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A Manual on Planning, Implementation and Management of Development Projects

CEDPA

The Centre for Development and Population Activities

A MANUAL

ON

PLANNING, IMPLEMENTATION AND MANAGEMENT

OF

DEVELOPMENT PROJECTS

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INTRODUCTION

The Centre for Development and Population Activities (CEDPA) is a private, non-profit educational organization. CEDPA's goal is to improve the managerial and technical capabilities of Third World professionals who direct community-based projects in the health, family planning, nutrition and development fields. CEDPA conducts management training workshops in Washington, D.C., assists in holding workshops overseas, helps establish Follow-Up Units and provides small grants to initiate projects with health, nutrition, family planning, and income-generation components.

The purpose of this manual is to help Third World managers to improve their skills in planning, implementing and managing projects. This is important because a well planned project has a better chance of being funded than a poorly planned one, and, once funded, a well planned project has a much better chance of succeeding than a poorly planned one. Whether the potential source of funds is an international donor or a local ministry, that organization needs to know that a project meets a real need, is feasible, is proceeding smoothly and is using funds responsibly. Also, the project manager will find it much easier to manage the project if the process is well-ordered and follows clearly defined steps.

The manual is divided into two chapters and this introduction. Chapter 1 discusses Project Planning and Proposal Development and Chapter 2 discusses Project Monitoring. Together these chapters describe the overall project process that is shown on the following pages.

No manual can meet all the needs of every person who uses it. Manuals are a place to begin and a useful reference. Project managers should read this manual from beginning to end so that they know what it contains and then go over it carefully, section-by-section, as they begin to develop a project. Some sections - especially those on monitoring - should be referred to frequently after the project is underway.

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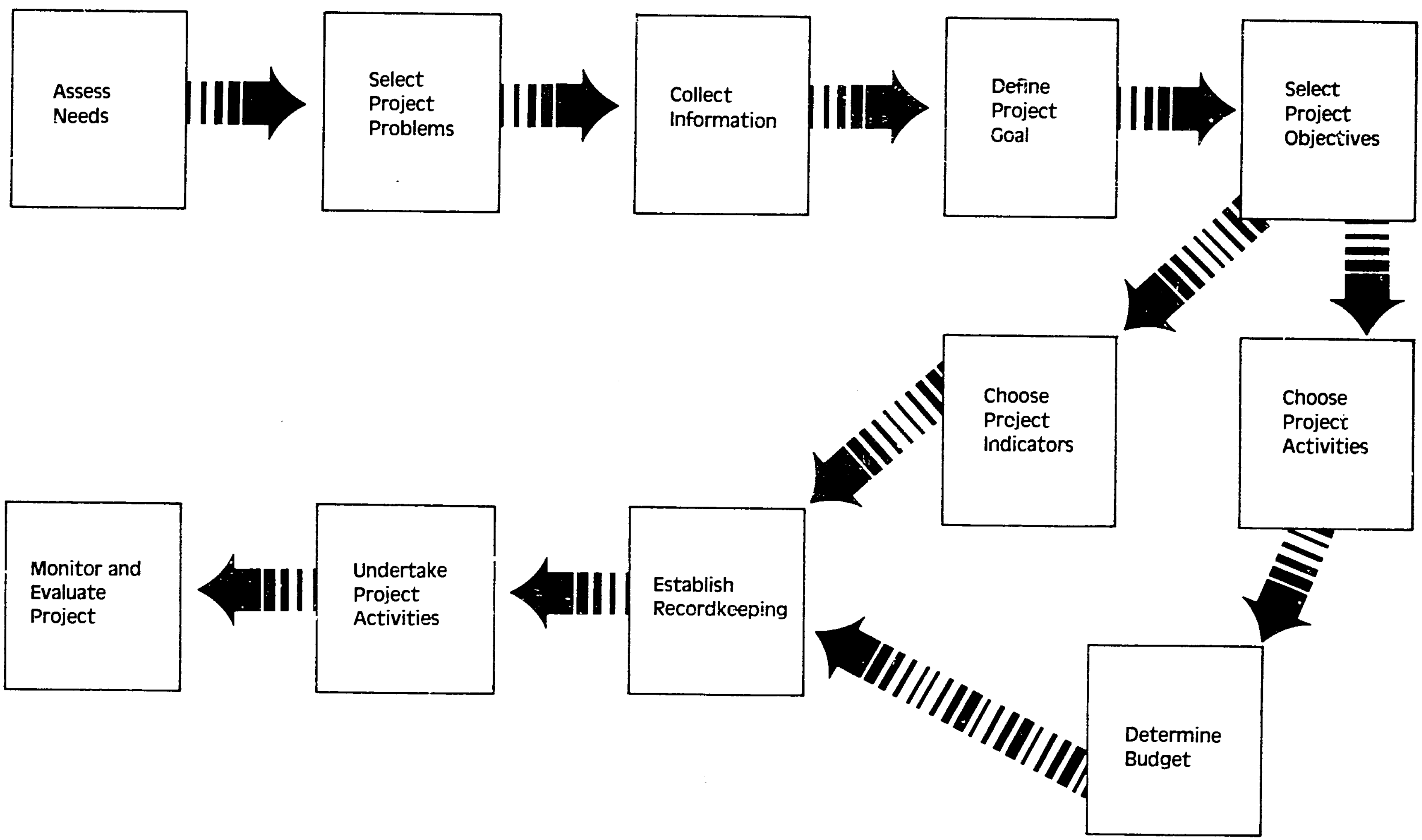
THE PROJECT PROCESS



PROJECT PLANNING AND PROPOSAL DEVELOPMENT

This chapter describes the essential elements of project planning and proposal development. The elements are:

1. Assessing Needs;
2. Identifying and Selecting Problems;
3. Collecting and Analyzing Data;
4. Preparing a Concept Paper; and
5. Preparing a Project Proposal.

Each of these elements is described in detail in the chapter. The section which is concerned with preparing a project proposal contains a description of what should be decided before writing the proposal, what should be included in the proposal and how best to present the material.

Assessing Needs

Successful projects are those which have been designed on the basis of a good understanding of the project setting. Project success is rarely the result of chance or good luck. Project success is almost always related to good planning, based on a good understanding of the setting.

Consider the following examples of problems that have surfaced in development projects:

- A project to introduce new, fast growing, drought resistant varieties of vegetables fails because agricultural extension services are directed to men in a country where men grow only cash crops and women grow food crops.

- A project to increase women's income through training in the production of handicrafts results in high losses, because the women charge less for their finished products than they paid for raw materials. The project developer, who did not live in the village, had assumed the women already had an understanding of basic costing and sales.

- A project to provide family planning services results in very few new users of contraceptives, because women are embarrased to go openly to a clinic which has been set up solely to provide family planning services. The project developer knew that the same women had expressed interest in family planning and that they regularly take their children to monthly clinics for weighing, immunization and nutrition lessons. She had assumed the women would also be willing to attend a monthly family planning clinic.

- A project which provides child health and nutrition education to mothers results in low attendance at classes and minimal improvements in child health. When asked, mothers had told the project developer that they were interested in their children's health. However, they had not indicated that their time was limited or that they preferred a project to provide opportunities to earn income. The project developer had not asked specific questions to determine this need.

The success of each of these projects was limited because each was designed and implemented without a thorough understanding of the many local factors that affect success. Each was designed by people whose intentions were good, but whose understanding of the project setting was limited.

Here are some of the elements which together make up the setting of a project and which may have an effect on project success:

o PEOPLE - numbers, relationships, ages, sex;

o ENVIRONMENT - health conditions, weather conditions;

o INFRASTRUCTURE - hospitals, schools, clinics, water and sanitation systems, roads;

o RESOURCES - material and human resources, whether they exist or are lacking;

o BELIEFS AND PRACTICES - religious, cultural, political, social beliefs;

o ECONOMICS - amount of money, distribution and source; and

o OPINIONS, IDEAS AND PREFERENCES - people's opinions about their needs and the options available to them.

If the first step in the project development process is to broadly define what kind of project is needed and wanted in a particular village or setting, you will want to gather basic information related to:

o overall problems and needs;

o existing resources; and

o people's preferences.

