

5. Cash Project Management

► In this chapter

Professional management of a Cash Project seeks to minimise potential errors by making use of existing cash know-how. This chapter will familiarise readers with a step-by-step approach that is applicable to most Cash Projects.

In practice, cash management has to elaborate, apply and steer all activities in a synchronised manner in four main fields:

- Beneficiaries
- Database
- Finances and
- Controlling

The presentation below reflects the preferences of cash practitioners for a step-by-step approach, explaining each activity with related tools and experiences.

Cash Projects in an emergency context require quick and reliable implementation. Therefore realistic planning and scheduling should be based on past experience. Time estimates vary a good deal, depending on whether or not Cash Projects have a complaint phase and on how much time and money are involved.

The following table gives estimates of the overall time required for a project:

Chapter	Main steps of Cash Project	Project with handling of complaints	Project without handling of complaints
2 - 4	Design and start-up	10%	15%
5.1 – 5.5	Management of bulk of beneficiaries: announcement, registration, verification ¹ and payment ¹	50%	70%
5.6	Management of complaints (5% – 15% of beneficiaries): collecting, enquiry, verification ² and payment ²	30%	0%
5.7 – 5.8	Closing down, monitoring of results	10%	15%
	Total time required to implement a Cash Project	100%	100%

► Benefits

○ Optimising benefits

Implementing Cash Projects based on standards and in a professional manner ensures maximal benefits to the target groups. On average, this limits overhead costs to 10% or 15% at most (for projects with budgets exceeding EUR 500,000.-). Apart from the empowerment of target groups, the favourable ratio between implementation costs and effects for beneficiaries is one of the major advantages of this type of cash approach.

○ Minimising problems

Well-managed Cash Projects will substantially contribute to reducing frictions, problems and complaints of potential beneficiaries.

○ Contact with beneficiaries

Well-designed assessment, verification and impact monitoring increase knowledge about the beneficiaries' living situation, their problems, strategies for survival, social structures, needs and vulnerability. It permits complaints to be handled adequately or suitable follow-up Cash Projects to be designed.

○ Standardised implementation

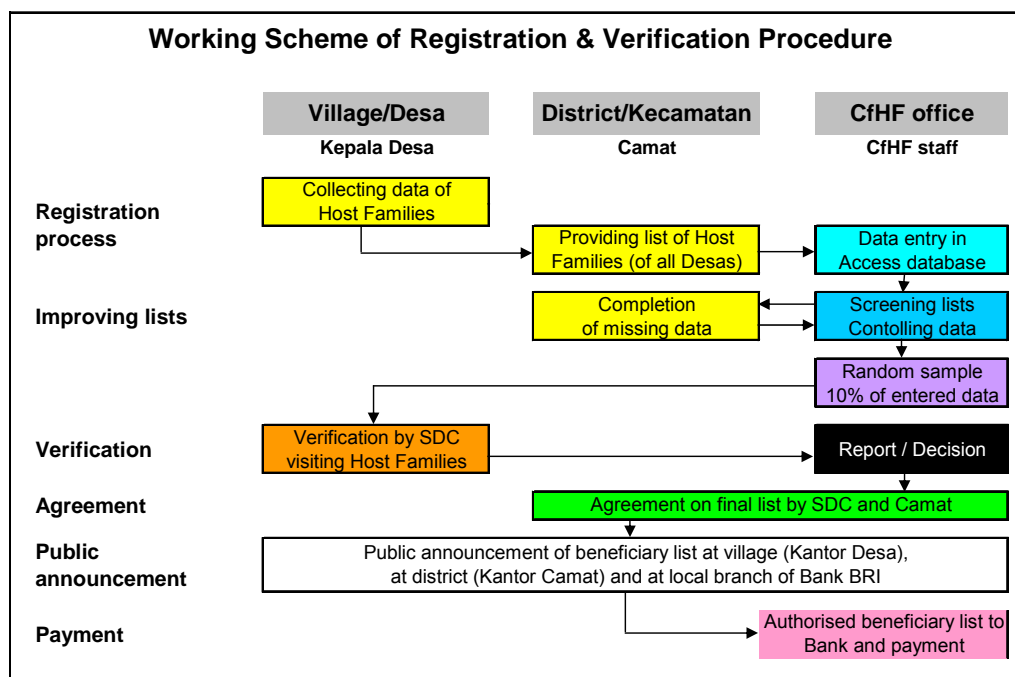
Using the methodology of this comprehensive approach with its main steps and related activities permits the Cash Project to be steered towards output-orientation and to progress systematically, which is indispensable in case of district-wise implementation.

Overview table of main steps in Cash Project management

Ch.	Main steps	Beneficiaries	Database	Finances	Controlling
2 – 4	<u>Design & start-up</u>	<ul style="list-style-type: none"> ▪ Project fact sheet ▪ Press release 	<ul style="list-style-type: none"> ▪ Database concept ▪ DB specification inputs and outputs ▪ DB building 	<ul style="list-style-type: none"> ▪ Financial flow chart ▪ Money transfer test ▪ Partner for payment 	<ul style="list-style-type: none"> ▪ Design main steps ▪ Planning / Schedule ▪ Authorisation HQ: GO
5.1	<u>Announcement of criteria + procedures</u>	<ul style="list-style-type: none"> ▪ Announcement of Cash Project: amount, criteria, registration procedures 	<ul style="list-style-type: none"> ▪ Harmonisation ID formats with bank ▪ Table and mask ▪ Progress monitoring 	<ul style="list-style-type: none"> ▪ Costs announcement ▪ Contract bank / post 	<ul style="list-style-type: none"> ▪ Cross-check acceptance + relevance amount + procedure ▪ Decision GO next step
5.2	<u>Registration of potential beneficiaries</u>	<ul style="list-style-type: none"> ▪ Registration forms ▪ Instructions for team ▪ Registration partner 	<ul style="list-style-type: none"> ▪ Data entry ▪ Screening ▪ Incomplete data ▪ Preliminary beneficiary list 	<ul style="list-style-type: none"> ▪ Costs registration ▪ Provision of funds 	<ul style="list-style-type: none"> ▪ Supervision ▪ Adjustments procedures ▪ Mechanism for complaints ▪ Decision GO next step
5.3	<u>Verification1 of registered persons</u>	<ul style="list-style-type: none"> ▪ Verification concept ▪ Verification forms ▪ Instructions for verifiers ▪ Reports from verifiers 	<ul style="list-style-type: none"> ▪ Random sample ▪ Data entry of verification 	<ul style="list-style-type: none"> ▪ Costs verification ▪ Test payment list 	<ul style="list-style-type: none"> ▪ Mandate verifiers ▪ Silent decisions Y/N ▪ Decision GO next step
5.4	<u>Beneficiary list1 for main payment</u>	<ul style="list-style-type: none"> ▪ Public hang-out of beneficiary list 	<ul style="list-style-type: none"> ▪ Main beneficiary list 	<ul style="list-style-type: none"> ▪ Transfer funds to bank ▪ Test payment 	<ul style="list-style-type: none"> ▪ Decision GO next step
5.5	<u>Payment1 by bank or financing bodies</u>	<ul style="list-style-type: none"> ▪ Payment to eligible beneficiaries 	<ul style="list-style-type: none"> ▪ Daily follow-up of payment 	<ul style="list-style-type: none"> ▪ Bank reporting 	<ul style="list-style-type: none"> ▪ Instruction ID acceptance for bank ▪ Decision GO
5.6	<u>Complaints addressed to Grievance Committee</u>	<ul style="list-style-type: none"> ▪ Information on procedures 	<ul style="list-style-type: none"> ▪ List for registered complaints ▪ Screening 	<ul style="list-style-type: none"> ▪ 	<ul style="list-style-type: none"> ▪ Concepts for complaints
5.6	<u>Enquiry complaints by Grievance Committee</u>	<ul style="list-style-type: none"> ▪ Categorisation ▪ Face-to-face interviews 	<ul style="list-style-type: none"> ▪ Data entry of grievance process 	<ul style="list-style-type: none"> ▪ 	<ul style="list-style-type: none"> ▪
5.6	<u>Verification2 of grievance cases</u>	<ul style="list-style-type: none"> ▪ Verifying unclear cases ▪ Verifier report 	<ul style="list-style-type: none"> ▪ Data entry for verification 	<ul style="list-style-type: none"> ▪ Transfer funds to bank 	<ul style="list-style-type: none"> ▪ Mandate verifiers ▪ Decision: Yes, No, further verification
5.6	<u>Beneficiary list2 based on accepted grievance cases</u>	<ul style="list-style-type: none"> ▪ Public hang-out of beneficiary list or individual letters 	<ul style="list-style-type: none"> ▪ Beneficiary list2 (accepted complaints) 	<ul style="list-style-type: none"> ▪ 	<ul style="list-style-type: none"> ▪ Decision: Yes, No
5.6	<u>Payment2 of eligible grievance cases</u>	<ul style="list-style-type: none"> ▪ Payment to eligible beneficiaries 	<ul style="list-style-type: none"> ▪ Daily follow-up of payment 	<ul style="list-style-type: none"> ▪ Bank reporting 	<ul style="list-style-type: none"> ▪
5.7	<u>Result monitoring</u>	<ul style="list-style-type: none"> ▪ Questionnaire ▪ Instructions monitoring ▪ Report of results 	<ul style="list-style-type: none"> ▪ Data analysis 	<ul style="list-style-type: none"> ▪ Costs monitoring 	<ul style="list-style-type: none"> ▪ Monitoring concept ▪ Mandate monitoring
5.8	<u>Closing-down operations</u>	<ul style="list-style-type: none"> ▪ Letter to beneficiaries who failed to appear ▪ Final press release 	<ul style="list-style-type: none"> ▪ List unclaimed contributions ▪ Database report + documentation 	<ul style="list-style-type: none"> ▪ Redemption by bank to project 	<ul style="list-style-type: none"> ▪ Letter fulfilment agreement bank ▪ Closing-down ceremony

