Grants reporting for volunteers and user groups

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Outline

- What is reporting and why is it needed?
- Shared bank account – open, operate (and even close) it
- Reporting documents – specifics, organization
- Reporting timeframe
- Common problems and mistakes

What are reports, and why are they needed?

- A good report is always a complete and self-explanatory document,
  - containing all the evidences needed to support the data provided
  - and statements made about the project implementation and outcomes.

- Ideally, it not only describes the activities,
  - but also explains the rationales behind them.

- It shows not only the final *product*,
  - but also the *process* involved
  - and the long-term benefits for the community.

Again, is reporting *really* needed?!

- Reporting is usually deemed important for the sponsoring side,
  - as it ensures eligibility and appropriateness of expenditures,
  - while collecting information about the project outcomes and impact of the sponsor.

- Reports are often used as a basis for taking future decisions and policies.

- **However**, reporting is helpful for beneficiaries, too,
  - as the process requires them to analyze various aspects of their performance,
  - and is a measure of success for the beneficiary.

Who does the reporting?

(In other words: who draws the shortest straw)

- This is an internal decision that project teams should take **explicitly** and **before the end** of the grant term (ideally, in the **beginning** of the project).
- Ideally, all team members should feel welcome to contribute *(and have supervision functions)*, but the project’s contact persons **have to**, together with the shared bank account holder(s).
- They shall schedule their work so that the rest of the team is given enough time for discussions, edits and additions, before the end of the deadline.

Shared bank accounts: Basic questions

- Shared (joint) bank account: Bank accounts with 2+ holders
- Almost no official instructions on Meta (yet?)
  [[:meta:Learning patterns/Grant reporting for volunteers. Part 2: Financial report]]
- Make a local research which bank to choose:
  - Not all banks offer this bank product
  - Ask for the number of holders (sometimes they need to be relatives)
  - Bank charges, etc.
  - Terms of use: primary / secondary holder, or they have equal rights
  - Is there a plastic card associated with the bank account
  - Active / passive online banking
  - Terms of closing the shared bank account (just in case)

Shared bank accounts: Establishment

- Have 2+ people in the community willing to take this responsibility
  - They should agree to provide their identification documents to WMF
  - Very rough estimation of the time invested: 2-6 hours / month
- Elect them with a public voting procedure (you need to provide a difflink for an evidence)
- Select the bank with the best conditions for shared bank accounts
- Go together and sign the contract

- **Why 2 or more holders?**
  - Obvious explanation: To help each other. Shared bank accounts give funding options for user groups, i.e., for volunteers. *Interchangeability and flexibility.*
  - Not-so-obvious explanation: To monitor and control each other. *Transparency and building trust.*