You will not require detailed information on every area of activity (e.g., agriculture, education, health) or every problem and need (e.g., lack of water, child malnutrition, high rates of maternal death in childbirth), since your project will not address all of these issues.

Identifying and Selecting Problems

The overview you get from your basic needs assessment will help you to determine major needs and problems. You can then select the problem or problems your organization has the skills to address. This is important because a project will be most successful if it is concerned with a small number of very specific problems. Everything cannot be done at once, and a project should be limited to something which can be done in a relatively short time by your organization.

Once the problems to be addressed by the project have been identified and selected, more detailed information is gathered on the local circumstances surrounding these particular problems.

For example, your organization has decided to undertake a project in Tokara Village. Your organization works mainly in the area of health, nutrition and family planning, and has a staff of nurses, midwives, and family planning educators. Thus, you already know that you are not qualified to do an irrigation project, or an agriculture extension project or a project to teach women handicraft production.

Interviews with Tokara Village residents reveal that there are many maternal deaths in childbirth and that this concerns the community as a whole. By direct observation you see many malnourished children under the age of five, whose mothers are either pregnant or have new babies. You learn that another voluntary agency has just begun a project to educate mothers about child nutrition, to initiate regular weighing of children, and to provide high protein foods to the most severely malnourished.

All of this basic information leads your group to suggest a project which addresses problems of maternal/child health in the village through family planning education and service delivery. A spot check of village leaders and residents confirms that there is interest in this.

Collecting and Analyzing Data

Having developed an understanding of the overall needs, and having selected the particular problems your project will address, you are ready to collect more detailed information about these problems and the community which will participate in the project, as well as the available resources. This is important because you need facts in order to plan further. These facts will vary according to the kinds of problems.

For example, if the decision is to undertake a family planning project, the information needed includes the following:

- o Family planning and other health services: What is available, where, at what cost?
- o Family composition: What is the average number of children/ages?
- o Beliefs and culture: What do people believe about family size and composition? Are there cultural restrictions to use of family planning?
- o Knowledge of family planning: How much do women and men already know?
- o Health status and practices: What are the major causes of infant and maternal mortality? What are the weaning practices?

There are many sources of information that can be used when planning a project. Here is a list of some valuable sources:

- o Census records and data;
- o Written material that describes a community or region, from ministries or international organizations;
- o Descriptions and reports on projects in the area sponsored by other agencies, including government agencies, voluntary agencies, international organizations;
- o Descriptions and reports on projects elsewhere that are similar to the one you wish to undertake;
- o Meetings with community leaders, local residents or specific segments of a population;
- o Records at clinics, hospitals, schools; and
- o Your own observations of the community and your knowlodge of similar communities.

It might be helpful to make a list of the pieces of information you require to understand both needs and resources, the source of each piece of information and the means of gathering each piece of information. Formats for lists like these are shown on the next pages. The major advantage of such lists is that they allow you to summarize all the information you want to collect from a particular source, making information collection more efficient. They also pinpoint gaps in the information that you need.

If there are critical gaps in existing information, you may have to develop a questionnaire or survey to gather other specific bits of information. The development of questionnaires should be avoided if possible because it can be a long involved process and is very costly. If, however, a questionnaire becomes necessary, you may wish to refer to guides for project pre-implementation surveys or request technical assistance from appropriate agencies.

All of the information which you gather is valuable. You will use it as a basis for defining the problem and needs to be addressed and determining the goal, objectives and appropriate activities for your project.

ASSESSING NEEDS

INFORMATION REQUIRED	SOURCE OF INFORMATION	MEANS OF GATHERING INFORMATION	COMMENTS

ASSESSING RESOURCES

INFORMATION REQUIRED	SOURCE OF INFORMATION	MEANS OF GATHERING INFORMATION	COMMENTS

Preparing a Concept Paper

In designing a project, you begin with general ideas about how a problem or need may be successfully addressed. Later, you will expand and refine your ideas, and develop detailed plans. Initially, however, it is useful to write a concept paper which reflects your broad project ideas. A concept paper is generally two to three pages in length and includes the following:

- a brief description of the setting, problem and need your project will address;
- an overview of the approach you will use to address the problem, including probable activities, participants and results;
- an idea of the time frame for your project; and
- an estimate of the cost of your project.

A concept paper serves two extremely useful functions:

- It serves as a starting point for developing detailed project plans, schedules, job descriptions, materials, budgets, etc. Each broad idea included in the concept paper will later be developed into a series of specific steps or components needed for successful project implementation.
- It serves as an introduction to possible funding agencies. Before you put a great deal of effort into writing a lengthy, detailed project plan, it is helpful to gain feedback on your general ideas. Sharing a concept paper with potential funding agencies is a way of gaining their interest and support, their input toward strengthening the project design, and their suggestions regarding other possible sources of funds.

As you design your project and prepare the concept paper, consider the following suggestions:

- o Organize your information for easy project design. Have you gathered all the data you need to describe the problem? Do you understand the range of possible solutions? Do you have examples of curricula or training materials you may wish to use? Do you know about possible project staff and their qualifications? Do you have an idea of the costs involved?

- o Involve a variety of people whose input will strengthen the project design. Have you discussed ideas with project staff and potential participants to get their ideas? Have you asked the funding agency or people who have implemented similar projects for suggestions on approaches? Have you obtained promises of needed support and cooperation from village leaders, governmental agencies or other organizations?

- o Identify potential resources. You may choose somewhat different project approaches and activities if you know certain resources (skilled people, materials, donations) will be available to you.

- o Learn about possible sources of funds. Which donors provide funding for the type of project you wish to do? What are their criteria? Do they prefer a certain proposal format? What is their funding range? For how many years? When do donors review concept papers and proposals?

- o Anticipate possible difficulties. If you can predict certain problems or difficulties, you can plan how to solve them. For example, if there will likely be certain resistance to an activity or some negative effects of an action, you may choose a different approach, or include activities to encourage cooperation rather than resistance.

- o Build support for your project. Maintain contact with the funding agency you intend to approach, the community, the anticipated participants and staff. Keep them informed of progress in developing the project and ask for their feedback on approaches you are considering. Help them to feel a part of the process and encourage their commitment to the project.

The decisions you make during the design phase of your project are the basis for a concept paper and/or a proposal. These decisions are reflected in various sections of your proposal. It can be helpful to review the standard contents of a proposal and use the list of questions that should be answered by each section as a guide to decision-making.

Preparing a Project Proposal

Your project proposal is the primary source of information used by donor agencies to decide whether to give you funding. Your project proposal will also serve as your guide for project implementation.

A project proposal is a document which describes in detail the problems and needs, your strategy for addressing these needs, the schedule of activities to be undertaken and the resources that are required. Writing the proposal requires you to define your ideas about a project and to set forth concrete targets, detailed plans and cost estimates.

If you have written a concept paper and presented it to potential funding agencies, you will have valuable feedback regarding how to present your ideas so that your project responds to the interests of funding agencies. Many funding agencies have preferred formats and required contents for project proposals. Others are less concerned about form as long as the proposal includes complete information. Be sure that you know what is required by any funding agencies you will approach.

Important points to keep in mind as you write a proposal:

o Refer back to all the work that has led up to writing your proposal. Make full use of the data and information gained from your needs assessment, from the concept paper and from the feedback provided by funding agencies.

o Be as detailed as possible. If your proposal is to serve as a guide to implementation, it cannot be vague. Define your decisions and choices. Changes may be needed later, but you will benefit from having a starting point which is as clearly defined as possible.

o Be sure all sections of the proposal fit together. All parts of the proposal are interrelated and you must be consistent throughout the document. To reach each objective will involve certain activities which will affect your staff requirements, your budget, and your schedule.

o Move quickly to solutions. Do not spend more time (and words) discussing problems and needs than you spend explaining how the problems will be solved.

Below is an example of a Table of Contents which includes the basic sections of a proposal. Guidelines for writing each of these sections follow.

Cover Letter
Project Summary
Problem Statement
Project Goal And Objectives
Project Description
Project Workplan
Project Monitoring And Evaluation Plan
Capability Statement
Project Staffing
Budget

Writing the Proposal Cover Letter

The letter you send with your proposal is important because it gives you the chance to "personalize" the proposal. This is especially important when you are sending your proposal to several funding agencies. In writing a cover letter, consider the following suggestions:

- Quickly gain the reader's attention. Use a few key words which you know are important to that particular funding agency because they reflect the agency's focus - "family planning," "women's economic development," "Africa," "community-initiated efforts," "MCH," "children," etc.