► **Procedure**

An overview scheme of the intended Cash Project is useful to visualise any planned activities:



Overview scheme from Cash for Host Families Project Aceh 2005

- Main steps and intended activities have to be elaborated according to the scheme developed.
- Before starting cash management, it must be ensured that the following key elements have been prepared carefully, as described in the chapters 2 - 4:

Design & start-up

Beneficiaries	Database	Finances	Controlling
Project fact sheet Press release	Database concept DB specification inputs and outputs DB building	Financial flow chart Money transfer test Partner for payment	Design main steps Planning / Schedule Authorisation HQ: GO

5.1 Announcement

► **In this chapter**

Proper announcement of a Cash Project is a key element to ensure its good start. Clear and transparent information has to be provided at all levels concerned. This prevents any ambiguity on the part of local authorities, potential beneficiaries, implementing partners and other local humanitarian actors.

An announcement comprises the most important information on:

- Aims, intentions and duration of the Cash Project
- Beneficiary groups targeted: e.g. IDPs, refugees, vulnerable persons, hosts of IDPs or refugees, victims of natural or man-made disasters
- Criteria of eligibility (only a few, short and easy to understand)
- Procedures of registration, verification, payment and complaints
- Implementing partners

Before any public announcement, controlling has to reconfirm the acceptance and relevance of the cash contribution foreseen and to clarify related procedures. Database and finance activities should be mapped out to ensure that they are ready.

Announcement of criteria + procedures

Beneficiaries	Database	Finances	Controlling
Announcement of Cash Project: amount, criteria, registration procedures	Harmonisation ID formats with bank Table and mask Progress monitoring	Costs announcement Contract bank / post	Cross-check acceptance + relevance amount + procedure Decision GO next step

► **Benefits**

- **Expectations:** Potential beneficiaries become familiar with what they can, and can not, expect.
- **Understanding:** The general public, local authorities and other humanitarian actors become familiar with the goals and intentions of the Cash Project.
- **Information:** Potential beneficiaries and implementing partners receive basic and timely information about the implementing procedures, the time frame and special tasks of the project.
- **Risk reduction:** The potential for misunderstandings and rumours is reduced since the source of information is publicly known. Building up public knowledge is a strategy to achieve transparency and to prevent misuse.

► **Procedure: Beneficiaries**




Different types of public announcement: First of all, comprehensive information has to be obtained on the whole cycle of public announcement and contacts required to implement a Cash Project correctly.

Different types of announcement

Type of announcement	Content, examples
Fact sheet	<ul style="list-style-type: none"> ○ Main data and details of the project for PR purposes
First press release	<ul style="list-style-type: none"> ○ Intention of the project ○ General information concerning benchmarks
Public announcement concerning criteria, amount and procedures	<ul style="list-style-type: none"> ○ Criteria for eligibility ○ Categories of beneficiaries ○ Registration procedures ○ Size and type of contribution ○ Method of payment ○ Payment period, number of payments ○ Complaint procedures
Public announcement concerning special topics	<ul style="list-style-type: none"> ○ Test payments ○ Small projects ○ Status of implementation
Final press release	<ul style="list-style-type: none"> ○ Announcing the closing down of the project ○ Results and level of satisfaction ○ Special presentations for all other actors involved

- **Information channels:** It has to be decided which mass media are most suitable for the different announcements and groups addressed (e.g. local television and radio, newspapers, government bulletins, public hang-out, loudspeaker announcement with 3-wheelers).
- **First press release:** In most countries, the general public wishes to be informed about the Cash Project before implementation starts, with all general information being provided in written form concerning organisation, aim, overall budget (without overhead costs), beneficiary groups, region and implementing partners.
- **Public announcement concerning registration:** This is based on the project fact sheet, reflecting the benchmark of the project and with key figures cross-checked by the project management together with the local authorities. The information must be brief and clear, and disseminated in the national language(s). Before any public announcement, HQ might ask for clearance. Drawing on documents from previous Cash Projects may be useful.


- **Contacts with mass media:** It is helpful to establish good contacts with local media right from the beginning. Interviews should always be accompanied by written hand-outs (e.g. fact sheet, press release, public announcement and new topics to communicate).

	<p>Interviews instead of written announcement Unverified benchmarks announced during an interview with a journalist may create a lot of confusion within the beneficiary community, if they are incorrectly published and/or mixed up with the information given by other projects or donors.</p>
	<p>High-ranking public announcement The Cash for Shelter project manager presented the project aims and procedures together with the President of Ingushetia. This created a great deal of public attention, which supported smooth project implementation.</p>
	<p>Public information concerning the benchmarks of a Cash Project should always be given in writing only!</p>

► **Procedure: Database**

At this stage, the project management has to expect the database manager to be highly flexible and render exceptional services in order to achieve good results.

- **Harmonisation of beneficiary ID formats with bank:** The bank requirements for identification and payment of beneficiaries have to be in line with cleared standard procedures for payment lists; follow-up of payments and best practices to handle unclear cases have to be adjusted accordingly. It is advisable to fix all technical specifications and procedures agreed in a working paper (e.g. as technical annex to bank agreement). These points should be clarified before finalising the registration form for beneficiaries.
- **Table and mask:** At this stage, the Cash Project database should be ready to start testing data entry of imaginary addresses with typists. The data entry mask should show only those categories in which information is required.
- **Progress monitoring:** Controlling and steering of Cash Projects is figure-based. Appropriate progress monitoring has to start at this stage already and to be continued weekly, in some project phases even daily.
- **Data quality control:** The database manager has to control, on a daily basis, all data entries regarding quality and to ensure error checking and correction. To avoid in-house cheating, he should supervise that only authorised data are integrated.


	<p>Already registered beneficiaries In most emergency cases, potential beneficiaries have already been registered in some way (e.g. by local authorities, local or international agencies or national emergency organisations). The quality and form of registration varies considerably (e.g. handwritten lists and electronic databases). The correctness of the information is not necessarily correlated with the form of the list.</p>
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► **Procedure: Finances**

At this stage the project management has to ensure that all preparatory financial tasks have been completed in order to be operational.

- **Selection of the most suitable bank or postal services:** This requires a careful investigation and the evaluation of reliability, quality of customer services, geographical accessibility and number of branch offices, as well as costs and service charges for beneficiaries. Suitable institutions are competent in payment of pensions, social welfare contributions and foreign money transfers of emigrants.

- **Credit investigation:** Any possible instructions from HQ have to be followed. In post-war and emergency situations, the banking sector is often unstable. It might therefore happen that banks collapse and go bankrupt.
- **Contract with bank or postal services:** Discussion with the selected bank is best started by giving a clear description of the planned procedures of payment (including the verified beneficiary list, payment list, instructions for payments, reporting by the bank, etc.). Project management and bank have to agree on procedures, responsibilities, transfer of funds, eligibility and evidence of conformity with criteria to be produced by beneficiaries, costs for payment, general costs and reporting. It is advisable to negotiate on 2 levels: the contract or agreement on a management level, and the procedural details on a technical level. Before signing, the project management usually has to present the draft agreement to HQ for approval.
- **Costs of announcement:** Financial management has to standardise mandates for the necessary announcements (e.g. hang-up posters, loudspeaker announcements by 3-wheelers). Based on material and labour required, a cost estimate has to be prepared for the project management. If announcement is (partly) delegated, the contract with the contractor will specify a budget. Before payment of any fixed charge, achievement of expected outputs will be checked.

	<p>Authorisation of announcements The Swiss federal authorities demand an investigation of the reliability of banks involved (credit rating). This check may take 4-8 weeks!</p>
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► **Procedure: Controlling**

- **Cross-check acceptance + relevance of amount + procedures:** Up to now, most of the key elements of the Cash Project have been based on assessment and planning. At this stage, acceptance and relevance of the cash contribution has to be checked again.
- **Cross-check procedures:** Foreseen procedures have to be discussed, understood and agreed by all partners and stakeholders. A good presentation will provide them with in-depth information and elicit feedback that may lead to a number of adjustments. This attitude facilitates cooperation, co-ownership and improvements to the approach.
- **Controlling and steering:** All controlling and steering tools required must be available to the project management (e.g. project schedule, weekly progress monitoring, financial transfer monitoring, and weekly meeting for review and task planning).

