**Title:** **Standard Operating Procedure (SOP) - Cash Over the Counter (OTC)**

**Issue date:** dd/mm/yyyy

**Effective period:** dd/mm/yyyy to dd/mm/yyyy

**Distribution to:** Units/Department/relevant Government Ministry

**Originated by:** Unit/Department

**Contact person:** Name, phone #/email

**Objective:** *(Brief explanation of the objective of the SOP*) To establish procedures, clarify responsibilities and set internal controls related to OTC cash transfer planned in *mm/yyyy* through *FSP/CP name* in *xxx* Township *xxx* State, Myanmar. Planned total transfer amount is MMK *###*, targeting ### beneficiaries.

**Approved by:** Name, title, unit

**Signature:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:** dd/mm/yyyy

1. **Background**

Write 1 paragraph providing the background information of this CTP including:

* Past CTP experience in the targeted area and modalities/delivery mechanisms
* Reasons why cash modality and OTC delivery mechanisms are selected
* CTP feasibility of the beneficiaries (#, KYC, security) in the targeted areas
1. **Purpose and limitations of the SOP**

Write 1 paragraph explaining the purpose of this SOP.

(Sample) This SOP outlines the procedures and responsibilities of internal and external project stakeholders to ensure efficient and successful implementation of OTC cash transfer. Planned transfer amount is MMK ###, targeting ### beneficiaries in xxx Village/IDP site, xxx Township, xxx State, Myanmar.

This SOP is a general and living document and subject to change/be updated when critical changes occur or to align with existing agency specific SOPs. Elements of internal controls including segregation of duties are not fully covered in this SOP.

1. **Process**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Phase** | **Step** | **Task** | **Process Description** | **Responsible** | **Date/Time** | **Frequency** | **√** |
| **Beneficiary data and distribution plan** | 1 | Beneficiary registration | Programme unit (department)/Cooperating Partner (CP) registers beneficiary data along with their mobile number and household vulnerability status. | Programme/CP | Beginning of the project | One-off/periodical |   |
| 2 | Beneficiary sensitization | Programme/CP provides training for beneficiaries on the cash-out procedures. | Programme/CP | Beginning of the project | One-off/ As necessary |   |
| 3 | Beneficiary data update | Programme/CP to monitor at field and update any changes of household (HH) information. | Programme/CP | Throughout the project- as/when necessary  | As necessary |   |
| 4 | Distribution list and plan creation | At the beginning of every cycle, Programme ensures all eligible HHs are included in the distribution list at camp/location level and plans distribution. | Programme | Beginning of the project | Every distribution cycle |   |
| 5 | Distribution plan approval | Finance unit (department) approves the distribution list and transfer amounts. | Finance | Beginning of the project | Every distribution cycle |   |
| 6 | Distribution list and plan verification | Programme Head verifies approved distribution list and plan. | Programme Head | X days before disbursement | Every distribution cycle |   |
| **Cash transfer to FSP** | 7 | Cash transfer request | Programme-Head requests Finance to transfer cash according to approved distribution plan  | Programme Head | X days before disbursement | Every distribution cycle |   |
| 8 | Cash transfer approval | Finance Head approves the cash transfer request and send payment instruction to FSP. | Finance Head | X days before disbursement | Every distribution cycle |   |
| 9 | Cash payment transfer to FSP | Finance makes payment transfer to FSP's corporate bank account mentioned in the contract | Finance | X days before disbursement | Every distribution cycle |   |
| **Disbursement date** | 10 | Cash disbursement | FSP hands over cash to beneficiaries at the presence of Programme/CP. Beneficiaries counts the cash received. | FSP/Beneficiaries | Disbursement date | Every distribution cycle |   |
| 11 | Disbursement support | Programme/CP provides onsite support of beneficiaries on the distribution day and record issues. | Programme/CP | Disbursement date | Every distribution cycle |   |
| **Post-Disbursement** | 12 | Disbursement issue reporting | Programme/CP compiles the issues/problems at disbursement and Programme submits to FSP. | Programme | X days after disbursement and as required  | Every distribution cycle |   |
| 13 | Reconciliation | FSP submits reconciliation report (reconciliations of CTP account transaction report and beneficiary cash disbursement report) X days after cash disbursement.  | FSP | X days after disbursement date | Every distribution cycle |   |
| 14 | Reconciliation Counter check  | Finance counter checks FSP data vs actual distributed data and the account balance. Finance-Head approves the reconciliation. | Finance Head | X days after disbursement date | Every distribution cycle |   |
| 15 | Adjustments for reversal amount and pending transfer payments | Programme checks the reversal and pending amounts (to cancel/to be transferred in other way) and request Finance for adjustments with FSP | Programme | X days after disbursement date | Every distribution cycle |   |
| 16 | Journal adjustment | Finance adjusts and makes the book to be matched with FSP closing/remaining balance. | Finance | X days after receiving the request | Every distribution cycle |   |

1. **List of responsible persons and contact details**

|  |  |  |
| --- | --- | --- |
| **Unit/Department** | **Main focal point & phone #** | **Alternate focal point & phone #** |
| Head of Programme |  |  |
| Programme focal point |  |  |
| Head of Finance |  |  |
| Finance focal point |  |  |
| FSP |  |  |
| CP |  |  |
|  |  |  |
|  |  |  |

1. **Acronyms**

CP Cooperating Partner

CTP Cash Transfer Programme

FSP Financial Service Provider

KYC Know Your Customer (Identification procedures required for customers to receive services)

OTC Over The Counter

SOP Standard Operating Procedure