- Show why the particular funding agency should be interested in your proposal. In one or two brief paragraphs describe your proposed project, and how it relates to the funding agency's mandate - "This family planning project responds to the needs identified by the Tokara Community, and will complement work sponsored by your organization." "This project is an innovative response to priority MCH needs and will make use of interventions developed in your programs elsewhere."

- Convey the importance and urgency of your project. Do not say how urgently your organization requires funds for projects. Rather, convey the idea that important work which will benefit people the funding agency cares about, awaits only the approval of that funding agency - "With support from your organization, this community maternal and child health project will enable women in an area particularly affected by deteriorating health conditions to improve their own status and that of their children."

- Keep it short. Although you want to tell the agency a number of things, resist the temptation to write a very long letter. Remember that you have the project summary and actual proposal to make your arguments in greater detail. A cover letter longer than two pages is probably too long.

- Make it look good. A cover letter should not have any typographical errors, and should be arranged to look good on the page. Have one or two other people read it and make suggestions about improvements. Be prepared to re-type the letter several times until it is perfect.

Writing the Project Summary

The project summary is the first part of a proposal, although it is the section which is written last. The proposal summary is usually between one paragraph and two pages in length. You use the proposal summary to provide the funding agency with basic information about your organization and the proposed project:

- the problems your project will address;
- what you plan to do;
- the cost and length of the project; and
- the strengths of your organization which will make the project successful.

Funding agencies receive many proposals. Because they cannot do lengthy reviews of all proposals, they use the proposal summary to decide whether the project fits within their funding guidelines and whether they should do a more detailed review. Be sure that your summary emphasizes those aspects you know will interest the funding agency.

Describing the Problems the Project Will Address

In this section of a proposal you discuss the problem to be addressed and the needs to be met by your project. You will use the data collected and the observations made during the needs assessment and problem identification as the basis for this section of the proposal. It is helpful to provide a brief overview of the larger problem situation, but you should quickly focus on the specific needs and problems to be addressed by your project. For example, if your proposal is for a family planning education and service delivery project, two to three sentences are plenty to establish that women in the target area are generally needy, have little education, poor health and have extremely limited income. The main part of this proposal section should then focus on why there is a need for family planning education and service delivery. The problem description should point the reader in the direction of possible solutions.

In a proposal, the description of the problem comes before the description of the project (solution). You must have a very clear understanding of the specific problem in order to design an effective solution.

In describing the problem to be addressed by your project, consider the following suggestions:

- Limit discussion of the overall situation.
- Break down a large problem into smaller needs that can be met by your project.
- Clearly define and describe the specific problems and needs you will address.
- Provide proof of the problem using examples, survey results, statistics and/or information gathered by observation and interviews.
- Describe problems and needs in such a way that the solutions you propose appear to be the most logical response.

Defining the Project Goal and Selecting Objectives

A project goal briefly describes what you expect the project setting to be like after your project has solved the problem. It is important to establish the goal in order to define the scope of the project activity.

When you write your project goal consider the following suggestions:

- A goal must be realistic. Do not state that your project will accomplish more than it possibly can. For example, the goal "To improve the status of women" implies all women and all kinds of improvements in health, income, education and social position.
- A goal is the solution to the problems you described earlier. Your problem statement was limited to those specific problems that could be solved by the project. Your goal statement presents the solution. For example, if the problem is poor health of women due to closely spaced and many births, the goal may be: "To increase the access of women in Tokara Village and neighboring communities to reproductive health services."

Project Objectives are a series of specific accomplishments designed to address the stated problems which result in your goal of a changed situation. You will undertake a number of activities during your project in order to accomplish each of your stated objectives. The clearer your objectives are, the easier it is to plan and implement activities that will lead to the attainment of these objectives.

Writing clear objectives when planning your project also makes it much easier to monitor progress and evaluate the success of the project. You will constantly measure how close you are to reaching each objective, so each objective must be written in such a way that you will know when you have reached it! As you write your project objectives, it helps to ask if each one is **S-M-A-R-T:**

Specific
Measurable
Area-Specific
Realistic
Time-Bound

Specific: Is the objective clear in regard to what will be changed, who will be involved, how, when and where?

Measurable: Does the objective provide a target which can be measured? Does it state how many people (or what percentage of a population) will be reached? How much of an increase (in income or number of family planning users or number of children vaccinated) is desired?

Area-Specific: Does the objective clearly indicate the area or population to be included in the project? Does it define project activities and beneficiaries by village, sex, age or other characteristics?

Realistic: Do the people you plan to involve in the project (beneficiaries, staff, community leaders) need and want to be involved? Can you expect to attain the levels of involvement, and level of change reflected in each objective? If you expect too great a change in too short a time, you are risking failure. If you propose too little change over too long a time, your project may not be worthwhile to potential donors.

Time-Bound: Does the objective indicate the exact period of time during which the objective will be accomplished? It is often helpful to set targets for specific periods of your project - for example, by quarters or for the halfway point in the project.

Consider the following two objectives. If you were to plan activities to meet these objectives, which would be easier to plan for? If you were to monitor progress and evaluate whether the objective was met, which would be easier to measure?

Vague Objective: To improve the status of women in Tokara Village.

Smart Objective: To distribute contraceptives to 1,500 new family planning acceptors in Tokara Village and neighboring communities by the end of one year.

For example, here are the goal and several objectives for the Tokara Family Planning Project.

GOAL:

"To increase the access of women in Tokara Village and neighboring communities to reproductive health services."

OBJECTIVES:

1. To provide 3,000 women from Tokara Village and neighboring communities with information on reproductive health and family planning by the end of one year.

2. To distribute contraceptives to 1,500 new family planning acceptors in Tokara Village and neighboring communities by the end of one year, through a program of community-based distribution.

3. To refer all cases requiring special gynecological treatment to the Dando City Municipal Hospital.

When all of your project objectives are **SMART**, you are ready to develop an approach for meeting those objectives, and to plan and schedule activities that will help you attain all objectives. Your project objectives will also be used to choose indicators of change which will help you monitor project progress. Indicators are discussed after the next section concerned with project activities.

Writing The Project Description And Choosing Project Activities

In this section, you review your project objectives and describe your project strategy and approach in detail, explaining why and how you will reach your objectives. Your project description will provide the following information:

- The methods/approaches/activities chosen to meet objectives and why these particular methods/approaches/activities were chosen;
- The types of activities that will be undertaken, when, by whom, and the required resources; and
- The project participants, how they will be chosen and how they will participate.

The project description presents the methods and approaches that will help you achieve your project objectives. For example, consider the first objective of the Tokara Women's Association Project:

> To provide 3,000 women from Tokara Village and neighboring communities with information on reproductive health and family planning by the end of one year.

There are many ways in which family planning information may be made available:

- mass distribution of pamphlets;
- formal classes or presentations at community centers;
- films shown to women's groups;
- presentations and discussions with mothers who bring their children to be weighed and examined at the local health post; and
- home visits by family planning educators.

Any of these approaches may not be appropriate in your project setting. Perhaps there is no clinic nearby. Perhaps women do not leave their homes regularly. Perhaps family planning education alone is not acceptable and must be combined with classes on child health. You must explain which approaches you will use and why.

Similarly, not all members of a community will participate in your project. Even among those who participate, some will be involved in certain activities; others in different activities. Your project description should include discussion of how you expect participants will be involved, their level of involvement, and how you will select them and motivate them to be involved.

You will find it easier to do your project budget and to undertake the project itself if you have included every activity. For example, here is a partial list of activities that will have to be done in order to provide family planning education if the chosen approach is "presentations and discussions with mothers who bring their children to be weighed and examined at the local health post":

- o discuss with health post staff the possibility of adding family planning education to child health education;
- o determine what the participating mothers already know and want to know about family planning;
- o develop draft educational materials;
- o pretest materials in sessions with women coming to the health post;
- o revise materials;
- o train family planning educators to use materials;
- o train family planning educators to deliver sessions biweekly;

Developing A Work Plan

Once the major objectives have been determined, you may find it helful to make a detailed list of all the activities that need to be completed during the project, how each one will be done, who will do it and when each activity will begin and end. The following page shows a format that could be used for this information.