5.2 Registration

► **In this chapter**

A good registration process is important to ensure selection of those persons only that fulfil the criteria of eligibility for cash contributions within the target group.

Before starting registration, the project management has to clarify whether any lists of potential beneficiaries are available as a basis for registration. If there are such lists, the question is whether – and, if yes, to what extent – they are reliable, and whether they are already in use. To know more about any previous registration and experience can be very helpful in determining the next steps.

In most cases, an independent registration process will be necessary. Often, existing lists can not be shared, quality of registration may be doubtful or criteria used are inconsistent with criteria set for the Cash Project.

The registration process has to meet some standards in order to guarantee transparency and equity, and to minimise misuse:

- Timely and clear announcement of criteria, date, place and persons in charge of registration, documents required
- Well-instructed registration teams or committees
- Proper logistical support before, during and after registration
- Tested registration form based on eligibility criteria (in the field and database)
- Supervision of registration by project management

Related database activities collect and process data in an effort to draw up a preliminary beneficiary list. Finances activities support the process and prepare next steps. Controlling supervises the registration process, corrects the same whenever necessary and adjusts procedures after test run.

Registration of potential beneficiaries

Beneficiaries	Database	Finances	Controlling
<ul style="list-style-type: none"> ▪ Registration forms ▪ Instructions team ▪ Registration partner 	<ul style="list-style-type: none"> ▪ Data entry ▪ Screening ▪ Incomplete data ▪ Preliminary beneficiary list 	<ul style="list-style-type: none"> ▪ Costs registration ▪ Provision of funds 	<ul style="list-style-type: none"> ▪ Supervision ▪ Adjustments procedures ▪ Mechanism for complaints ▪ Decision GO next step

► **Benefits**

Correct registration is a central element for proper Cash Project management and contributes to:

- **Guaranteed access:** Procedures guarantee transparency and equal access to registration. Every potential beneficiary will be checked based on clear criteria and procedures.
- **Sorting out:** Deciding on the eligibility of candidates based on documents presented and criteria defined.
- **Reducing cheating:** Preventing misuse of the donated funds by inclusion or exclusion of potential beneficiaries.
- **Profitability:** Well-planned and careful registration is a good investment. High quality will definitively reduce the workload for verification and complaints.
- **Test registration:** Adjusting the management capacity and time frame required for project implementation. Comparing data with previously collected information or with registrations carried out by other humanitarian actors.

► **Procedure: Beneficiaries**

The registration process comprises several activities and needs to be subdivided into:

- Decision-taking concerning an independent registration process for the Cash Project (unless delegating registration to third party)
- Preparing registration
- Conducting registration

Quality of different beneficiary lists

Type of lists	Example	Quality of lists	Influencing factor
Catastrophe-based beneficiary lists	<ul style="list-style-type: none"> ▪ Flood victims ▪ Refugees ▪ IDPs 	Low	<ul style="list-style-type: none"> ▪ Quick elaboration of list ▪ Turbulent situation ▪ Target group moving around
Event-based beneficiary lists	<ul style="list-style-type: none"> ▪ Degree of destruction of houses ▪ Number of animals per household 	High	<ul style="list-style-type: none"> ▪ Hard criteria ▪ Previous support actions in some cases ▪ Based on government statistics
Vulnerability-based beneficiary lists	<ul style="list-style-type: none"> ▪ Widows ▪ Orphans ▪ Single-headed households ▪ Retired persons ▪ Handicapped 	High	<ul style="list-style-type: none"> ▪ Hard criteria ▪ Can be verified at any time
Temporary vulnerability-based beneficiary lists	<ul style="list-style-type: none"> ▪ Sick persons ▪ "Poor People" 	Low	<ul style="list-style-type: none"> ▪ Soft criteria ▪ Defined by "social workers", NGOs, etc. ▪ Very difficult to check

- **Status:** First of all, the situation in the target area has to be checked (i.e. who was or is doing what?). In many cases, lists of potential beneficiaries have already been compiled in the area where the Cash

Project is to be implemented. However, it is usually not certain that the quality of the information is in line with the standards required.



- **Adequacy and reliability:** Existing registration lists have to be evaluated for reliability and checked against the criteria for eligibility (i.e. whether each potential beneficiary can be identified and traced without any doubt). Adequacy of existing registration lists has to be analysed.
- **Decision on registration:** If evaluation shows that the two elements of adequacy and reliability do not fulfil the Cash Project standards, an independent registration process must be considered. Although it is easier to use existing information, an independent registration process has certain advantages as well.
- **Type of registration:** The next step will be to compare the advantages of registration delegated to a third party (e.g. to local governmental bodies), registration conducted together with a local partner (e.g. NGO, local administration) or stand-alone, independent registration. Experience shows that stand-alone operations by foreign humanitarian projects are rather problematic. Targeted goals (e.g. avoiding bribes, maintaining political neutrality) were rarely achieved in this way, despite high investments of effort and human resources.

Different raw data quality for beneficiary registration

Beneficiary lists	No existing lists	Partly reliable lists	Reliable lists
Criteria for eligibility	<ul style="list-style-type: none"> ▪ Definition of how eligibility criteria should be reflected in the database 	<ul style="list-style-type: none"> ▪ Investigation of previous experience ▪ Check of lists available and applicability of defined criteria 	<ul style="list-style-type: none"> ▪ Check of applicability of defined criteria
Identification of beneficiaries	<ul style="list-style-type: none"> ▪ Definition of a set of data for unambiguous identification 	<ul style="list-style-type: none"> ▪ Adjustment, if possible, of existing procedures and conditions 	<ul style="list-style-type: none"> ▪ Application of existing identification criteria
Database	<ul style="list-style-type: none"> ▪ Check of suitability of previous Cash Project databases ▪ If not suitable, adjustment of database or design of new database 	<ul style="list-style-type: none"> ▪ Check for existence of any electronic lists ▪ Screening beneficiary list for reliability ▪ Conversion/import of existing lists to database 	<ul style="list-style-type: none"> ▪ Entering data, if only lists are available ▪ Conversion/import of electronic lists to Cash Project database
Form of registration	<ul style="list-style-type: none"> ▪ Independent registration process is necessary 	<ul style="list-style-type: none"> ▪ Depends on reliability and completeness of information available 	<ul style="list-style-type: none"> ▪ No independent registration process is necessary for Cash Project
Verification	<ul style="list-style-type: none"> ▪ Verification procedure according to independent registration process 	<ul style="list-style-type: none"> ▪ Verification procedure may turn out to be problematic (lack of reliability and completeness) 	<ul style="list-style-type: none"> ▪ Special attention required as to confirmation of reliability of lists

- **Preparing an independent registration process for the Cash Project**
 - **Legal considerations:** Collecting data requires the permission of the local government. This permission should be obtained without elaborate procedures, such as government-to-government agreements. During and after a disaster, collecting such information is much easier than in normal circumstances. If good cooperation with the local government can be established right from the beginning of a project, collecting the necessary data should not be a major problem.
 - **Cooperation** with local authorities has to be ensured. In some cases it is advisable to carry out the registration together with the local administration or even on their premises, e.g. for security reasons.
 - **Registration form:** It is advisable to develop a format that ensures database compatibility and satisfies bank account requirements as well as national standards regarding identification and registration. The format used must permit easy completion by registration teams. Once tested, the registration form should not be changed any more.
 - **Level of information:** The registration form should not be overloaded. Collecting additional information – assuming that it provides extra details on a beneficiary's situation or may serve for a later development project – makes no sense at this stage. Such questions should be asked in the context of a later evaluation, an impact assessment or possibly during the verification procedure.
 - **Announcement of registration:** Date and place for the registration must be made known to the target group well in advance.

- **Planning the registration:** The number of beneficiaries that it is possible to register within a given time frame, determines the duration of that process, the space requirements and number of personnel. The time required for the different registration areas has to be scheduled and convenient days for registration have to be checked (official/religious holidays or market days have to be avoided). A small test registration run will help to refine these estimates.
- **Personnel for registration:** Cash Projects usually work with a small number of permanently employed staff. For the registration, additional personnel have to be employed on a part-time basis. Thorough introduction and training are absolutely necessary, regarding how to obtain the relevant information and how to enter the data in the forms. In addition, these part-timers have to be accompanied by an experienced person until the procedure is completely understood.
- **Deadlines:** It is advisable to close the registration after a defined date. Any debates about registration after that date must be avoided. They are too time-consuming and merely offer another opportunity to try to get on the list (by cheating).
- **Conducting an independent registration process for the Cash Project**
 - **Preparatory measures:** Appropriate areas with a manageable number of potential beneficiaries have to be defined. Crowd formation, confusion and public pressure can be prevented with organisational measures. Logistical measures based on a checklist must be arranged early on registration day (e.g. preparation of space where registration is to take place, transport of registration personnel, provision of material and registration forms required, any security issues to be considered).
 - **Registration:** Before registration begins, staff must be briefed regarding responsibilities and procedures in case of difficulties, and regarding the schedule. One staff member of the Cash Project should be assigned for support, liaison and supervision of part-timers. Completed registration forms should be collected regularly and monitored/verified for quantity, quality and any possible observations.