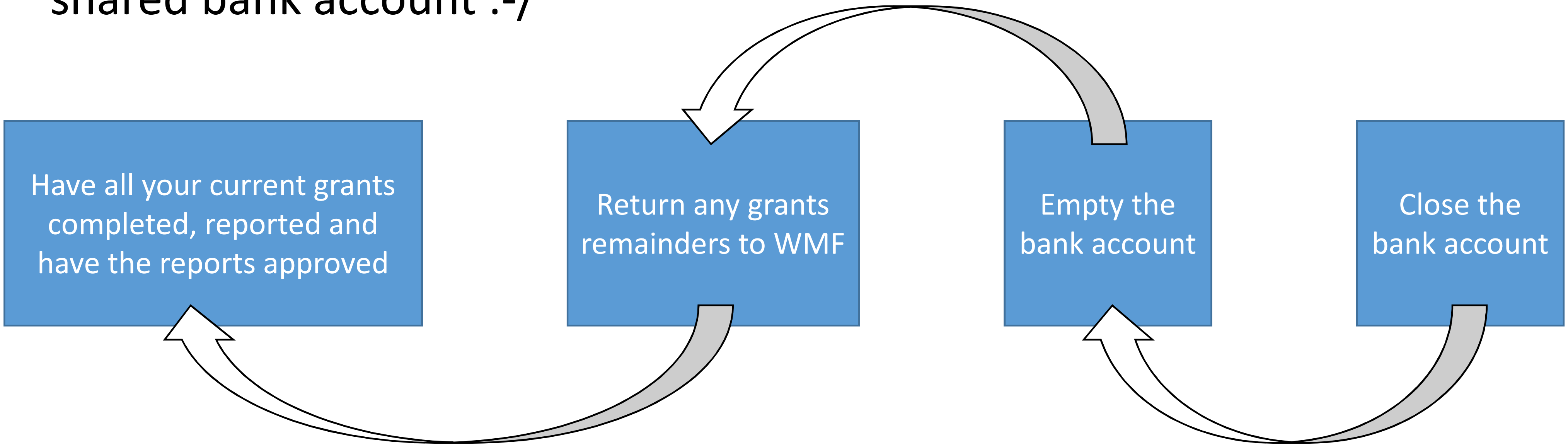
Shared bank accounts: Operation

- What can be done with the shared bank account?
  - Get funding from WMF (Most probably no other donor organization would agree to fund an informal user group (no legal body) with only a shared bank account; Caution with private donors)

- What are the responsibilities of the shared bank account holders?
  - Operate the user group's WMF funded projects
    - Co-sign the grant agreements.
    - Make payments, order bank transfers on behalf of the project team.
    - Collect and organize the payment documents.
    - Maintain good organization when there are 2+ simultaneous grants.
    - Be responsible for the financial reporting of these projects to WMF.
    - (Timely) contact WMF when necessary (deadline / budget / team issues, etc.).

Shared bank accounts: Closing

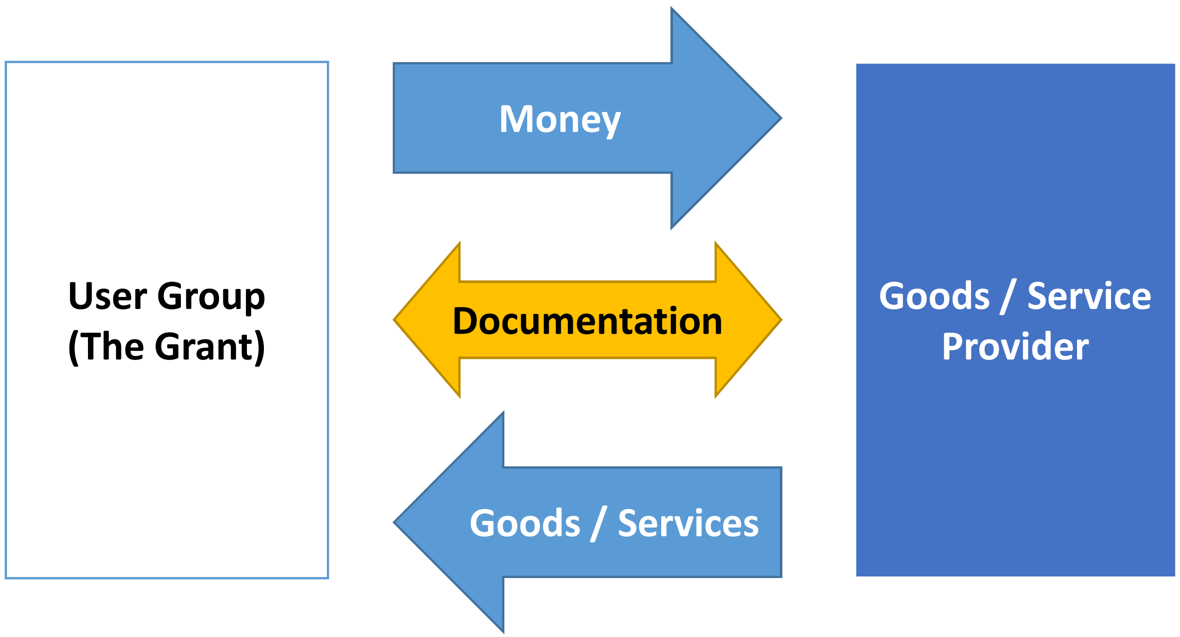
- Sometimes, for whatever reason, the user group may need to close its shared bank account :-/



- *Good practice (but maybe difficult to implement): Postmortem analysis performed before electing new volunteers for a new shared bank account of the UG.*

Reporting documents: Basics

Logic of the process



Reporting documents: Basics

Types of payments

- Cash payment
- Card payment at a POS* terminal
- Card payment online
- Bank (wire) transfer