When you are sure that all the activities have been identified, it is valuable to organize this information on a <u>Time/Task Chart</u>. The chart lays out the sequence of the tasks and the overall timing of the project. This will help the funding agency to review how the project activities fit together and the sequence of events.

The chart will also be very useful to you as the project gets underway, to help you organize your own work and that of others. Many project managers keep a copy of the time/task chart on their desks or pinned on the wall so that they can easily see where the project is at any time and what needs to be organized in the future. If things change and project timing is altered, you may want to re-do the time/task chart so that it is accurate. You might also want to put a line through activities that are completed, so that you and your staff can see the progress that has been made.

The following pages show an example of a blank time/task chart and a section of one that has been completed for the Tokara Women's Association project.

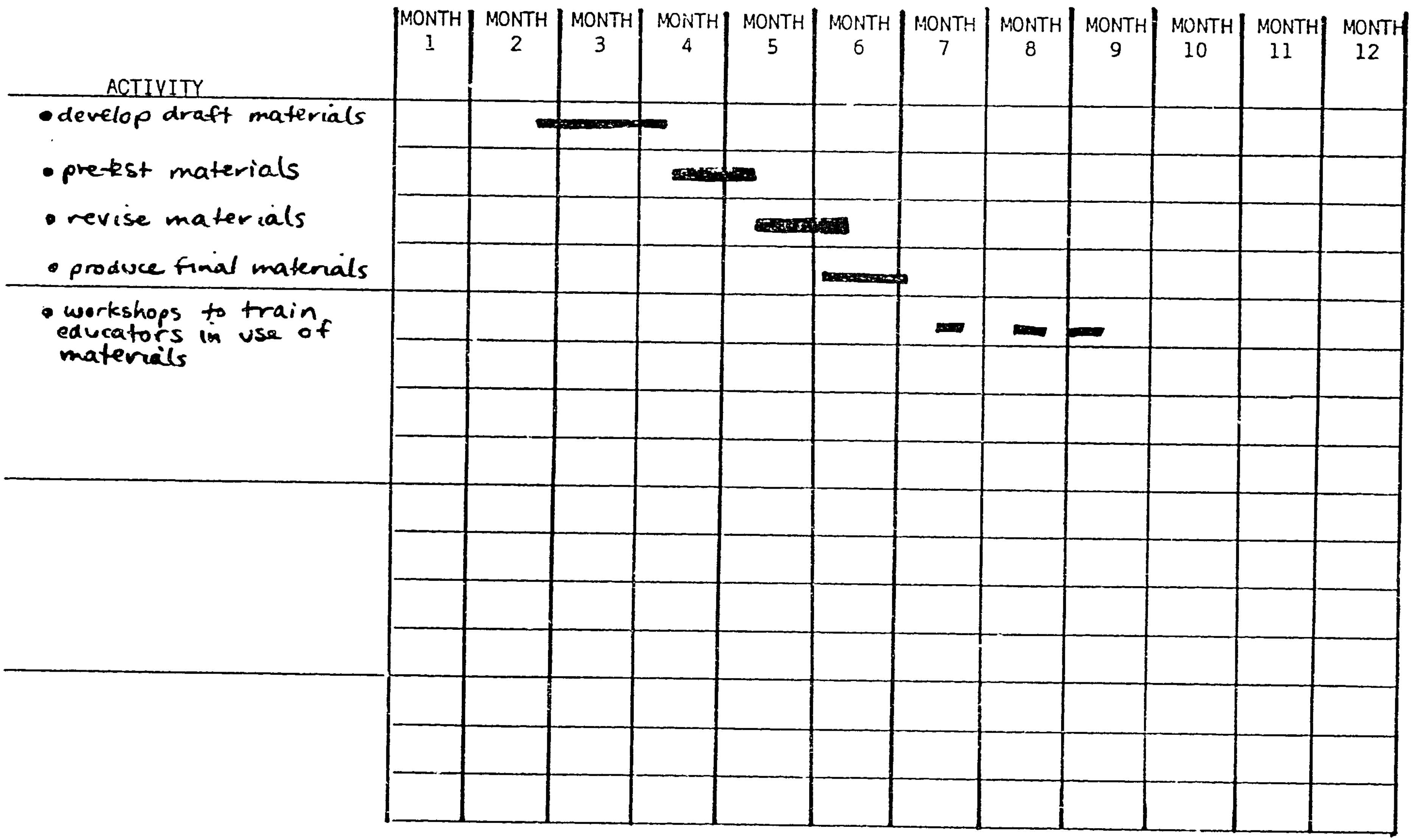
DETAILED LIST OF PROJECT ACTIVITIES

ACTIVITIES	HOW THE ACTIVITY WILL BE DONE	PERSON RESPONSIBLE	BEGINNING AND ENDING DATES

PROJECT TIME/TASK CHART

ACTIVITY	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	MONTH 7	MONTH 8	MONTH 9	MONTH 10	MONTH 11	MONTH 12

PROJECT TIME/TASK CHART



Developing The Monitoring And Evaluation Plan

The donor to whom you will present your proposal is interested to know how you will monitor progress and evaluate achievement of objectives. During project implementation, you will need to know how the work is progressing at any given point. Often the funding agency will want to work with you to develop a detailed monitoring system and evaluation plan after your project is funded. However, in your proposal you should give an overview of the following:

- o How you will measure progress toward objectives;
- o What system and tools you will use to keep records, collect information and report on progress; and
- o Who will be involved in monitoring, reporting and evaluating the project.

Your monitoring and evaluation plan describes the indicators of change you will use. Indicators are measures used to answer the question: How do you know you are making progress towards goals and objectives? Indicators are concrete, observable facts that serve as evidence of things acomplished, changes made and objectives met. Once you have decided on your project's goal, objectives and activities, you are ready to develop one or more indicators for each objective.

Indicators are important because they can show you if change is taking place and if your project objectives are being addressed. This information is valuable for you, for your project staff and participants and for the funding agency in that it provides feed-back to project participants and the funding agency about progress you have made. Indicators are also valuable management tools as they tell you if project activities are bringing about the desired changes and allow you to spot problems early.

You may find it helpful to make a list of project objectives and the indicators which measure progress towards each objective and include this list in your proposal. This will demonstrate that you have thought through the project in detail. Once the project is funded, the list will also help you to establish the recordkeeping system (see Chapter 2). Page 26 presents an example of the goal, objective and indicators which might be developed. Other kinds of useful indicators are listed below.

Possible indicators for projects with objectives related to improving child health and nutrition:

- o nutrition status of children being monitored;
- o average weight gain of the children being monitored;
- o number of children having certain diseases or nutrition problems;
- o number of children vaccinated; and
- o number of mothers preparing and using improved weaning foods.

Possible indicators for projects with objectives related to improving the economic status of women:

- o number of women completing training in vocational skills;
- o income earned by each woman who completes vocational training; and
- o amount of profit from a cooperative income-generating activity.

GOAL: To increase the access of women in Tokara Village and neighboring communities to reproductive health services

Objectives	Indicators
1. To provide 3,000 women from Tokara Village and neighboring communities with information on reproductive health and family planning by the end of one year through educational sessions and home visits.	A. Number of women attending each weekly educational session. B. Number of home visits by the family planning educators.
2. To distribute contraceptives to 1,500 new family planning acceptors in Tokara Village and neighboring communitites by the end of one year through a program of community-based distribution.	A. Number of new family planning acceptors each month. B. Number of women continuing to use contraceptives supplied through the project each month. C. Number of contraceptives supplied by the project each month.
3. To refer all women requiring special gynecological treatment to the municipal hospital.	A. Number of women identified as requiring special treatment. B. Number of women from Tokara Village and neighboring communities receiving treatment at the municipal hospital. C. Percentage of women identified as requiring treatment who actually received treatment.

