Home Affairs (MHA) recently organized a State-wide Consultation with all organizations having FCRA registration, to which APSA was also invited. The Consultation, which also saw participation from national-level, laid out the rules and regulations on FCRA. Mr. Laksha said that unfortunately, he was not able to attend the meeting in Hyderabad, which was sponsored by Kotak Mahindra. However, Mr. Srinivas Reddy at APSA Hyderabad had attended the meeting on behalf of the organization, and had found it both useful and informative.

Ms. Vishala, ex-officio Board member questioned if any new rules had been brought to light in the Consultation.

Mr. Lakshapathi stated that:

- One rule was that the process for FCRA renewal was to be started by the end of the fourth year itself. APSA's renewal was up next year and the necessary accounts and other details would have to be submitted online to the MHA.
- The second was that all payments were to be made directly to vendors and only through cheques for amounts of Rs.1,000/- and above.

Mr. Laksha concluded that MHA guidelines would be followed stringently by APSA.

#### **Agenda 6: Approval of Audit Report for the Financial Year 2012-13**

Mr. Anand, Finance Officer for APSA made a power point presentation on the financial report for the year 2012-13 and explained the various income and expenditure heads under different projects and funding partners from the FCRA and local fund account.

Mr. Anand further explained that:

- Under the Provident Fund rules, APSA could not issue 2 cheques to the PF Department, although PF accounts were maintained under both FCRA and local fund accounts.
- Therefore, the stipulated PF amount was internally transferred from the FCRA account to the local fund account, and a single cheque issued from the local fund account to the PF Department.

Mr. Mukund agreed and stated that APSA was following the right procedure.

Mr. Laksha stated that:

- It was May 2013 by the time APSA's FCRA was restored
- Due to the fact that APSA was unable to receive funds when the cancellation of FCRA stood, an amount of Rs. 50 lacs had been drawn from the Corpus Fund and utilized towards program activities and salaries for staff
- Following FCRA restoration, APSA's funding partners were unable to reimburse the amount as their books of accounts had been closed for the year

Mr. Mukund enquired if the Corpus amount had been replaced, to which Ms. Sheila and Mr. Laksha replied that it would be done as soon as possible.

Following this, the Board approved the Audit Report for 2012-13.

#### **Agenda 7: Amendments to APSA HR Policy**

Mr. Laksha informed the Board that the following changes had been suggested for incorporation into APSA's HR Policy document:

- Clearly state the authorization process with regard to bills and vouchers submitted by field staff to Project Coordinators.
- Mention a ceiling limit within which a Project Coordinator has independent financial authorization powers.
- State the period for probation (6 months from appointment) and confirmation (6 months after probation period is completed) with regard to newly-appointed staff.
- Need to specify details of loss of pay (LoP) on vouchers submitted to the Accounts department when employees go on LoP, and the same to be authorized by the Management.
- Make a clear distinction between those staff eligible for ESI (staff drawing salaries below Rs.15,000/- a month) and Mediclaim (those drawing salaries above Rs.15,000/- per month).
- Include details on Provident Fund and percentage of contributions from employer/employee.

Following discussions relevant to the above points, the Board members present approved the APSA HR Policy.

Ms. Sheila then presented the following suggestions given by the Board following restoration of FCRA:

- Salaries of Ms. Sheila Devaraj and Mr. P. Lakshapathi to be ratified by the Board.
- Need for maintaining a consolidated Assets Register and FCRA Books of Accounts.
- Update existing registers to 30<sup>th</sup> November 2013.
- Change the current assets insurance policy to an Umbrella insurance that will cover not only equipment and furniture in the head office, but also those installed in the field working areas (if the present insurance policy does not have this benefit).
- Collect signed vouchers from staff towards Gratuity amounts that go into the Gratuity Core Account (only from staff employed under FORUT and PLAN projects).

The Board members discussed the same and agreed with the suggestions put forth by Ms. Sheila Devaraj and approved of the same.

### **Agenda 8: MoUs with Funding Partners – New and Renewal**

Ms. Sheila presented to the Board on APSA's MoUs with the following funding partners:

- *I-Partner*: I-Partner has extended funding for a further 5 years, but only for activities related to trafficked children and children abusing drugs and alcohol. APSA has young girls from such backgrounds who are housed in Navajeevana Nilaya, which provides security and protection. This would be explained to I-Partner's CEO who would be visiting APSA in December 2013.
- *FORUT*: FORUT has sanctioned the next 5-year project (2014-18) and approved the budget. Only a formal letter and agreement was yet to be received by APSA. In the meantime, the Management team was working on making changes to the RBMs in accordance with FORUT's suggestions.
- *Zurich Community Trust (ZCT)*: 2014 would be the last year of partnership with ZCT. Ms. Kathy Hodges would be replacing Mr. David Nash as ZCT's representative to guide APSA through the final year of ZCT funding. Two assignees would be coming to APSA in February and March 2014 to work with the Documentation team on capacity building, documentation and data collection and media-related work.
- *PLAN India*: PLAN and APSA have entered into a new agreement for the third year running as of July 2013. There were 8 PUs (similar to FORUT's RBMs) with specific working areas and Ward constituencies. PLAN has asked APSA to chalk out a 5-year plan for program intervention and implementation, and had said that they (PLAN) would be organizing an annual planning event for all their partners in January 2014.
- *OXFAM*: APSA will be concluding a 3-year contract with OXFAM in April 2014.