	<p>There are always persons who miss the registration The project management has to be strict about given time frames. Making exceptions extends invitations to find individual solutions. These should be avoided by all means.</p>
	<p>Unreliable IDP lists It was necessary for a Cash for Shelter project in Serbia to have an independent registration process. This was quite beneficial in several respects: The Cash Project established excellent connections to the local administration, was familiar with the beneficiaries and their problems, and got to know the living situation of the hosts.</p>

► **Procedure: Database**

- **Data transfer from registration forms to database**
 - **Quick data entry** is called for to check whether the collected data comply with information required or not.
 - **Staff:** Availability of trained staff must be assured at all times. Working with part-time personnel on a contractual basis, with outputs defined in terms of quantity and quality, is usually a good solution.
 - **Completeness:** Data entered in the database are first to be checked visually, then by systematic screening within the database.
 - **Supervision:** Database manager has to supervise data entry and quality.
- **Screening and merging of data**
 - **Screening:** After data entry, each registration list has to be screened in depth (double entries of names, addresses, identification numbers, etc.). By performing a thorough analysis, many mistakes will be found, and so will attempts at incorrect registration. Non-eligible applicants have to be sorted out, but data must be kept in the database to be able to deal with complaints.
 - **Data improvement:** Preparation of a catalogue of missing information (i.e. data sets of potential beneficiaries to be completed, specific information required in cases of doubtful applicants, additional information needed to check for compliance with criteria). Database manager should summarise his analysis in a short report.

- **Merging different registration lists:** The accuracy of an established beneficiary list can be cross-checked by comparing it with other lists. The degree of correspondence allows for better understanding, in-depth analysis and measures to be taken.
- **Incomplete data**
 - **Completion:** Project management together with the database manager must decide how to improve quality and how to complete missing data. This can turn into a time-intensive task.
 - **Delegation:** In case of delegated registration (e.g. to social committees at village level), a larger share of missing data (5% - 20%) might be encountered. In such cases, data completion should be requested from the person responsible in the respective hierarchical structure or line of command.
 - **Combination:** In some cases it might make sense to combine verification visits with visits to applicants whose data sets are incomplete, with a view to filling the gaps.
- **Preliminary beneficiary lists**

The result (output) of these steps is a consolidated “preliminary beneficiary list”. This list will serve as a basis for verification. In some cases, the project management selects a limited number of beneficiaries for a test payment (mostly without verification).

► Procedure: Finances

- **Registration costs**
 - **Budget:** A budget has to be drawn up for all activities involving costs, together with staff responsible for registration.
 - **Compensation:** Fair compensation of contracted additional staff for registration is essential. A check (e.g. against permanently employed staff) is advisable to ascertain what is considered to be fair and what might conflict with NGO or Government policy.
- **Provision of funds needed for payment**
 - **Test payment:** It is recommended to effect a test payment early on for some 100 beneficiaries. Availability of funds required must be assured in good time (liquidity). This will provide experience as to how, and how well, management of finances works.
 - **Provision of funds:** Funds to be allocated to bank branch offices have to be provided in good time and in accordance with registration figures.

► Procedure: Controlling

- **Registration follow-up**
 - **Registration site:** Attendance by project management during first registration is suitable, as well as follow-ups on site. This will be greatly appreciated and will enable evaluation of the process so as to make any adjustments.
 - **Public relations:** Field visits by “the boss” offer a unique opportunity to get into contact with local administrative officers, sometimes with mass media and with members of target groups.
- **Adjustments to registration procedures**
 - **Bases:** Any adjustment needs to be fact-based. Staff is obliged to give short and standardised reports on registration activities.
 - **Adjustments:** Only major elements (e.g. schedule, organisation) should be changed, and only if really necessary, following discussion with the registration team. Adjustments are best made in writing (e.g. procedures, checklists, organisational charts) and accordingly require a briefing of staff concerned.
- **Elaborate the necessary steps for a complaint mechanism**
 - **Cases:** At this stage, complaints collected may be analysed and categorised – there may be some justified complaints, others related to not meeting project criteria but representing social or hardship cases, and a number of cases may be suspect for cheating.
 - **Mechanisms:** How to resolve complaints is to be discussed and agreed with all partners involved. Depending on the expected number of cases, alternatives might be developed and discussed again.

5.3 Verification

► In this chapter

Verification is a control mechanism. Data of potential beneficiaries registered in a list or in a database are compared with reality.

In determining the size of the verification sample, first the risk assessment during the project definition has to be taken into consideration, and secondly database managers' reporting. Generally samples of 5% to 10% of listed beneficiaries are verified. In case of unreliable beneficiary data, doubts or vague information about the status and situation of beneficiaries, more in-depth verification may be necessary. Verification efforts have to be in relation to the expected benefit. The attempt to verify 100 % of beneficiaries definitely makes no sense.

The database manager provides a list with incomplete data sets as well as a random sample for verification. Finances takes care of verification costs. Controlling mandates verification teams and closely supervises operation.

Verification1 of registered persons

Beneficiaries	Database	Finances	Controlling
<ul style="list-style-type: none"> ○ Verification concept ○ Verification forms ○ Instructions for verifiers ○ Reports from verifiers 	<ul style="list-style-type: none"> ○ Random sample ○ Data entry for verification 	<ul style="list-style-type: none"> ○ Costs verification ○ Test payment list 	<ul style="list-style-type: none"> ○ Mandate verifiers ○ Silent decisions Y/N ○ Decision GO next step

► Benefits

- **Reliability:** Proper verification reduces mistakes or misuse. On a more psychological level, verification counteracts fears of corruption and prejudice of implicit misuse.
- **Misuse:** In case of significant discrepancies, the project management will be informed before payment to beneficiaries. It can take adequate measures of correction up to postponing payment or excluding individuals who evidently cheated.
- **Equitableness:** Potential beneficiaries take note of what humanitarian projects do and appreciate transparent and strict application of what has been announced. Verification is generally well accepted as it is seen as an effort of equity.

► Procedure: Beneficiaries

- **Verification concept**
 - **Mandatory:** Decision has to be taken whether verification should be conducted internally or externally (delegated); this decision is best based on a short list of pros and cons regarding defined alternatives.
 - **Content:** Main elements are to be outlined in a comprehensive manner (i.e. background, aim, guiding principles, mandated staff or organisation, costs, schedule). This will form a very useful basis to discuss steps, feasibility and responsibilities.
 - **Schedule:** Payment depends on prior verification. Therefore a realistic time estimate and rigid time management are crucial. A schedule provides an overview of the main steps of verification and who does what and when.
 - **Guiding principles:**
 - Any questionnaire is to be kept short and simple
 - Details collected should be limited to information that helps to reduce risk of misuse and to verify registered data
 - Use of local field verifiers recruited and supervised
 - Close collaboration between Cash Project and mandatory with clearly defined responsibilities
 - Procedure and questionnaire to be tested before implementation
 - Involving a grievance committee to deal with doubtful cases and complaints
- **Verification forms**
 - **Questionnaire:** A simple questionnaire aiming to verify eligibility and designed in a user-friendly format will be appreciated by verifiers. It has to be congruent with the database for entry of additional verification data.

- **Testing:** Verification testing should begin immediately after completion of first registrations. This includes not only approval of the questionnaire, but also organisational aspects, time required, problems faced, and data entry.
- **Instructions verifiers**
 - **Understanding:** Awareness and good understanding are to be built up. Verification is a means to reduce the risk of misuse and manipulation during the registration process. Registration data and eligibility criteria are compared with reality in the field.
 - **Training:** Verifiers must receive on-the-job training in how to use the questionnaire. Close follow-up is required, especially in the beginning. Short daily meetings should be held to return questionnaires and discuss problems faced, and to share (positive) experience.
 - **Organisation:** Alternately composed and, whenever possible, gender-balanced verifier teams should be deployed. Questionnaires should be provided to verifiers as empty forms to be completed, containing no more data than the addresses of applicants to be verified.
 - **Cross-check:** Head of mandatory has to compare, on a daily basis, the data of verification questionnaires with the information provided in registration forms. If the verification data do not match the registration data and if there are doubts about the correctness and reliability of the information, the verifiers will be asked to make further inquiries with neighbours and other informed persons.
 - **Doubtful cases:** Cases which cannot be clarified are to be forwarded either to the project management or, for final ruling, to the grievance committee.
- **Report of verifiers**
 - **Verification:** Figures on daily verification visits and numbers of returned questionnaires are to be tabled, showing a summary of findings (i.e. eligible, non-eligible, doubtful cases, non-cleared cases for other reasons).
 - **Observations:** Areas with an increased number of incorrectly registered beneficiaries may be compared with others to develop and verify hypotheses to explain this. Difficulties faced and solutions found help to highlight what worked well and what needs to be improved.
 - **Recommendations:** Defining procedures for how to handle doubtful cases and suggestions for changing procedures helps to develop good practices for forthcoming verification jobs.

