NO HUNGRY CHILD

"No child should go to bed hungry."

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MANAGEMENT FEE & ADMINISTRATIVE SUPPORT GUIDELINES

1. Purpose of the ₹5,00,000 Management Fee

The No Hungry Child programme requires the participating NGO management team to establish and supervise the centre, coordinate staff, maintain records, manage compliance, liaise with stakeholders, support fundraising, solve operational issues and remain accountable for programme quality.

To recognise this management responsibility and provide reasonable flexibility for legitimate administrative and miscellaneous requirements, a one-time management fee of ₹5,00,000 is proposed for the participating NGO, subject to the final programme agreement and applicable funding terms.

2. What the Management Fee Is Intended For

The fee is intended to give the NGO management team a flexible administrative resource. It may be used for legitimate management and organisational expenses reasonably connected with implementing and supervising the programme.

- Reasonable honorarium/remuneration to trustees, directors, founders, chief functionaries or management personnel for actual programme-related work, where permitted by the NGO's governing documents, applicable law and funding conditions.
- Office and administrative expenses connected with programme management.
- Telephone, internet, communication, printing, stationery and documentation.
- Local travel, meetings and stakeholder coordination.
- Accounting, audit, legal, professional and compliance support.
- Recruitment, training, meetings and management-related incidental expenses.
- Community mobilisation and programme coordination.
- Small repairs, consumables and legitimate miscellaneous operational requirements not otherwise covered by another programme budget.

3. Management Honorarium — A Reasonable Approach

Many NGOs are led by founders, trustees or chief functionaries who devote substantial time to the organisation. Where permitted, a reasonable portion of the management fee may therefore be used as an honorarium or remuneration for actual management and supervisory services.

This is not intended to be an informal personal withdrawal. Any honorarium should be reasonable, properly approved, recorded in the NGO's books and supported by the applicable documentation. The NGO should follow its governing documents, tax requirements and donor/programme conditions.

4. Illustrative Allocation of ₹5 Lakhs

The following is only a planning example. The NGO may reallocate the amount according to its actual requirements, provided the expenditure remains legitimate, documented and consistent with the programme terms.

Category	Illustrative amount	Purpose
Management honorarium / remuneration	₹2,00,000	Reasonable compensation for actual management and supervision, where permitted.
Administration & communication	₹75,000	Telephone, internet, stationery, printing and coordination.
Travel & stakeholder coordination	₹50,000	Local travel, meetings and programme coordination.
Professional / compliance support	₹50,000	Accounts, audit, legal, compliance or professional assistance.
Recruitment, training & outreach	₹50,000	Recruitment, training and community mobilisation.
Contingency / miscellaneous management	₹75,000	Legitimate unforeseen administrative requirements.

Illustrative total: ₹5,00,000.

5. What the Management Fee Should Not Be Used For

- Personal expenses unrelated to the NGO or programme.
- Payments to management without the approvals required by the NGO's governing documents or applicable rules.
- Artificial or inflated invoices created to withdraw funds.
- Undocumented loans or advances to trustees, directors, founders or employees.
- Political contributions or prohibited activities.
- Expenditure that violates donor restrictions or applicable law.
- Major capital expenditure already covered under another programme budget, unless expressly permitted.

- Unaccounted cash withdrawals.

6. Governance & Transparency

- Record the management fee separately in the NGO's books.
- Maintain a management-fee ledger or cost centre.
- Keep invoices, receipts, payment proofs and supporting notes for significant expenses.
- Approve management honorarium through the appropriate governing-body process.
- Record the basis for honorarium/remuneration and the services performed.
- Use the NGO's official bank account and normal accounting system.
- Include utilisation in financial reporting and audit records as applicable.
- Provide utilisation information when required by the programme agreement.

7. Why This Fee Is Important

A programme can have excellent infrastructure and funding and still struggle if its management team is under-resourced. The management fee recognises that professional programme delivery has a management cost.

It gives the NGO room to operate professionally while keeping the centre focused on nutritious meals, non-formal education, hygiene, positive behaviour and the development of vulnerable children.

8. Management Fee & Long-Term Sustainability

The management fee is not intended to become the NGO's permanent funding source. The NGO should build its own sustainability through the dedicated 3+1 fundraising team, individual donors, CSR partnerships, sponsorships, community support and digital storytelling.

The objective is to create an organisation that can manage the centre professionally and progressively become more self-sustaining from the second year onward.

9. Recommended Payment & Utilisation Process

1. The management fee is recorded in the programme agreement and approved as part of the centre's implementation plan.
2. The NGO provides verified official bank details and authorised signatory information.
3. The fee is transferred to the NGO's official bank account, not to a personal account.
4. The NGO records the receipt in its books under an appropriate programme-support/management head as advised by its accountant.
5. Management allocates the funds according to actual needs and applicable rules.
6. Honorarium and other payments are processed through the NGO's normal accounting/payment system.
7. Utilisation is available for review or audit where required.

10. A Simple Message to the NGO Management Team

The ₹5 lakh is there to help you manage the programme—not to create personal entitlement.

Use it intelligently. Where permitted, compensate the people who are genuinely managing the programme. Cover the small administrative costs that keep the organisation moving. Bring in professional help when required. Most importantly, keep the expenditure transparent, reasonable and connected to the responsibility of managing the centre.

11. Important Compliance Note

This document is a programme-policy guideline, not a tax or legal opinion. Whether a particular honorarium, remuneration or expense is permissible depends on the NGO's legal form, governing documents, applicable tax and charity laws, accounting treatment, donor restrictions and the final programme agreement. The NGO should obtain advice from its CA/CS/legal adviser where required.