Writing The Capability Statement

Sometimes called an organizational profile, the capability statement presents the history, achievements and capabilities of those who will implement the project. This is important to the funding agency because they need to know that your organization is capable of doing the project. After you have presented a detailed project to address community needs, you must convince the funding agency that you or your organization has the required skills and experience to conduct a successful project. As you write this section of the proposal, consider the following suggestions:

- Present examples of your success in undertaking activities similar to those proposed for your project.
- Be brief in describing history and organizational structure if it is an organization that will implement the project.
- Provide any information that shows why you or your organization is especially qualified to work with the planned project participants.
- Describe any special skills you or your organization's members have that will strengthen the project.
- Mention any funds, support and praise you have received from other donors, community groups, government agencies, etc.

Determining Project Staffing

The project staffing section of your proposal presents the personnel who will work with the project. Just as the capability statement presents the overall skills and strengths of your organization, the project staffing presents in more detail those particular individuals who will be the project staff. This information is valuable to the funding agency in allowing them to judge your proposal fairly.

As you write this section of the proposal, consider the following suggestions:

- Provide a job description for each project position. The job description should include main activities and responsibilities; whether the job is full-time, half-time, etc.; reporting requirements; and relationships to other project staff.

o Give relevant information for the individual who will fill each position. Include academic qualifications, special skills, previous experience and any other information that shows why this particular person is best qualified to be successful in the position.

o Keep your budget in mind. Remember to include in your budget salaries, travel and other benefits for each project staff member.

Determining the Project Budget

A budget is a plan prepared to detail the resources and costs for carrying out a project. A budget has several valuable uses:

o To estimate types of costs and amount required for project activities.

o To provide prospective donors with an idea of the anticipated resources required to meet certain objectives.

o To provide guidance for decisions on expenditures during the implementation of project activities.

o To help in measuring progress and evaluating the costs of meeting certain objectives.

Those people who are involved in designing and implementing a project are in the best position to know what resources will be needed and they should be directly involved in writing the project budget. Once the project has been funded, the budget becomes the starting point for managing project finances.
A budget is generally prepared after you have written your project proposal, so that costs of all proposed activities may be included. It is directly related to your objectives and workplan. When doing a project budget, consider the following suggestions:

o Be Involved. Don't expect an accountant to do it all. The accountant knows numbers, but you know the activities to be financed.

o Be Aware of Donor Requirements. Learn about the donor agencies you will approach for funding. What types of activities and costs will they fund? What budget format do they prefer? How large are the grants they can give? What currency do they want you to use for budgeting?

o <u>Be Informed and Realistic</u>. Expect delays in project start-up, but be sure to know how long each proposed activity will take. Get estimates on the costs of needed equipment and materials, office rent, transportation, consultant fees, etc. It takes time to determine realistic figures, but this is better than either being refused funds because your budget is unreasonable or finding you do not request sufficient funds to do the project well. There will be items for which you will be unable to get totally accurate estimates. Then you will have to rely on your experience to make the most informed, realistic approximations you can. If you are preparing a budget for more than one year, you will need to determine how much the costs for various items have been rising (inflation). Your estimates for Years Two, Three, etc., of a project should be higher for items that tend to increase in cost over time, such as salaries and petrol.

o <u>Be Detailed</u>. Build up to the total amount needed for each particular category of cost (also known as line items) by considering all the elements that affect that cost. For example, to budget for transportation, you need to consider the following:

- number of project site visits per year
- round trip distance to the site
- number of kilometers per liter of petrol
- cost per liter of petrol

o <u>Be Complete</u>. Refer to examples of budgets. Ask others to examine your budget for necessary items. Remember, if you forget to budget for the pencils to be used with the paper you did remember, you will either have to do without, go back to the donor or take some funds intended for other items. Some funding agencies will allow you to include a "miscellaneous" category in your budget to cover a variety of small costs or items you may have overlooked. Often, if this is allowed, the "miscellaneous" category is limited to a small percentage of the total of all other costs, for example, 5%.

o <u>Be Thinking About Documentation</u>. Both for your own financial management and to satisfy donor requirements, you will need to keep proper documentation of expenditures: receipts, check stubs, copies of bills, time sheets.

Usually a budget is broken down into one-year periods. Often resources/costs are also shown by source, that is, by name of contributor. This is particularly helpful when more than one donor is involved or when there are resources (cash or other) that have been contributed by your organization, by a community, etc. Contributed resources that are not in the form of money are called in-kind contributions and may include donated space (office or project site), labor/time (volunteer workers) or equipment and materials. Often in-kind contributions are extremely important to the success of a project. They lower the actual cash costs. They show that your organization or the community is interested enough in the project to donate resources. They are the first step to self-sufficiency for project activities. You will need to estimate the value of these in-kind contributions and show them in your budget.

Your proposal, budget and progress reports should include information on any income you expect from the project. For example, you should include money paid by beneficiaries for services, fees paid to enroll in training, or profits from the sale of goods produced during the project. You should estimate the amount of income expected and show how it will be used. For example, income may be applied to certain costs such as staff salaries or shared as profits among project participants.

Budgets vary greatly in terms of format, amount of detail and the categories of costs (known as line items). The more specific and detailed a budget is, the easier it is to describe the exact purpose of each expenditure. The first task in preparing a budget is to determine how much detail you need and how much is required by the donor. Do you need to know if an expenditure is for pens rather than pencils; or, is it sufficient to know that the expenditure is for training workshop supplies rather than office administration supplies; or, more general yet, that it is for materials?

Often a summary budget, as well as a detailed budget, is required. The summary budget presents subtotals for the major cost categories. The detailed budget shows how these subtotals were calculated for the major line items. The summary budget allows one to tell at a glance the relationships among line items. It is also often used as the basis for financial reporting.

The following pages give examples of a summary budget and a detailed budget for the Tokara Women's Association Project. Important points to keep in mind as you budget for each cost category are given in the pages following this sample budget.

SUMMARY BUDGET
TOKARA WOMEN'S ASSOCIATION PROJECT
PROPOSED ONE-YEAR BUDGET
IN KENYAN SHILLINGS (KSH)[1]

Cost Category	Total Annual Cost KSH	Resources To Be Contributed KSH	Project Funds Requested KSH
I. PERSONNEL	99,200	6,000	93,200
II. TRAVEL AND PER DIEM (FOOD AND LODGING)	17,420	-	17,420
III. EQUIPMENT AND MATERIALS	4,200	200	4,000
IV. OTHER DIRECT COSTS	27,000	20,000	7,000
TOTAL	KSH 147,820	KSH 26,200	KSH 121,620

Exchange rate on date budget prepared (July 7, 1984) KSH 14.25 = U.S. $1.00.

DETAILED BUDGET
TOKARA WOMEN'S ASSOCIATION PROJECT
PROPOSED ONE-YEAR BUDGET
IN KENYAN SHILLINGS (KSH)[1]

Cost Category	Total Annual Cost KSH	Resources To Be Contributed KSH	Project Funds Requested KSH
I. PERSONNEL			
A. Staff			
One Half-Time Director @ KSH 1,600/Month	19,200	6,000[2]	13,200
Three Full-Time Family Planning Educators @ KSH 2,000/Month	72,000	-	72,000
B. Consultants			
One Expert for Educational Materials Development for 20 Days @ KSH 100/Day	2,000	-	2,000
One Consulting Nurse for 1 Day Per Week for 40 Weeks @ KSH 150/Day	6,000	-	6,000
SUBTOTAL PERSONNEL	99,200	6,000	93,200
II. TRAVEL AND PER DIEM (FOOD AND LODGING)			
For Project Director: One Round Trip Tokara-Dando Per Week by Bus (4 Trips/Month X 12 Months X KSH 140/Round Trip)	6,720	-	6,720

For Materials Development Specialist: One Round Trip Dando-Mombasa By Train	300		-		300	
For Materials Development Specialist 2 Days Per Diem for Visit to Mombasa (2 Days X KSH 400/Day)	800		-		800	
For Family Planning Educators: Local Travel Allowance For Home Visits KSH 80 Per Week X 3 Educators X 40 Weeks	9,600		-		9,600	
SUBTOTAL TRAVEL AND PER DIEM		17,420		-0-		17,420
III. EQUIPMENT AND MATERIALS						
Family Planning Kits (4 X KSH 500)	2,000		-		2,000	
Educational Supplies, Paper, Pens, Flipcharts, Posters, Blackboard	1,300		200[3]		1,100	
Office Supplies: Stationery, Stamps	900		-		900	
SUBTOTAL EQUIPMENT AND MATERIALS		4,200		200		4,000
IV. OTHER DIRECT COSTS						
Office Rent	8,000[4]		8,000[4]		-	
Educational Centre Space	12,000[5]		12,000[5]		-	
Telephone, Telegraph, Postage, Electricity, Water, Other Utilities	7,000		-		7,000	
SUBTOTAL OTHER DIRECT COSTS		27,000		20,000		7,000
TOTAL		KSH 147,820		KSH 26,200		KSH 121,620

NOTES:

1 Exchange rate on date budget prepared (July 7, 1984) KSH 14.25 = U.S. $1.00.

2 Centre Director will work more days than she will be paid for, so it is estimated she will donate 1/4 of the time she works.