* POS – point of sale

Types of documents

- Cash receipts
- Tickets, vouchers
- Invoices and proforma invoices
- Contracts / agreements

Chronology of the process

X
Payment
Goods / Service delivery
Documentation

Type of payment: Cash, POS terminal
Types of documents: Cash receipts, POS terminal receipts, Invoices, Tickets

X
Payment
Documentation

X
Goods / Service delivery
Documentation

Types of payment: Card payment online, Bank transfer
Types of documents: Payment orders, Invoices, Tickets, Vouchers *(You may even want to sign a contract!)*

Reporting documents: Specifics

	Obligatory to take	Optional to take
Cash payment	Cash receipt	Invoice
Card payment at a POS terminal	1) Cash receipt 2) POS terminal receipt	Invoice
Card payment online	1) Confirmation of payment 2) Invoice	
Bank payment	1) Payment order 2) Invoice	

Practical advice about invoices

- Whenever possible, always take invoices,
  - especially when cash receipts **do not** contain information what was purchased and in what quantities.
  - because invoices contain **identification** about the buyer, which is a more solid proof in front of your donor
- Sometimes you may need to take a proforma invoice
  - Proforma is **not** a reporting document; after making the payment, you have to receive the **original** invoice.
  - Proforma serves as an official price offer – good in case of volatile prices, if paid within a specified time period.

Reporting documents: Specifics

	Cash receipts	Invoices	Tickets	Vouchers
Type of expenditure	Goods / Services	Goods / Services	Services (transport)	Goods / Services
Buyer identification	No	Yes	Depending	Depending
Item / quantity identification	Depending	Yes	Yes	No (to be determined in future by the recipient)
Accompanying documents needed	Usually no, but if there is no item identification, an invoice may be needed	Yes: **either** cash receipt, **or** bank payment order	Often, the ticket works as a cash receipt itself. Invoice can be issued.	Yes: **either** cash receipt, **or** bank payment order
Time- and reporting related specifics	No	No	(sometimes) Prepaid service to be delivered in the future	Prepaid service to be delivered in the future

Reporting documents: Organisation

- Introduce a protocol of payments and reimbursements
  - Payments are only made with respect to the approved project budget.
  - Cash and card payments can be made by all project members...
    - … but only shared bank accounts holders can reimburse such payments from the budget’s project.
  - Bank payments only administered by the shared bank account holders.
  - Documents are to be **digitized** immediately and **shared** among the team.
    - Because of sensitive information on some payment documents (card payments, invoices), documents should be stored in a private space.

Reporting documents: Organisation

- Introduce a protocol of access to the reporting documentation
  - WMF
    - All documents must be provided to WMF as proofs of payment.
    - At the end of the project (or interim report, depending on the agreement).
  - The project team
    - All documents should be made available within the team.
    - In the course of the project, in order to keep track of the spending.
    - **Linus's Law: Given enough eyeballs, all bugs are shallow.**
  - The local wiki community (i.e. the rest of the world)
    - Either the list of documents, or all the documents, but anonymized.
    - At the end of the project, but even earlier, upon community request.

Reporting documents: Organisation

- Introduce an online, shared spreadsheet for organizing the documents

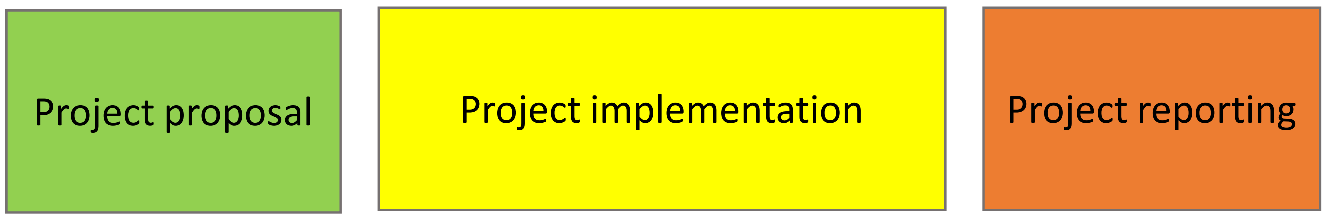
- Receipt ID (indicates the order of presentation in the public report on Meta, and should appear in the filename of the document scan)
- Date of payment
- Item category (as described in the proposal)
- Item
- Quantity
- Unit price (local currency, with VAT)
- Total price (local currency)
- Exchange rate
- Total price (in USD)
- Receipt status (received, pending)
- Who made the payment?
- Where is the physical original?
- Reimbursed from the budget?