► Procedure: Database

- **Random sample of verification**
 - **Sample size:** Usually between 5% and 10% of applicants (listed beneficiaries) are verified in Cash Projects. From a statistical point of view, this figure is rather high. Nevertheless it might be justifiable to increase sample size by taking into account any warnings from risk assessment as well as the expected degree of reliability of the information gathered during registration.
 - **Database:** It is important for the Cash Project manager to have a professional database at his disposal. A database offers functions such as area-focused random sampling. Randomly selected addresses have a high degree of representativeness.
 - **Randomisation:** Technical details and macros to generate random lists of applicants are proposed in the toolbox or can be found in the MS Access handbook.
 - **Verification list:** Printing 2 types of verification list can be useful: a list with names and addresses of beneficiaries for the verifiers, and a list with all data for the person in charge of managing the verification team.
 - **Completion:** In case of combining verification with completing addresses and other details, the database manager will provide verification lists with all data to the verification team.
- **Entry of verification data**
 - **Database:** The data in the verification questionnaires are entered in the project database. A Cash Project should store all data in one database file exclusively.
 - **Screening:** Data processing to be performed as indicated for registration.
 - **Report:** The database manager summarises the results of verification and data completion in a short technical report for the project management.
 - **Result:** This is the main beneficiary list1.



Government lists do not necessarily provide valid verification. An official list may be applicable for government purposes but unsuitable for a Cash Project.

► Procedure: Finances

- **Costs of verification**
 - **Budget:** A budget has to be drawn up for all verification activities involving costs, together with a member of staff responsible. If verification is delegated, a realistic budget might help in negotiating the contract with the mandated organisation.
- **Test payment list**
 - **Beneficiary list:** The project manager authorises the database manager to select a reliable beneficiary group. A print-out of the beneficiary list has to be done for test payment.
 - **Procedures:** All procedures fixed for the planned test payment should be checked and agreed with the partners concerned (e.g. preparation of public hang-out of payment lists with test payment names and procedural details, clearance of project manager's participation or assistance to bank for payment).
 - **Allocation:** Required funds for payment are usually to be transferred to the bank's main office. Distribution to branch offices is then the bank's duty.

► Procedure: Controlling

- **Mandating verification team**
 - **Concept:** The basis for any mandate is formed by the verification concept usually elaborated by the project management and checked thoroughly with the project team.
 - **Mandatory:** Before mandating an external organisation, the project management has to ensure that the candidate enjoys a good reputation. Delegating verification means delegating a key task of the project. Mechanisms for follow-up, adjustment and cooperation in case of difficulties must be defined in advance.
 - **Mandate:** Negotiations in case of delegating the verification process should be based on a written draft mandate with annexed verification concept, schedule and training topics.
 - **Schedule** indicates the main steps with responsibilities. Scheduling should be elaborated in reverse, starting at the end with the date foreseen for announcement of payment.
 - **Supervision:** This is the project management's duty, with support from the database manager.
- **Decision GO next steps**
 - **Test payment:** Next steps may be authorised if staff has produced all documents required.
 - **Beneficiary list1:** Decision to go ahead with producing the main beneficiary list based on the verification report.
 - **Investigations:** Decision on which areas or groups of applicants have to be excluded from payment list. Definition of next steps to deal with fraudulent applicants or cases to review as recommended by the verifier team.

5.4 Beneficiary list

► In this chapter

The main beneficiary list forms the basis for cash payments to the beneficiaries. The database manager has to ensure high-quality lists, and perfect technical documents for the bank and appropriate lists for public hang-outs. A joint effort on the part of the project team is necessary to rapidly finalise the main beneficiary list after verification.

Parallel funds have to be transferred to the bank to effect a test payment of contributions to a limited number of beneficiaries. This is to take place in a defined small area for approximately 80 – 150 beneficiaries selected from the verified beneficiary list.

Controlling authorises the payment list and, if necessary, makes adjustments before the main payment to the majority of the beneficiaries.

The public hang-out of the beneficiary list has to include details of procedures open to unsatisfied applicants or beneficiaries.

Beneficiary list 1 for main payment

Beneficiaries	Database	Finances	Controlling
<ul style="list-style-type: none"> ▪ Public hang-out of beneficiary list 	<ul style="list-style-type: none"> ▪ Main beneficiary list 	<ul style="list-style-type: none"> ▪ Transfer funds to bank ▪ Test payment 	<ul style="list-style-type: none"> ▪ Decision GO next step

► **Benefits**

- **Confidence:** Testing transfer of funds to the bank and test payment allows the Project Team Cash to check whether the procedures and mechanisms foreseen function well or need to be adjusted.
- **Consolidation:** At this stage, the beneficiary list has to be closed, despite pending cases. This step of finalising the main beneficiary list signifies readiness for payment of a cash contribution to the majority of beneficiaries.
- **Transparency:** Controlled public hang-out of main beneficiary list, with applicants'/beneficiaries' right of complaint, ensures a high level transparency.

► **Procedure: Beneficiaries**

Cash Project announcements of payments have to be adjusted to circumstances:

○ **Announcement**

A well-targeted announcement has to be made before any payment. Sometimes press releases or direct announcements on radio or local TV might be called for. In most cases public hang-outs at bank branch offices and buildings of local administration or on public notice boards at market places are sufficient. In other cases, official information by governmental officers or via the governmental radio system or private loud-speaker announcements are more appropriate.

○ **Contents of announcement**

- **Payment:** amount, criteria of eligibility, bank branch office, details of payment or transfer to savings account, identification documents required, person authorised to receive the money
- **List of beneficiaries:** name of head of family, ID, address, in case of hosts possibly their guests as well
- **Complaints:** right to complain, procedures, period, posting address, member of the grievance committee in charge, final decision

○ **Announcement of test payment**

Both announcement and public hang-out have to highlight that this is a test payment which will be followed by the main payment for all beneficiaries.

○ **Announcement of main payment**

This announcement should not be made before having evaluated the test payment and completed any adjustments to procedures.

○ **Individual information**

Only in exceptional circumstances do eligible beneficiaries have to be notified personally (personal letter or even visit). This option might be chosen to avoid any public announcement in order to protect beneficiaries. Nevertheless personal information has two disadvantages: the public can not give feedback on accuracy of the beneficiary list, and the Cash Project will lose transparency and a mechanism of public/social control.

○ **Personal notification is not necessary in the following circumstances:**

- Beneficiary list is publicly posted (e.g. in post offices, local administration buildings, bank branch offices)
- Local administration confirms that individual notification is not required and public announcement can be done easily and repeatedly through mass media or government channels (e.g. TV or broadcast).



Collective doubts and reservations


In some Cash Projects, doubts and reservations are collected and analysed. If they are justified, they can be really useful and lead to improvements, especially if they relate to the public announcement of the project and to financial matters such as money transfers and handling of payments.

► **Procedure: Database**

- **Main beneficiary list¹**
 - **Finalising:** Finalisation of the main beneficiary list, with a final check together with database manager.
 - **Unclear cases:** All doubtful and incomplete data on applicants must remain separately in database. They will be looked at during the complaint period.
 - **Standardisation:** The database allows for tailor-made print-outs and building up of monitoring and reporting on the basis of consolidated data. In an MS Access database, the “reports” features make it possible to create standard print-outs.
 - **Documents:** Production of the following documents:
 - Beneficiary lists for payment to be signed by project manager
 - Beneficiary lists for public hang-outs in corresponding areas
 - Beneficiary lists per bank branch office for internal payment progress monitoring and for finance management
 - **Special information:** Generation of lists for special information if beneficiaries have to be notified by letter (e.g. for security reasons – frequently the case in towns). Letters have to be prepared either by the Project Team Cash or by bank or postal offices.