3 The Tokara Women's Association already has a blackboard that will be donated. KSH 200 is the estimated value.

4 The home of the president of the Tokara Women's Association will serve as the project office. KSH 8,000 is the estimated value of this space for a year, which will be donated.

5 The Tokara Women's Association has recently purchased (for KSH 176,000) a building to be used as the centre where educational classes will be given. KSH 12,000 is the estimated rental value of this space for a year, which will be donated.

Personnel

Refer to the proposal section entitled "Project Staffing" to answer the following questions related to personnel costs for your project:

- How many people, with what kinds of skills are needed to undertake project activities?
- Will they work full-time or part-time?
- Would it be more efficient to have a short-term consultant to do some activities?
- Will some people who are involved in the project be donating their services?
- Will people work more hours than they expect payment for? If so, they are making an in-kind contribution.

Travel and Per Diem

To calculate the costs of travel and per diem (food and lodging) for your project, consider these questions:

- What activities will require staff to travel? (Supervisors' visits, home visits by family planning educators, extension agents' travel from headquarters to field locations, participants' travel to the training centers, consultants' travel to the project site, etc.)?
- How far are the distances? Do travel costs vary according to the distance? What type of transport will be used?

Equipment and Materials

For this section of your budget you should get price quotations for major purchases. Here are some helpful questions:

- What equipment and supplies are needed for each of your project activities?
- Have you included enough paper and other supplies, including those needed to develop and produce training materials and periodic program reports?

<u>Other Direct Costs</u>

Here you may include costs which do not fit into the preceding categories. Often this category is called <u>Operating Costs</u>. Answers to the following questions will help determine these costs:

- Will you have to get a telephone installed and what are estimated monthly charges?
- Do you need to rent office space, training facilities or other rooms for project activities?
- Have you included the costs of all needed utilities - water, electricity, gas?
- What are anticipated postage costs?

A final word of encouragement: At first, budgeting seems like a complex task. But when you break the process down into the many smaller questions that you can answer, it is really quite easy. Do not hesitate to go to the donors who have expressed interest in your group's activities and ask for guidance in developing the type of budget they prefer.

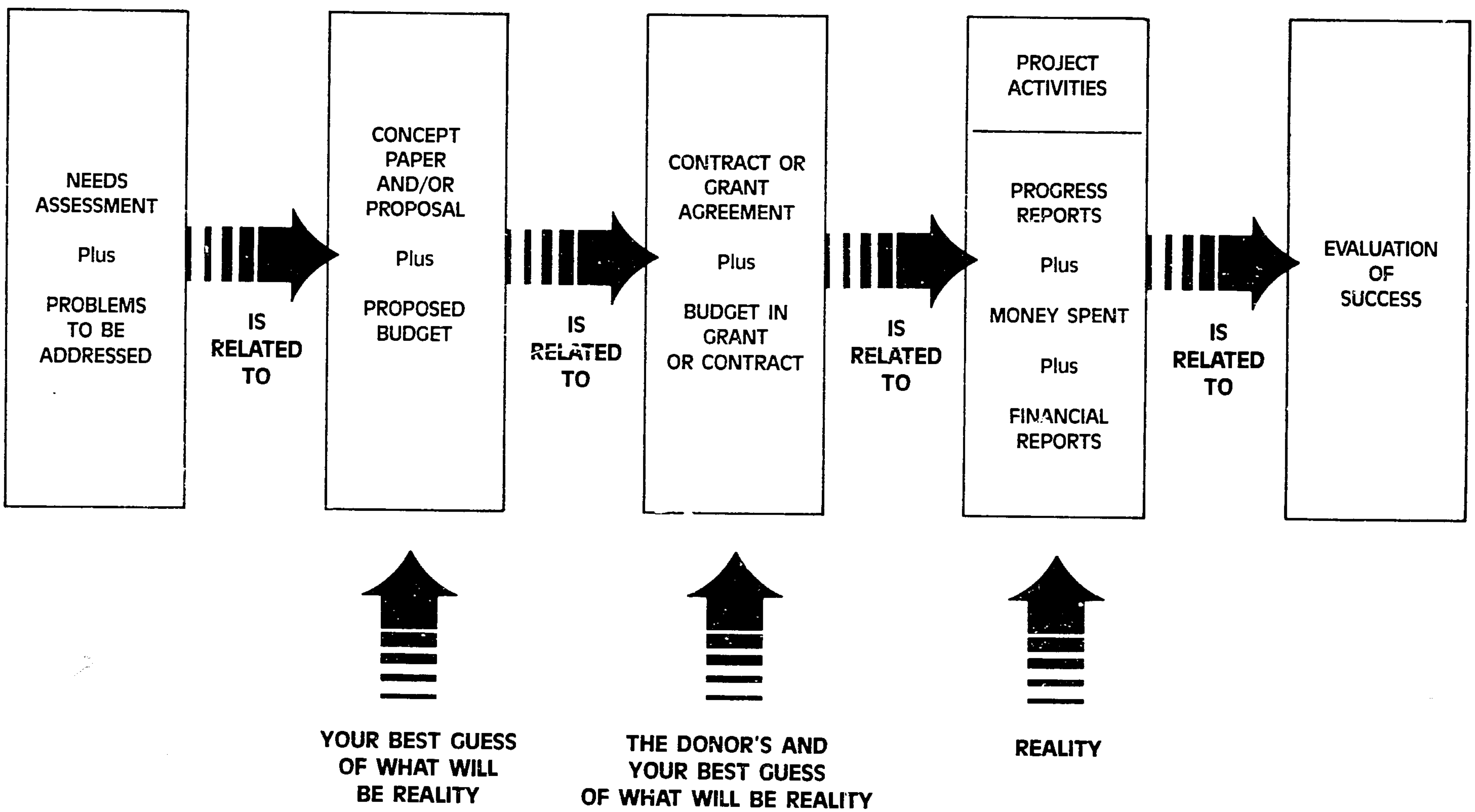
PROJECT MONITORING

This chapter of the manual discusses how to monitor a project. Monitoring is an essential part of project management as it tells the project manager what is happening. Monitoring also provides the information which is compiled and sent to the funding organization, so that organization knows how its money is being spent.

It is very important to remember that the steps involved in designing, implementing, monitoring and evaluating a project are interrelated. They are part of an ongoing process rather than separate distinct events. Just as project design, implementation and evaluation are interrelated, so too are the written documents produced during each step. This interrelationship is shown on the next page.

Project monitoring is similar to many aspects of project evaluation. The major difference is that evaluation is often, but not always, an activity which includes people other than project staff and which takes place at a specific time. Monitoring is done by project staff and is continuous. The information collected and organized as a result of project monitoring is similar to that used in project evaluation.

Three kinds of information are needed for project monitoring: information about results; information about activities; and information about resources.


NEEDS ASSESSMENT
Plus
PROBLEMS TO BE ADDRESSED
IS RELATED TO
CONCEPT PAPER AND/OR PROPOSAL
Plus
PROPOSED BUDGET
IS RELATED TO
CONTRACT OR GRANT AGREEMENT
Plus
BUDGET IN GRANT OR CONTRACT
IS RELATED TO
PROJECT ACTIVITIES
PROGRESS REPORTS
Plus
MONEY SPENT
Plus
FINANCIAL REPORTS
IS RELATED TO
EVALUATION OF SUCCESS
YOUR BEST GUESS OF WHAT WILL BE REALITY
THE DONOR'S AND YOUR BEST GUESS OF WHAT WILL BE REALITY
REALITY

Establishing a Recordkeeping System

A section of the previous chapter discussed choosing indicators to measure progress in bringing about project results. These indicators were chosen as part of the project planning process and included in the project proposal. As the project gets underway, indicators become a tool for all those involved in the project to record the progress being made. One purpose of the project recordkeeping system is to collect the information needed to document the progress being made.