Reporting documents: Organisation

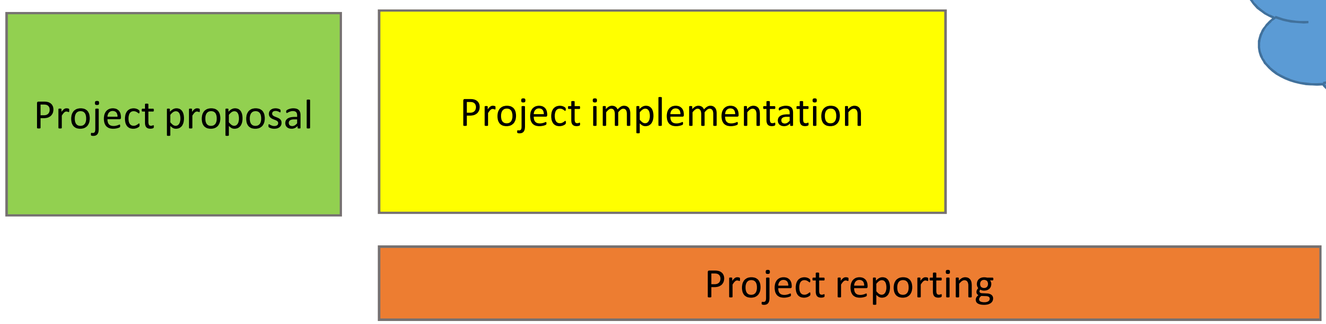
- Introduce a file naming convention **from the very beginning!**
  - Informative and mnemonic, with introduced natural sorting. Examples:
    - Start filenames with the date of payment in **YYYY-MM-DD** format.
    - Introduce numbering with **leading zeros** (e.g. for 10+ documents start with 01, 02, 03, …, 09, 10, 11, … rather than 1, 2, 3, …, 9, 10, 11, …)
      - This can be numbering per order of making payments, or numbering per budgetary items.
  - Include the name of the purchased item *(in English)* in the filename *(WMF advice)*.
  - Good practice: use the same convention for both internal needs and WMF reporting, as renaming (local language > English) or change of the convention may lead to many mistakes and time waste.