► **Procedure: Finances**

- **Transfer of funds to the bank**
 - **Financial planning:** Scheduling of cash transfers must be based on transfer tests. Safety margins should be set according to estimated minimum and maximum duration for money transfers from the agency's main account to the Cash Project account in the area.
 - **Parallel transfers:** Set-up of a second transfer channel if test transfers turned out to be difficult or too slow. This way, dependency can be reduced in case one of the transfer channels gets unexpectedly blocked.
 - **Risks:** In post-war situations or after a disaster, transfer, administration and distribution of high amounts of cash often involve operational difficulties and considerable risks. Therefore, banking or postal channels are to be used whenever possible. If this is not possible, it should be determined how private persons and institutions handle the situation. A risk assessment should be carried out so that a decision can be taken on discreet and changing cash transfer arrangements.
 - **Currency:** Generally, cash contributions are paid in local currency. Therefore, the currency of payments has to be determined at the beginning of the project. Likewise, the amounts of the contributions are fixed in the same currency only. Amounts indicated in foreign currencies lead to endless discussions.
- **Test payment**
 - **Selection:** Test payment should be limited to a restricted number of beneficiaries in a defined small area. The test group must be verified in advance, and payment list and announcement must correspond to agreed standards.
 - **Result:** Test payment allows the Cash Project to check whether procedures and mechanisms foreseen work well.
 - **Bank:** Evaluating, together with bank staff, the test payment and any adjustments required will contribute to a good institutional and personal relationship and enhance smooth and transparent implementation.
 - **Adjustments:** Finalisation of adjustments before regular payment is made to beneficiaries.

	<p>Cash Projects do not handle any cash! From the beginning, it should be made clear to everybody that the Project Team does not handle any cash. Payments are made only by the bank or postal services contracted to do so. Informing the public accordingly is better than taking out risk insurance.</p>
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► **Procedure: Controlling**

- **Follow-up:** Project management has to be on the spot, closely monitoring the test payment to be able to follow this up. Follow-up of financial transfers is based on transfer monitoring.
- **Steering:** At this stage, project management is in a position to start steering, based on information regularly provided by field staff, the database and the bank.
- **Complaints:** Complaints are not to be discussed but always referred to the grievance committee. It is important to bundle them and to insist on using standard procedures for clarification.

5.5 Payment

► **In this chapter**

Payment is the great moment for the beneficiaries. Obtaining their cash contribution is a very touchy moment for many, making it finally possible for them to dispose of an eagerly awaited amount of money.

Sometimes payment becomes difficult or will be refused by the bank because there is a problem with identification documents or because other family members show up instead of the head of family mentioned in the beneficiary list.

Finance has to ensure good contacts with bank branch offices. Daily bank reporting allows payment progress to be followed and gives the names of beneficiaries who were not paid. Database integrates data of payment and produces follow-up lists. Controlling is responsible for supervision of implementation and might instruct the bank to adjust procedures regarding acceptance of identification documents.

Payment1 by bank or financing bodies

Beneficiaries	Database	Finances	Controlling
Payment to eligible beneficiaries	Daily follow-up of payment	Bank reporting	Instruction ID acceptance for bank Decision GO

► **Benefits**

- **Satisfaction:** Well-organised payment procedures reduce risks of rushes and tensions. Beneficiaries should always be treated with respect and appreciation.
- **Bank:** A good relationship with the banking institution can help in rapidly correcting wrong beneficiary data and in reducing attempts at misuse.
- **Financial reporting:** Daily bank status and data-based follow-up will provide requisite information for steering.

► **Procedure: Beneficiaries**

- **Bank payment**
 - **Procedures:** Bank or postal services have standard procedures in place for payment in branch offices or at the beneficiary's home. Nevertheless special arrangements can be found with mobile payment teams.
 - **Payment:** Announcement of payment must specify bank branch office, date and possibly hours of receipt so as to prevent crowds or rushes.
 - **Security:** It is advisable to organise a well-regulated line of beneficiaries waiting outside the payment office. This works best with the help of local administration or police.

- **Identification of eligible beneficiaries**
 - **ID documents:** Any payment to beneficiaries must be based on proof of personal identity (ID cards or equivalent identification documents).
 - **Procedures:** It is common practice that payment can only be made if the beneficiary shows up personally, presenting identity card or passport in accordance with the specifications on the payment list.
 - **Authorisations:** If the beneficiary is unable to pick up the cash contribution himself (e.g. due to illness, physical handicap or other reasons), the authorisation of another person is usually regulated by law. Certain institutions, such as postal services, usually have legally checked adequate forms readily available (power of attorney).
 - **Complaints:** Rejected beneficiaries have to be informed about next steps (i.e. day on which to appear with correct documents, forms for authorisation and address for complaints).

► **Procedure: Database:**

- **Daily follow-up of payment:** Lists of beneficiaries paid are usually provided daily by banks and weekly by postal services. Comparing the main beneficiary list with the bank payment data will show exactly who did not receive their cash contribution. Database print-outs allow staff to follow up these cases and to take appropriate measures.
- **Regular progress reporting:** An updated database allows for systematic weekly progress reports. Key data for project steering not only include progress of registration and verification, but also progress of payments and complaints.

► **Procedure: Finances**

- **Liaison officer:** A good relationship with the banking institution is important. A designated staff member should be assigned for all contact, reporting verbally to the project management. Direct contact provides insight into difficulties faced by the bank. It also helps in rapidly correcting wrong beneficiary data and in pinpointing early attempts at misuse.
- **Bank report on payments:** A consolidated report on payments to beneficiaries by the bank or postal services must be cross-checked with the figures in the Cash Project database. The project management has to acknowledge and approve the bank report.

► **Procedure: Controlling**

- **Controlling is responsible for several tasks:**
 - Supervision of payments and financial reporting
 - Instructions to bank for adjusting procedures and handling unclear identification documents or money not received
 - Analysis of complaints and preparation of guidelines on how to deal with them
 - Reception of and feedback on progress reports



Quality of progress reporting: A major lesson learnt is that Cash Projects without proper progress monitoring usually hide difficulties. This contradicts the quality standards applying to Cash Projects and is not acceptable!

5.6 Complaints

► **In this chapter**

There is no Cash Project without complaints. Each Cash Project has its own set of criteria that aim to do justice to the precarious or inhuman situation of disaster victims. Along the edges of these criteria, there is always room for misinterpretation and complaints.

Complaints cannot be avoided or ignored, quite the contrary: complaints have to be approached by applying standards such as transparency and equity.

Cash Projects have to deal with complaints lodged by different groups of people:

- those attempting to get money despite failing to meet the criteria
- those who were excluded during registration but would actually be entitled to a cash contribution
- those being disadvantaged because of wrong or late announcement of registration
- those contesting either the amount of the contribution or the presence of certain other people on the beneficiary list

Controlling has to find appropriate ways to resolve complaints, usually in the form of a concept paper for handling complaints. Generally speaking, the main –steps here correspond to the main steps already presented. Therefore, this chapter will concentrate mainly on themes specific to complaints.

Database provides lists of registered complaints, ensures screening, data entry of verification and results of grievance cases, and produces beneficiary list² for payment.

Beneficiaries’ steps highlight procedures for handling complaints, forms for enquiries, verification and information. Finances follows the main steps as presented earlier in this chapter.

Main step: complaints and second payment

Steps	Beneficiaries	Database	Finances	Controlling
Complaints addressed to Grievance Committee	Information on procedures	List for registered complaints Screening		Concepts for complaints
Enquiry complaints by Grievance Committee	Categorisation Face-to-face interviews	Data entry for grievance process		
Verification² of grievance cases	Verifying unclear cases Reports from verifiers	Data entry for verification	Transfer funds to bank	Mandate verifiers Decision: Yes, No, further verification
Beneficiary list² based on accepted grievance cases	Public hang-out of beneficiary list or individual letters	Beneficiary list ² (accepted complaints)		Decision: Yes, No
Payment² of eligible grievance cases	Payment to eligible beneficiaries	Daily follow-up of payment	Bank reporting	

► **Benefits**

- **Similar procedures:** The steps proposed here are congruent with the previous ones. Therefore, explanations seek to avoid redundancy as far as possible and concentrate on topics related to complaints.
- **No backstrokes:** Adequate handling of complaints reduces workload. Experience shows that excluding or ignoring complaints will lead to considerable workload later.
- **No unexpected reactions:** Taking note of any complaints at an early stage and foreseeing possible incidents will put the project in a position to react adequately.
- **Satisfaction:** Strategies for handling complaints prevent a lot of emotional upset, reduce the potential of a negative image, and certainly cut the length of queues of angry persons in front of the Cash Project office.
- **Fairness:** Applying preventive measures against unfair practices during registration or during elaboration of beneficiary lists ensures equity and transparency.

► **Procedure: Beneficiaries**

Project management should describe in a short concept the steps for handling complaints. On the level of beneficiaries, this involves:

- **Information on procedures and collecting complaints**
 - **Announcement:** The right to complain and procedures for complaints must be explained in detail on the hang-out list of beneficiaries.

- **Complaint forms:** The procedure for people who wish to complain must be clear. If people can make complaints in writing, complaint forms have to be provided. Otherwise, reception has to be organised on the local level.
- **Addressee for complaints:** It is helpful to channel complaints to a post-office box or a separate location in order to avoid large crowds of unhappy persons in front of the Cash Project office.
- **Hotline:** If it is expected or assumed that many people lack specific information about the Cash Project or will complain, a telephone hotline will improve public information.