As you develop your project's recordkeeping system, consider the following suggestions:

- Be complete. Examine your indicators of change. Make a list of all the specific bits of information/data you need to collect before, during and at the end of your project to confirm that objectives have been met. Be sure your system insures that you collect all data needed to compare information which may be meaningless alone. For example, consider the third objective of the Tokara Women's Association Project, "to refer all cases requiring special gynecological treatment to the Dando City Municipal Hospital". You may keep a list of all women who have been told they require special treatment. But, unless your recordkeeping system also keeps track of whether these women actually go to the Dando City Municipal Hospital and receive treatment, you will not know if this objective is being met.

- Remember data are interrelated. The recordkeeping and data collection for one indicator of change may involve several interrelated parts or forms. Be sure the data being collected fits together and is comparable. Consider the example of referrals to the Dando City Municipal Hospital. The recordkeeping and data collection system might include these three interrelated parts:

  - A register maintained by the Tokara Women's Association at the health post where family planning educational sessions are conducted. The ledger would record important information on each woman who attends sessions. Included in this information would be any referral for treatment at the Dando Hospital.
  - A card for each woman who participates in the project, which would record information on the contraceptives received during home visits, as well as the date she was referred to the Dando Hospital, and the date she actually received treatment at the Dando Hospital.

- Dando City Municipal Hospital records. Hospital records provide a way of verifying that treatment was received.

o <u>Make the system and forms as simple as possible</u>. If a recordkeeping system is too complicated, there is a risk people will be overwhelmed by the forms, will not understand exactly what is required, or will be unwilling to put in the time and effort needed to complete them. Simplify as much as you can and still gather the data that is essential.

o <u>Test forms before making many copies</u>. After you are satisfied with the system you have developed, use forms with real people. See if they are understandable. Use them to gather information. Examine the resulting data to see if it is complete, meaningful and comparable.

o <u>Assign responsibility for recordkeeping</u>. Determine who are the logical people to maintain the various forms and registers you have developed. Be sure these people understand their responsibilities. Clearly define how often, when and how the forms are to be used.

o <u>Practice using the forms</u>. Provide training to those who will be responsible for keeping the forms and registers. Let them practice completing them in a workshop or classroom setting. Bring them together to compare results and problems after they have used them for a short time within the project. Visit them at work to observe the use of forms and registers and to provide any needed assistance.

o <u>Begin gathering data as soon as possible and keep records up-to-date</u>. Remember, you are measuring progress over time. You need to be able to clearly state what the situation is like at the beginning of a project, as well as during project implementation. Gather important data which documents the situation which existed before you started activities, then gather comparable data along the way. Keep records current, because it is extremely difficult to reconstruct data at a later point. For example, what would happen if a referral to the Dando City Municipal Hospital is not recorded in the register maintained by the Tokara Women's Association? It is likely that no one will later remember that it occurred. Or, the hospital records will be different than the register maintained at the health post, and you will not know if the hospital treatment was a direct result of a referral made by the project.

Reporting on Progress

The donor who funds your project will normally require you to submit reports on your progress at various points during project implementation. Reports every four to six months are common. Generally, your grant agreement will outline reporting requirements and provide guidelines related to content and format.

An extremely important point to keep in mind as you report on project progress is that actual work and achievements must be compared to the planned work and objectives that were stated in your grant agreement. In this way you will see which activities are progressing on schedule, where you are ahead of schedule and where work is behind schedule. This comparison helps you to focus attention both on achievements and on the areas where there are problems to be addressed.

SMART objectives, well planned and scheduled project activities, well chosen indicators of change and effective, accurate recordkeeping and data collection are key to assuring you will have complete information for reporting on your project's progress.

Although content of a progress report may vary somewhat from one project to another or from one donor to another, you should be as detailed and specific as possible. In general, the following questions should be answered:

- What is the period covered by the report?
- What were planned targets (objectives) and activities for this period? Your time/task chart will be a valuable reference for answering this question.
- What were the actual achievements and activities for this period and what indicators of change have you used to determine these? Here you will discuss numbers of people involved, what they did or learned and results.
- What resources were used? Were they adequate? Financial reports should be submitted to account for expenditures made during the same period covered by the progress report. However, don't forget to discuss other resources that have been used, including community participation and any in-kind contributions.

- o What lessons have you learned during this period of project activity and how will this learning be applied to continued project work? Any changes you have made to the project time/task chart will guide you in answering this question.

- o What problems did you encounter during this period? How did you or will you solve these problems?

- o What are your plans for the next period of project activity? Do these plans involve any changes in the project's objectives, schedule of activities or necessary resources? Again, the time/task chart will be helpful here.

The following steps will guide you in writing your progress reports:

STEP 1: Review the reporting requirements from your grant agreement.

STEP 2: Decide which actions, concrete facts and observable evidence (indicators of change) best document your progress.

STEP 3: Organize your data and identify gaps that need to be filled.

STEP 4: Select the most appropriate format for presenting your data.

STEP 5: Draft your report and ask another knowledgeable person to review it for completeness.

Financial Monitoring and Reporting

The donor which awards your grant will include an approved budget as part of your grant agreement. Often this approved budget is exactly the same budget which appeared in your project proposal. Sometimes the donor will ask you to make revisions in the proposed budget and the approved budget may differ somewhat.

The approved budget is your guide for the financial aspects of your project. As you undertake project activities, you may refer to the budget to aid decisions related to expenditures and to monitor progress in relation to cost. Comparing your actual costs during the project to the costs shown in the approved budget is extremely important. It helps you to know if your spending is on track. It gives you accurate information to use the next time you need to write a budget for a new project. The funding agency will also require you to submit periodic financial reports that account for the funds spent.

The following suggestions will guide you to easy, accurate and helpful financial monitoring:

- Keep Track of Every Expenditure. Get a receipt or write your own receipt for those small costs (such as a short taxi ride) for which the seller cannot write a receipt. Keep cancelled checks, copies of bills, employee time sheets and other documentation related to expenditures.

- Categorize Every Expenditure. Your budget has approved categories of costs (line items). Funds for every expenditure will be taken from one of these approved categories. You may wish to number every receipt and write on it the budget cost category to be billed. Some project managers keep a separate file, envelope or box for each cost category and place all receipts to be billed to that category in the appropriate one.
- Keep Accounting Up-To-Date. Don't expect an auditor or project monitor to do your accounting once every three months or six months or twelve months. You need to know whether you are overspending or underspending, both in general, as well as by cost category, in order to make informed decisions on expenditures. Accounting is not a difficult or lengthy task if it is well organized and done regularly. Add up your expenditures by category monthly (or at a minimum quarterly) and see how they compare to your budgeted amounts. This way you will know if you are going to run out of funds for particular types of costs that are essential to successful completion of activities.

- Anticipate Necessary Changes. Many donors will not permit you to spend more funds for particular categories of cost than orginally budgeted, or to spend funds on new cost categories that were not included in the proposed budget, without first getting approval to do so. Up-to-date accounts help you to see if some actual costs are running much higher or lower than planned. Don't wait until there are no funds remaining to determine what to do. By keeping up-to-date information on expenditures by cost category, you'll know how much remains and can decide if the balance is sufficient. If not, you may need to ask to shift amounts from one cost category to another or to request additional funds.

- Make Notes for Future Reference. By keeping track of actual expenditures, you will learn much that will be helpful when you must make estimates for the next project budget you prepare.

Each donor organization has preferred forms for monitoring project finances and submitting financial reports. Be sure the agency which funds your project provides you with adequate guidelines. The following pages present sample formats that may be used for financial monitoring and reporting.

FORM A

NAME OF PROJECT OR GROUP: ______________________________

DETERMINATION OF EXPENDITURES BY COST CATEGORY (LINE ITEM)

RECEIPT NUMBER	DATE	TO (Name or Company)	FOR (Goods or Services)	COST CATEGORIES (LINE ITEMS)

FORM A

DETERMINATION OF EXPENDITURES BY COST CATEGORY (LINE ITEM)

This form is used to organize receipts for all expenditures and to determine the cost category to which you will charge the expenditures. You should have a receipt for every expenditure.