Following the presentations, the floor was opened for further discussion and clarifications.

- Ms. Vishala reminded Ms. Sheila to include gratuity amounts in the new agreement with I-Partner, as it would be a 5-year agreement.
- Ms. Sheila reminded Ms. Saritha and Mr. Nagendra, Board members about utilization of remaining amounts under SKN funding towards W-ISH activities.
- Mr. Laksha stated that a new Program Manager, Mr. C.H. Srinivas Reddy had been interviewed and selected under the APSA-PLAN India project, and would be joining duty from 15<sup>th</sup> December 2013 onwards under the guidance and supervision of Mr. Srinivas Reddy. Field Manager Mr. Basavaraj had been brought under the FORUT project and put in-charge of Cantonment constituencies in Hyderabad.
- Mr. Laksha informed the Board that ZCT had appointed Sattwa, a Bangalore-based NGO located in Domlur, to promote the ZCT model to CSR factions in corporate companies. Currently, 2 assignees were working on the ZCT model in Mobility India (MI). He also stated that Sattwa was proposing a brainstorming session between ZCT partner organizations (such as APSA, APD, MI and MAYA) and corporate companies looking to fund credible NGOs. Mr. Laksha concluded that 2 assignees from ZCT would be visiting APSA in January-February 2014 to help APSA develop publicity material such as brochures, documents and APSA's website, and help with reporting and media issues.

- Mr. Laksha said that Ms. Shireen (Program in-charge) and Ms. Tanushree (Accounts person) from OXFAM visited APSA for a day-and-a-half and spent the time going over OXFAM accounts, visiting field areas and interacting with community members and staff teams. Both the OXFAM members appreciated APSA's accounting practices and Ms. Shireen had given the following suggestions to the APSA team:
  - Use one or two English words while preparing reports or minutes, so that someone who didn't know Kannada could read the English words and get a general idea of what the particular paragraph was saying.
  - Showcase some of the well-functioning SDMCs as best practice.
  - Work towards improving and strengthening government schools alongside the 25% reservation under RTE.
  - Keep a copy of APSA's Society Registration and Renewal certificates at the office in Bangalore.

#### **Agenda 9: Sharing of Report of the Child Rights External Evaluation**

Ms. Sheila made a power point presentation, highlighting the salient points from the external evaluation of APSA's Child Rights component by FORUT-appointed evaluators Ms. Barbara James and Dr. Meera Pillai. She also highlighted the recommendations made by the evaluators, particularly the recommendation for an exchange program between APSA India and CWIN Nepal as CWIN had excellent documentation and organizational strategies.

Mr. Mukund asked for further details on the 2% CSR contribution to NGOs. Mr. Laksha and Ms. Sheila explained that:

- Corporate companies were mandated by law to set aside 2% of their company's net profits towards CSR activities.
- The issues was still under debate in corporate circles, as 2% of even 4-5 corporate conglomerates such as Microsoft would be to the tune of 350 thousand crore rupees. How this amount would be distributed and what was the government's contribution and responsibility towards social welfare was still being debated.
- Organizations such as Concern India Foundation or World Vision were physically and organizationally prominent due to higher visibility through their respected websites, promotional strategies, advertisements and printed material. APSA needed to increase its own visibility to ensure reach and recognition of its work.

#### **Agenda 10: Rotation of Ex-officio Members Representing the Managing Council**

Ms. Sheila suggested a rotation of the ex-officio members on the Board and asked the members present for suggestions, keeping in mind long-experienced staff while considering names.

Mr. Laksha added that it would be feasible to also consider the tenure of ex-officio members on the Board.

Mr. Ramkumar, Associate Director of APSA, suggested 2 years.

Mr. Nagendra, ex-officio member, suggested 3 years as he felt members should be able to sit in on a minimum of 3-5 meetings to gain experience.

Mr. Mukund proposed rotation of ex-officio members on a yearly basis as the Association rules stipulated that one-third of members could be retired each year.

The Board decided to abide by Mr. Mukund's proposal and rotate ex-officio members on a yearly basis.

#### **Agenda 11: Approval for Sale of Fixed Assets**

Mr. Laksha informed the Board about sale of APSA's old vehicles and screen printing machines.

##### Vehicles:

- APSA's vehicles, a Mahindra Bolero (KA01 MB 3386) and a Maruti Omni (KA03 ME 8215), were old and in constant need of repair and maintenance, given the state of the roads and the age of the vehicles.
- It was felt that purchase of new vehicles would reduce fuel and maintenance costs, and the issue was discussed with FORUT when their team visited APSA.
- FORUT approved replacing the old vehicles with new ones, but had stipulated that this was to be done by end-December 2013, when the current project concluded.
- APSA visited Mahindra's showroom but was unable to get a good deal on re-sale of the existing vehicles.
- Following extensive enquiry with local garages in the area, the Bolero was sold for Rs.2,35,000/- and the Maruti Omni for Rs.1,00,000/-.