○ **Categorising complaints**

First, complaints received must be sorted with those staff members who elaborated the lists or collected complaints; sorting is done according to specific categories:

- **Related to registration:** In each registration, a certain number of persons are potentially neglected or forgotten who should actually be included in the list.
- **Related to misuse:** Many people know that they are not eligible but try to get money anyway.
- **Related to screening:** During data processing, some eligible beneficiaries might have been deleted from the list due to double names, wrong addresses or incomplete data. It is possible, however, to add forgotten cases.
- **Related to hardship:** Some people may not meet the criteria but should be on the beneficiary list for some other reason. Once the second beneficiary list is ready, the beneficiaries will be paid according to a second payment list, following the same procedures as outlined above.
- **Related to staff:** There is a certain potential for complaints directed either against the local administration responsible or even against Cash Project employees.

○ **Enquiry into complaints – Option of appealing to grievance committee**

Organisation: Whenever possible, handling of complaints should be separated from ongoing work. That is really important in case of a region-based approach.

Steps: The following steps are also applicable for other options:

- Clearing the composition of the grievance committee and willingness of proposed members to participate
- Elaboration of a schedule
- Information on procedures
- Conducting face-to-face interviews with complaining persons, with grievance committee keeping brief records, also for database
- Decision as to yes/no/verification and putting any unclear cases on verification list2
- Verification of these cases by internal or external verification team
- Basing decision on reports from verifiers
- Screening accepted cases once again

○ **Principles on handling complaints:**

- Each complaint requires verification within a given period.
- All complaints must be registered in the database regardless of whether they result from registration or rejected payment, including written complaints.
- No reasons for the decision have to be given.
- The Cash Project's decision is final; the person complaining must be explicitly informed.
- Information of person concerned in writing as to whether the complaint has been accepted or dismissed (e.g. hang-out lists or letters). Direct communication of decisions taken is to be avoided so as to prevent never-ending discussions.
- Transferring the final responsibility for the beneficiary list to the local government is possible if the original list was prepared by the local government and good cooperation was achieved. Accordingly complaints have to be filed against the local government.



The best strategy to minimise complaints is to have simple, clear-cut hard criteria that are officially announced in the local media!



Do not ignore complaints

Reluctance to deal with every single complaint may lead to ignoring justified complaints. In one Cash Project, this resulted in crowds of angry people gathering in front of the office, increasing the need for armed guards. Appropriate dealing with complaints reduces pressure and contributes to equality.

► **Procedure: Database**

- **List of registered complaints** integrates all complaints, using categories and further analysis.
- **Screening** by applying same procedures as before. Screened complaints are to be compared with accepted beneficiaries in order to avoid double payments.
- **Data entry of grievance process:** After grievance process, decisions taken are to be tracked in the database. Sometimes data on additional persons complaining verbally must also be entered.
- **Data entry of verification list2:** All verified cases have to be entered in database as well, according to verifier's appraisal in the associated categories.
- **Beneficiary list2:** All persons whose complaints were accepted by the grievance committee will be included in the second beneficiary list. This list serves for public hang-outs or individual letters and for payment list for bank.
- **Daily follow-up:** as explained above.

► **Procedure: Finances**

All steps required follow the procedures explained in chapters 5.1 [Announcement](#) to 5.5 [Payment](#) (Finances: Procedure).

► **Procedure: Controlling**

- **Concept for handling complaints**
 - **Brainstorming:** It is helpful to start early by drafting ideas about how to handle complaints. Drawing on previous experience can enlarge the range of possibilities.
 - **Announcement:** The Cash Project's position concerning complaints must be clear before hanging out the main beneficiary list. The right to complain must be declared and the procedures for lodging a complaint explained in detail.
 - **Categorisation:** It is crucial to categorise complaints appropriately. Different reasons for complaints require different solutions.
 - **Options:** The following details have to be checked: expected number of complaints, acceptable decision mechanisms, cooperation of local partners, costs involved and estimated time required. Suitable options for enquiry set-up have to be based on criteria such as these:
 - Handling exclusively by project staff
 - Delegating some tasks, such as verification on the spot, to external staff or organisations
 - Cooperation with local government
 - Outsourcing.
 - **Procedures:** Handling complaints requires sequences for collecting, enquiry, verification and related decisions.
 - **Cooperation:** Especially in rural areas, involvement of local government or administration representatives has proven to be advantageous. They know local people well, apply decision mechanisms that are locally accepted and assume co-responsibility.
 - **Draft concept:** Draft concept of handling complaints should be presented to stakeholders involved and discussed with a focus on lean and efficient management.
- **Steering and controlling**
 - **Decision-making:** Every step of handling complaints ends with a tangible result. Project management must decide for each step whether GO or STOP. That is the only way to steer handling of complaints in a strict and transparent manner.
 - **Mandate verifiers:** New mandates must be established based on the need for support and experience with the verifier team. It must be taken into account that in this phase verifiers might be put under pressure by local authorities or people concerned. Therefore their task must be limited to verifying

- exclusively what is asked in the questionnaire; the team has to be instructed to avoid any discussion or statement about eligibility. Verification has to be planned discreetly and visits should not be foreseeable.
- **Hardship list:** Cash Projects are in close contact with reality, possibly determining that some people are in greater need than the targeted beneficiaries. Some project budgets include a fixed sum for such cases. Project managers are advised to handle such cases separately and discreetly.

5.7 Monitoring

► In this chapter

Usually Cash Projects apply three kinds of monitoring:

- Implementation progress (not treated in this chapter),
- Use of the cash contribution, and
- Project results, with a more in-depth analysis.

The main aim of monitoring is to collect reliable information about how the money is used by the beneficiaries. While the focus is on project outcome, the aim is also to gain a better understanding of direct changes in beneficiaries' lives resulting from the cash contribution.

The impact of a Cash Project is usually analysed in an ex post evaluation or review after project conclusion, or before a new project phase if the project is to be continued (cf. chap.).

Monitoring has become a standard in Cash Projects. The results are important for accountability towards donors, ex post comparison to check whether cash support was an adequate answer to humanitarian needs, and to increase knowledge for follow-up projects bridging relief work with rehabilitation.

Monitoring only makes sense if controlling is properly based on a clear methodology elaborated in a monitoring concept paper. Databases and finances provide support for this monitoring.

Result Monitoring

Beneficiaries	Database	Finances	Controlling
Questionnaire Monitoring instructions Report of results	Data analysis	Monitoring costs	Monitoring concept Monitoring mandate

► Benefits

- **Better understanding:** Monitoring the project results (i.e. output and outcome) provides representative answers to a number of questions. It is an observation process that facilitates better understanding of what is going on.
- **Insight and feedback:** Data collected need to be carefully analysed. It is important to enlarge perception in order to overcome cultural limitations regarding priorities and concerns. Only consolidated results will ensure improving implementation (steering) or new project designs, or critical discussion of the usefulness and appropriateness of cash approaches.
- **Accountability:** Reliable figures on the use of cash contributions confirm whether scepticism and stereotypes as to misuse or inappropriateness were justified.
- **Lean methodology:** Concentrating on collecting data on a well-chosen sample will minimise time and costs of monitoring.

Three types of monitoring in Cash Projects:

Monitoring during implementation	Monitoring after payment	Result monitoring
<p>Progress monitoring of registration, complaints, payments. This is done using statistics and field/office visits.</p> <p>Note: Verification of registered beneficiaries is often called monitoring. In SDC Cash Projects, activities to check eligibility are usually referred to as verification.</p>	<p>Monitoring the use of cash contributions aims to gain better understanding of how the money is used and helps:</p> <ul style="list-style-type: none"> ○ to evaluate whether support in cash is more appropriate than support in kind, ○ to find out about the beneficiaries' priorities, also in relation to gender and age, ○ to prepare significant information on Cash Projects for mass media, HQ and critical debates. 	<p>Result monitoring is the study of opportunities provided by the Cash Project. Achieving unambiguous results requires:</p> <ul style="list-style-type: none"> ○ figures on the beneficiaries' situation and the context before starting the Cash Project, ○ a very precise definition of the aims, expected changes and impact of the Cash Project, ○ an adequate sample, professional questionnaire, and scientific data analysis and interpretation.

► **Procedure: Beneficiaries**

- **Questionnaires:** Monitoring the use of cash contributions can be done by formulating relevant questions. If there is a focus on project results, monitoring questions have to be related to data collected previously by the project and usually accessible in the database. If the Cash Project was planned with a logical framework grid, all indicators for measuring project achievements (i.e. output, outcome) have to be taken into account as well.
- **Instruction monitoring team:** It is essential to prepare guidelines for instruction and training of the monitoring team.