Instructions

- **Name of Group and/or Project** - Write the name of your group and/or project on the top of the page. Since you will require several pages of Form A to record all of the expenditures for a particular period of time, you may wish to number and/or date the sheets. To make it easier to keep track of expenditures for required financial reports, you may wish to begin a new page on the date a new reporting period begins; for example, January 1, April 1, July 1, and October 1, if reporting is done by calendar quarters.
- **Receipt Number** - Number each receipt, making sure you have a receipt for all goods and services received during this reporting period; e.g., check stubs; payroll check stubs; travel, lodging, and food receipts; equipment and material receipts; copies of time sheets and any copies of bills you have for this reporting period. You may also wish to write the cost category to be charged on each receipt to make it easy to identify later.
- **Date** - Each receipt should show the date on which the transaction occurred, the date a check is written, or the date a payment is made.
- **To** - Each report should show the person or company to which you make the payment.
- **For** - In this column you should briefly describe the goods or services that you received for the funds spent.

Now you must decide which cost category is to be charged for each expenditure. Fill in the amount shown on the receipt in the appropriate cost category column. Each expenditure should be charged to only one cost category. These cost categories should be exactly the same approved cost categories from the budget in your grant agreement. Refer to discussion of each of these categories in the manual chapter dealing with Writing a Budget.

- **Personnel** - This column is for salaries and benefits given to staff or consultants.
- **Travel/Per Diem** - This column is for all expenditures related to travel (car, plane, bus, taxi, project vehicle, petrol, etc.); lodging, meals and/or per diem, if applicable, done by project directors, consultants, trainers, workshop participants, etc.
- **Equipment/Materials** - This column is for funds spent for training and office equipment, training and office supplies, etc.
- **Other Direct Costs** - (Operating Costs) This column is for amounts spent on office rental, training center space rental, telephone and telegraph services, postage and utility (water, electricity, telephone, etc.) costs.
- **Total** - On each sheet keep a total for each cost category. When you prepare a financial report, simply total the expenditures made during the period covered by your report. These totals are entered on **Form B (Budget Cost Category Expenditures)**.

FORM B

Name of Project or Group: ______________________________

COST CATEGORY EXPENDITURES
TO BE SUBMITTED TO DONOR QUARTERLY

Project Director: ______________________________
Amount and Date Donor Funds Received: ______________________________
Quarterly Period Covered by Financial Report: ______________________________
Signature of Person Who Prepared this Report and Date Prepared: ______________________________

A COST CATEGORIES (LINE ITEMS) From Budget in Subgrant Agreement	B TOTAL APPROVED PROJECT BUDGET from Budget in Subgrant Agreement	C FUNDS SPENT FROM BEGINNING OF PROJECT UP TO END OF LAST REPORTING PERIOD	D FUNDS AVAILABLE AT BEGINNING OF THIS REPORTING PERIOD Column B - Column C	E FUNDS SPENT DURING THIS REPORTING PERIOD	F TOTAL FUNDS SPENT UP TO END OF THIS REPORTING PERIOD Column C + Column E	G BALANCE AVAILABLE FOR REMAINDER OF PROJECT Column B - Column F Which Also Equal Column D - Column E

FORM B

BUDGET COST CATEGORY (LINE ITEM) EXPENDITURES

Instructions

- Fill in the blanks for Name of Project or Group; Project Director; Date Donor Funds Received; Quarterly Period Covered by Financial Report; Signature of Person Who Prepared Report and Date Prepared.
- Column A: Cost Categories (Line Items). These cost categories (line items) should be exactly as they appear in the approved budget from your subgrant agreement. Normally, the donor will have filled in this column before sending Form B to you.
- Column B: Total Approved Project Budget. The amounts shown in this column should be the exact amounts approved for each cost category in the budget from your subgrant agreement. Normally, the donor will have filled in this column before sending Form B to you. Even though you may receive the total approved amount in installments rather than all at once, it is important to reflect the total approved amount in this column (not just the amount already received from donor).
- Column C: Funds Spent From Beginning of Project Up to End of Last Reporting Period. If this is a new project and your first quarterly financial report, this column will be all zeroes since you did not have any project activity in a previous quarter. If this is your second, third or fourth quarterly report, the amounts spent from the beginning of the project up to the end of the last reporting period will be the amounts shown in Column F from your last report. Normally, the donor will have filled in this column before sending Form B to you.
- Column D: Funds Available At Beginning of This Reporting Period. This amount is found by subtracting Column C from B. If this is your first financial report, this amount will be the same as Column B.
- Column E: Funds Spent During This Reporting Period. Here your write the total amounts spent on each cost category (line item) during this reporting period. These figures are the totals for each cost category from Form A.
- Column F: Total Funds Spent Up to End of This Reporting Period. This is the total amount of money spent for each cost category (line item) since the beginning of this project. To find this total you add Columns C and E. If this is a new project and your first quarterly report, this column will be the same as Column E.
- Column G: Balance Available for Remainder of Project. This is the amount remaining for your project. To find this total subtract Column B from Column F. As a check, you should get the same amounts by subtracting Column E from Column D.

FORM C

Name of Project or Group: ______________________________

QUARTERLY ACCOUNTING SUMMARY

DONOR SUBGRANT FUNDS TO BE SUBMITTED TO DONOR QUARTERLY

Period Covered by Report: ____________________
Signature of Person Who Prepared this Report and Date: ____________

A. Funds Received From Donor Prior To This Reporting Period ____________

B. Funds Received From Donor This Reporting Period ____________

C. Interest Earned On Donor Funds ____________

D. Donor Funds Spent Prior To This Reporting Period (Total Of Column C From Budget Line Item Expenditures Worksheet) ____________

E. Donor Funds Spent During This Reporting Period (Total Of Column E From Budget Line Item Expenditures Worksheet) ____________

F. Balance Of Donor Funds For Project (A + B + C - D - E) ____________

G. Donor Funds: Cash On Hand (Petty Cash) ____________

H. Donor Funds: Cash In Bank Account As Of Last Bank Statement ____________

I. Donor Funds: Deposits Made But Not Shown On Bank Statement ____________

J. Donor Funds: Checks Written But Not Shown On Bank Statement ____________

K. Balance Of Donor Funds For Project (G + H + I - J) **THIS FIGURE MUST EQUAL F** ____________

NOTES:

1. Please provide copies of bank statements covering the period of this report.
2. Please provide copy of advice notice from bank or deposit slip showing amount of funds received from Donor.
3. Please save all of your documentation for income and expenses for three years.
4. Please provide information on any cash or in-kind contributions from sources other than Donor that have been used during this reporting period. For example, the value of donated office space, medicines, vehicle use, etc.

FORM C
QUARTERLY ACCOUNTING SUMMARY

Instructions

o Fill in the blanks for Name of Project or Group; Signature of Person Who Prepared Report and Date; and Period Covered by This Report.

Following are instructions for each line of Form C:

A. On this line show total funds that you receive from the Donor before the beginning of this reporting period. Enter zero if you received your first installment of funds during this period and if this is the first reporting period for your project.

B. Show the exact amount of money received from the Donor (attach a copy of the advice notice from bank or deposit slip showing amount of funds received from Donor) this reporting period.

C. Show any interest earned on Donor funds during this reporting period.

D. Show total Donor funds spent before the beginning of this reporting period. This amount is the total from Column C in Form B. If this is a new project and the first reporting period, enter zero on this line.

E. Show the total amount of Donor funds spent during this period. This is the same total as found in Column E of Form B.

F. This line reports the total amount of Donor funds you have available at this time.

G. Show any cash you may have on hand (e.g., cash box; purse; safe; etc.).

H. Show the amount of funds you have in your account for this project as reflected in your bank statement for the period ending with the last day of the period covered by the financial statement. If the financial reporting is done by calendar quarter, this will be March 31; June 30, September 30; or December 31.

I. Show on this line any deposits you may have made but that are not reflected in your most current bank statement.

J. Show on this line any checks or withdrawals of cash that you may have made but that have not been reflected in your most current bank statement.