##### Screen printing machines:

- APSA's screen printing equipment in Kaushalya's screen printing unit was outdated and it was difficult to get qualified persons to operate it.
- The matter was taken up with the Board of APSA and with donor partner FORUT, both of whom approved sale of the outdated equipment.
- Following enquiries at various places, the screen printing machines were sold for Rs.2,50,000/-.

#### **Agenda 12: Approval for Purchase of Fixed Assets**

Mr. Laksha informed the Board that APSA had purchased a new Mahindra Bolero for Rs.8,38,000/- and a Maruti Suzuki Eeco (a nine-seater vehicle) for the organization's transport requirements.

Mr. Laksha further stated to the Board that:

- APSA was considering starting a beautician course.
- LabourNet had approached APSA and stated that they were willing to impart beautician training, and Mr. Laksha had gone to the office of LabourNet to meet with the concerned person in this regard.
- LabourNet suggested that APSA invest Rs.50,000/- and set up the centre and get trainees, while LabourNet would provide the training and linkages for placement and employment.
- The fee would be Rs.1,200/- for a 3-month beautician training course.

The Board members present stated that Rs.50,000/- would be insufficient to set up the training centre. The cost for hiring a place, buying the specialized equipment and the cosmetics alone would run into lakhs of rupees.

Mr. Laksha concluded that he would give the Board further updates on the same after discussions with the LabourNet team, which would be visiting APSA the following week.

### **Agenda 13: Building Maintenance and Renovation Work at Dream School, Nammam and Kaushalya**

Ms. Sheila informed the Board that a mason had been identified to repair and replace loose bricks in the Dream School building. However, the mason was finding it difficult to source new bricks that matched the exact colour of the building's current masonry.

Mr. Mukund stated that it did not matter if the colour did not match, as long as the building was strengthened to withstand wear and tear over the years. He also suggested that only 50% of the amount be paid to the mason, and the remaining 50% paid after a year, after ensuring that the repair and replacement work was of good quality.

### **Agenda 14: Sharing on the FORUT Partners' Meet**

Mr. Laksha informed the Board that he had already shared his experiences from his visit to Korea at a previous Board meeting.

He further stated that:

- Mr. Stale Stavrum and Mr. Trond Botnen of FORUT had, during their visit to APSA, shared NORAD's specific mention of and appreciation for APSA's work.
- The Management had sent a 2-page report to FORUT, outlining APSA's financial crisis during the FCRA cancellation and organizational and program strategies implemented during the time to ensure smooth running of APSA programs.
- FORUT was unable to reimburse APSA for the monies used from the APSA Corpus Fund as their accounts for the year had been closed.
- However, APSA had received a small profit amount in the exchange rate (INR Vs. \$) when the organization received funds from FORUT, who suggested that the profit be used to pay lump sum bonuses to staff.

Mr. Laksha concluded that the Management team was working out the details along with Mr. Anand, Finance Officer in APSA's Accounts department.

### **Agenda 15: Any Other Agenda with the Permission of the Chair**

Ms. Saritha and Mr. Nagendra (W-ISH project), ex-officio members, shared their observations on their work and on the youth in communities. They stated that:

- They had been working with the W-ISH project over the last 3 years.
- Youth in the communities did not seem interested in considering W-ISH as an employment opportunity – rather, they seemed more interested in being free to do as they liked after training.
- APSA could widen its reach to include youth from the slums under the W-ISH project and include other activities (apart from dance) such as spoken English, to ensure all-round development of youth.
- Regular supervision and touch with the youth in the slums and in the W-ISH program would be an added advantage.

Ms. Sheila stated to the Board that APSA was considering including more women on the Board and appointing at least one more member to the Board.



Ms. Sheila further stated that APSA had considered Ms. Sheela Ramanathan, Ms. Suchitra and Ms. Sindhu for inclusion on the Board.

Mr. Laksha said that:

- As Ms. Sheela Ramanathan was a lawyer herself, her presence on the Board could be questioned if she took up cases of children in conflict on behalf of APSA
- Ms. Suchitra was working for the ILP.
- Ms. Sindhu was a member of the KCCW Council.
- APSA Hyderabad had suggested Retired High Court Chief Justice Dr. Lakshman as a Board member. However, Dr. Lakshman was already on the Board of the Red Cross Society of India, and as the Bye-Laws of the Red Cross Society prohibited a member of their Board from taking up a Board member position in any other organization, he might not be able to accept membership on APSA's Board.
- Mr. Laksha and Ms. Sheila also suggested the former Chairperson of the Construction Welfare Board as a possible Board member for APSA.

Mr. Laksha concluded by stating that it was important to invite more people to be on the Board of APSA, as the present Board strength was inadequate for effective decision-making.

#### **Conclusion**

The meeting concluded at 5.50 p.m. with a vote of thanks by Mr. Lakshapathi.

***Mr. P. Lakshapathi***  
***Executive Director, APSA***  
***Bangalore, India***