► **Procedure: Database**

- **Clarification:** Monitoring the use of cash contributions is not the same as verification. Nevertheless, visiting and questioning a random sample of beneficiaries provides indirect answers (e.g. whether beneficiaries received the money, what their experiences with this Cash Project were).
- **Random sample for monitoring:** It is necessary to have an adequate sample size regardless of who is charged with the monitoring. The monitoring list with names and addresses of beneficiaries must be printed, including an extra 10% addresses in case of absence of beneficiaries (for more details see chap. 6.3 Verification).
- **Entry of monitoring data:** This is only necessary in case of in-house monitoring. Standard procedures of data entry are to be followed, resulting in Access-based reports (tables and charts). The database manager summarises the results of monitoring in a short technical report for project management.
- **In-depth analysis:** In cases of familiarity with professional statistical software (e.g. SPSS, SAS), data can also be exported and analysed in-depth.

► **Procedure: Finances**

- **Costs of monitoring**
 - **Budget:** A budget has to be drawn up for all activities involving costs, together with project staff responsible (e.g. cost of verifiers, grievance committee).
 - **Contract:** If monitoring is delegated to a third party, this budget will form an integral part of the contract. Sound figures will help project management in negotiations with the potential mandatory.

► **Procedure: Controlling**

- **Monitoring concept:** Writing a short draft concept helps to start discussion with HQ, staff and partners and to involve them in a process. Having cleared and agreed on the points cited below, the project management will have a reliable reference document at its disposal. It makes sense to stratify all questions first, within a comprehensive framework as shown below:

Results	planned	unplanned	<ul style="list-style-type: none"> ▪ Check use of cash contributions against project idea
Processes	furthering	hindering	<ul style="list-style-type: none"> ▪ Indirect verification of a selection of beneficiaries ▪ Indirect information about the implementation process

Impact	desired effects	undesired effects	<ul style="list-style-type: none"> ▪ Analysis of use of cash contributions ▪ Analysis of patterns of spending ▪ Analysis of gender-related spending patterns
Context	furthering effects	hindering effects	<ul style="list-style-type: none"> ▪ Influence of changing context and other support to beneficiaries

- **Questionnaire:** Questions should be restricted to essential points. Every question must be unambiguous and focus on one concern (e.g. no questions like: “have you received the money?” since the possible answers “yes/no” have no validity at all). Translation has to be done properly and it must be ensured that the beneficiary interviewed understands the questions in the way intended by the interviewer.
- **Sample:** The sample size required to be representative must be clarified. Interview partners must be selected at random.
- **Database:** Processing of results must be ensured within the existing database, defining how the results should be presented once the monitoring exercise is completed.
- **Instructions for monitoring:** All instructions must be drafted carefully for trouble-free interviews, first in English and then in the local language.
- **Test monitoring:** Before any interviews take place, monitoring questionnaires and procedures must be tested. Exact instructions must be given about how to complete the questionnaire and how to integrate the answers in the Cash Project database. These instructions have to be tested using a limited sample. If possible, the test monitoring should be conducted in mixed working groups of project staff and future monitors. Experience and suggestions for improvement and for training of monitors should be summarised in a short report.

○ **Mandate for monitoring**


Monitoring of the use of cash contributions is largely done by the project team itself and local staff. If an in-depth study of project outcome is intended, it can be advisable to mandate an experienced local organisation. Normally neither project management nor staff of Cash Projects have the specialist knowledge to undertake such a task. Moreover, short-staffed cash teams are not in a position to carry out monitoring of the use of cash contributions.

- **Partner:** An appropriate partner has to be identified. Consulting several partners might be helpful, taking a look at their previous studies and discussing the thematic focus.
- **Mandate:** A written contract fixes the expected outcomes (e.g. number and quality of interviews, schedule, training, supervision of monitors, report).
- **Implementation:** It is useful to prepare a table with all main steps, deadlines, tasks, responsibilities and tools to be used, as an annex to the contract.
- **Training:** Before starting any monitoring, it is important that the monitoring team members understand how to present themselves and how to question beneficiaries in an efficient and respectful way. There has to be supervised training in this respect.
- **Supervision:** Close follow-up and re-checking of monitoring are essential. The quality of the monitoring results is in direct proportion to the quality of supervision.

○ **Analysis of monitoring data**

Monitoring figures are not self-explanatory. Data compiled must be analysed and culturally interpreted, if necessary.

- **Data-processing:** Proper data entry must be assured and the database manager should draft tables and charts to be printed out later.
- **Interpretation of results:** All figures have to be analysed and formulated as first findings. It is very helpful to present the results to partners and local administration and to ask for their interpretation. These interpretations can differ to an astonishing degree. Discrepancies among views should be discussed, especially with regard to figures that can not be fully understood at first sight.
- **Monitoring report:** Once cleared, all data, results and findings should be presented in a condensed monitoring report.
- **Publication:** The project results and monitoring findings are usually presented to all partners involved at the end of the Cash Project. This contributes to an interesting and substantial closing-down ceremony.

	<p>Side-effects of monitoring the use of cash contributions</p> <ul style="list-style-type: none"> ▪ Monitoring also serves the purpose of indirect control (ex post verification) – but steering is no longer possible. ▪ Monitoring announced early contributes both to greater awareness among everyone involved and to increased self-supervision, including project management. To some extent, it might also imply protection effects. ▪ Monitoring can contribute to better understanding of survival strategies and gender-related expenditure patterns.
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5.8 Closing-down operations

► In this chapter

Proper closing down of a Cash Project is imperative. All complaints and issues regarding non-collected cash contributions must be resolved and brought to an end.

Controlling has to initiate and steer multiple tasks. Often tight deadlines are set for closing down both cash operations and the project office. Therefore output-oriented priorities must be scheduled. This will provide guidance to project staff, who will have to shoulder a heavy workload during the final days of a (successful) project.

Beneficiaries have to be informed about the deadline for collecting cash contributions, and the public should be informed about the results of the Cash Project. Database and finances have to finalise payment list and initiate redemption of remaining funds with bank. Based on this financial report, fulfilment letter to bank and database report and documentation are the last outputs to be produced.

Closing down operations

Beneficiaries	Database	Finances	Controlling
<ul style="list-style-type: none"> ▪ Letter to beneficiaries who failed to appear ▪ Final press release 	<ul style="list-style-type: none"> ▪ List unclaimed contributions ▪ Database report + documentation 	<ul style="list-style-type: none"> ▪ Redemption by bank to project 	<ul style="list-style-type: none"> ▪ Letter fulfilment agreement bank ▪ Closing-down ceremony

► Benefits

- **Transparency:** Rumours as well as new complaints will be avoided by sending individual letters to beneficiaries who failed to appear, or by a public hang-out. People must be informed on final deadlines for collecting the cash contribution.
- **Visibility:** Final press release and closing-down ceremony are acts of appreciation regarding the contributions of all persons and organisations involved. At the same time, it again ensures visibility of the Cash Project, donor and implementing agency.
- **Satisfaction:** The Project Team Cash and the implementing agency will be fully satisfied as soon as they can truthfully say: "Now the job has been done in a professional manner. Everything has been properly brought to an end."

► Procedure: Beneficiaries

- **Public hang-out concerning unclaimed contributions:** In all Cash Projects there are a number of unclaimed contributions. Following a disaster, the situation is often unstable; people have to move or are not in a position to come by themselves or to send an authorised person. In these cases a public hang-out is usually sufficient.
- **Letter to beneficiaries who failed to appear:** In cases of cash support to vulnerable people, letters to beneficiaries who failed to appear may make sense. Some may be too weak to appear personally or have passed away. Preparations have to include widows or children who might ask to get the money, or else municipalities will ask for reallocation of the contribution.
- **Final press release:** It is important officially to inform the public as well as other agencies about results, process and stepping-out or new activities intended. Of course, this should be done in a national and an international language.

► **Procedure: Database**

- **Consolidated payment report:** This report compares the number of paid beneficiaries and the contributions listed in the cash database with the figures given in the final report provided by the bank or postal services. Problems and solutions to these problems are described briefly.
- **Final statistics and documentation:** The consolidated data also form the basis for the final statistics and for charts used in the final report and project presentation.
- **Future use of the database:** A database has a value in its own right. It can be useful in case of an audit or for future cash database managers, providing them with insight into design and solutions found. For external use, however, the database should be cleaned and include details of about a hundred anonymous beneficiaries only.

► **Procedure: Finances**

- **Consolidated bank report on payments:** The consolidated report by the bank or postal services on payments to beneficiaries must be cross-checked with the figures in the Cash Project database. The result is included in the final financial report, which is usually annexed to the Cash Project's final report or, if requested, directly addressed to HQ.
- **Redemption:** Left-over funds are returned by bank and postal services based on the consolidated and checked report on payments. Details should be clearly stipulated in the agreement, including the name and number of the appropriate agency account.

► **Procedure: Controlling**

- **Letter fulfilment agreement bank:** This letter acknowledges receipt of redemption and confirms that all services agreed were fulfilled. This letter must be signed by project management.
- **Official closing-down ceremony:** Implementation of a Cash Project depends on the support of many persons. They appreciate very much receiving warm thanks from the Cash Project management. Often this event is split in two parts: the first is a public affair with the mass media present, when results are presented and appreciation is expressed to organisations and individuals; the second part is for specially invited persons only and is combined with a cultural/social event.