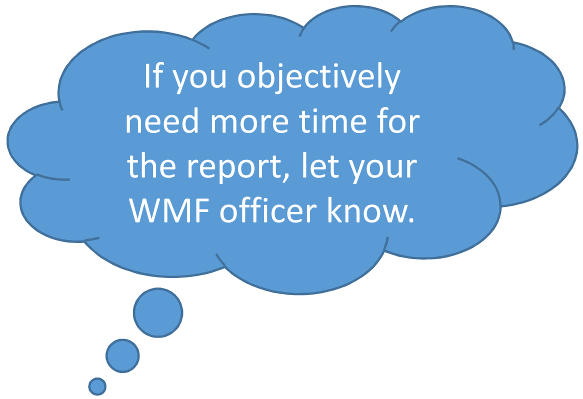
Reporting timeframe

- Usual (mis)conception



- The healthy way to do it



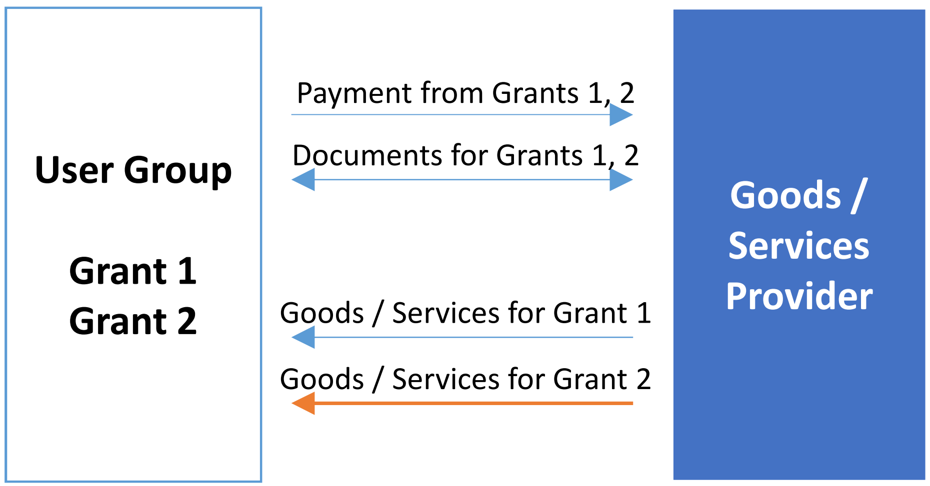


Common problems and mistakes

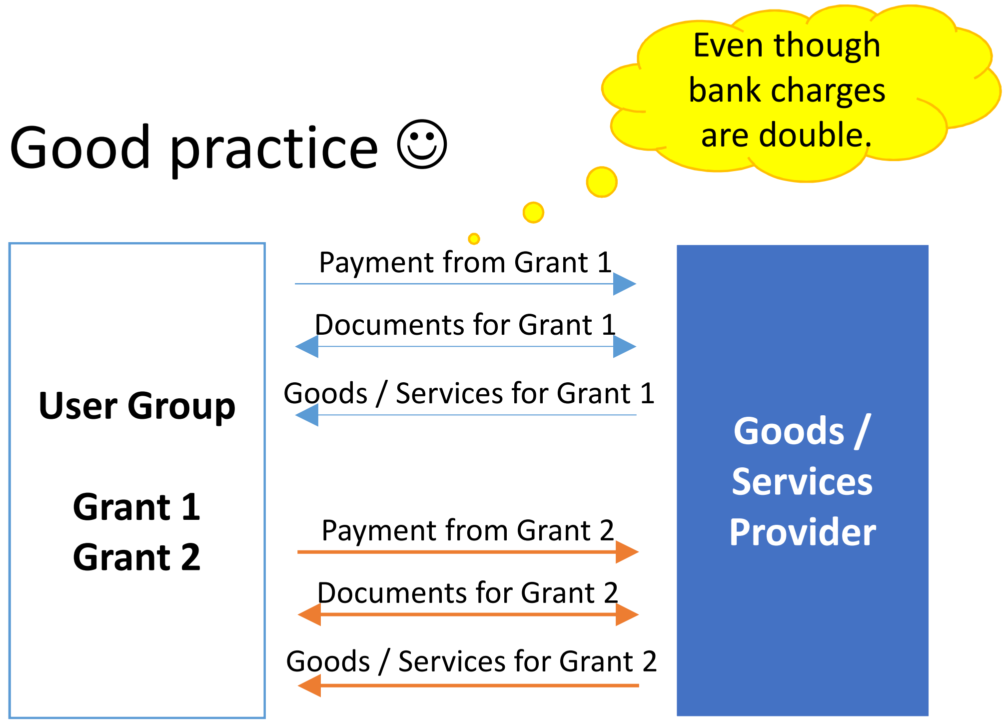
- Community members forget to inform (*any* or ***all*** of) the shared bank account holders about a new project being proposed!
- When taking proforma invoices or price quotes, we may forget to ask for the *final price with VAT included* and plan the project budget without it. This however will appear as a problem in the reporting phase.
- If you operate payments in different currencies, be careful not to mix them. Attach a document as a reference for floating exchange rates.
- And don’t forget to include the bank fees (even if you have forgotten to budget them). ☺

Common problems and mistakes

- 2+ funded **projects running in parallel** can make things complicated, especially when working with the same suppliers in both projects, and/or when project teams overlap.
- Bad practice ☹



Good practice ☺



See also: Two posters and learning patterns

https://commons.wikimedia.org/wiki/File:Grant_reporting_for_volunteers_-_the_building_blocks_-_part_1_-_project_activities.pdf

https://commons.wikimedia.org/wiki/File:Grant_reporting_for_volunteers_-_the_building_blocks_-_part_2_-_financial_report.pdf patience :)

Thank you for your ~~attention~~!