



Federation of Disability Organizations in Malawi

IMPLEMENTATION GUIDE

For

**“We Can Manage” (WCM)
Persons with disabilities’
Savings and Credit Program**

©July 2016

List of acronyms:

ADC	Action Development Committee
AGM	Annual General Meeting
ASCA	Accumulating savings and credit association
CARE	Cooperative for Assistance and Relief Everywhere
CDAs	Community Development Assistants
CMMF	Community Managed Microfinance
DEC	District Executive Committee
DPOs	Disabled Peoples' Organizations
DDFU	District Disability Forum
FEDOMA	Federation of Disability Organizations in Malawi
FIs	Financial Institutions
FO	Field Officer
FoP	Focal Person
FP.....	Field Promoter
GA	General Assembly
IGAs	Income Generating Activities
MC	Management Committee
MFI	Microfinance Institution
MIS	Management Information System
NAD	Norwegian Association of Disabled
NGO	Non-Governmental Organization
NUDIPU	National Union of Disabled Persons of Uganda
PWDs	Persons with Disabilities
ROSCA	Rotating saving and credit association
SG	Savings Group

SHG Self-Help group

TA Traditional Authority

MWK Malawian Kwacha (1 US\$ is approx MWK 705 - as at 13.7.2016)

VSLA Village Savings and Loan Association

WCM We Can Manage

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Chapter 1

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- Justification for the program
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Introduction

The Implementing Organization and Key Partners

1.0 Introduction:

This section introduces the Implementing Organization, Local Delivery Agency and Funding partner as well as the basic principles of "We Can Manage" model, describing the Savings, Credit and Insurance products typical of a community managed Savings Group. It also seeks to guide the Field Officers on the implementation methodology.

1.1 Overview of Implementing Organization:

The WCM Program is implemented by the local Malawian Non-Government Organization; an umbrella body for persons with disabilities, that is the Federation of Disability Organizations in Malawi (FEDOMA).

FEDOMA was founded in 1999, as an umbrella of Disabled Peoples' Organizations (DPOs) in Malawi to provide a unified voice for all persons with disabilities.

FEDOMA was registered by the Government of Malawi through the Trustee Act and NGO Act in 1999.

FEDOMA works through close collaboration with the District Disability Forums (DDFs). FEDOMA gets mandate from over 10 national Disabled Peoples' Organizations (DPOs) representing different disability categories.

FEDOMA works to establish District Disability Forums (DDFs) in the various districts. The DDFs have representation from all FEDOMA affiliates and the leaders are nominated basing on disability affiliate status. DDF leadership is linked with FEDOMA. DPO representatives in the DDF are linked with their specific disability national associations.

Mission:

FEDOMA works to unify, coordinate efforts and strengthen the advocacy work of its affiliates for the wellbeing of persons with disabilities.

Objectives:

1. To promote and advocate for the rights of people with disabilities.
2. To advocate for and monitor the equalization of opportunities for people with disabilities as stipulated in the United Nation's Standard Rules.
3. To coordinate and strengthen the capacity of the affiliated DPOs

Values:

1. Integrity
2. Non partisan
3. Accountability and transparency
4. Equality
5. Participation
6. Respect for human rights
7. Tolerance
8. Commitment to duty
9. Objectivity

10. Equal opportunities

11. Flexibility

12. Team work

13. Honesty

14. Gender sensitivity

15. Good governance

16. Belief in God

FEDOMA's Management structure consists of a Board of Trustees and an Executive Council made up of leaders of its affiliate DPO members.

FEDOMA is an equal opportunity employer with both male and female members of staff in the Management, Finance & Administration, Programmes as well as Support departments.

FEDOMA participates in the Southern Africa Federation of Disabled – (SAFOD) and supports South-to-South Exchange between FEDOMA, LNFOD (Lesotho) and SAFOD.

FEDOMA is also a member of the Africa Disability Alliance (ADA).

FEDOMA is a licensed Microfinance institute by the Reserve Bank of Malawi.

FEDOMA's affiliate members include:

1. Malawi Union of the Blind (MUB).
2. Disabled Women in Development (DIWODE).
3. Malawi National Association of the Deaf (MANAD).
4. Malawi Disability Sports Association (MADISA).
5. Parents of Disabled Children Association in Malawi (PODCAM).
6. Association of people with Albinism in Malawi (APAM).
7. Association of People with Physical Disabilities in Malawi (APDM).
8. Disabled Widows Orphans Organizations of Malawi (DWOOM)
9. Visual Hearing Membership Association (VIHEMA)
10. National Epilepsy Association (NEA)
11. Mental Health Users and Carers Association of Malawi (MEHUCA)

In brief FEDOMA:

- Spearheads the mobilization of the target people; persons with disabilities, their Caretakers including parents and family members of persons with disabilities to participate in the WCM program;
- Liaises with the District based authorities to promote disability inclusion through use of their existing structures and to participate in the planning, implementation and monitoring of the WCM program;
- Coordinates and organize data collection and analysis and make sure that the data are used for continuous improvement of the program implementation at all levels;
- Chairs the National Advisory Board and feed the board with rigorous and up to date program data to gain strategic advice and directions;
- Advocate and lobby for continuous and increased attention for economic empowerment for persons with disabilities at district, national and international fora;
- Create and enhance linkages between the disability, livelihood and micro finance sector at all levels;
- Facilitate cross program learning and exchange, and bring together experiences, information and stories on WCM Program in accessible digital and hard copy format;
- Mobilize resources needed to develop and upscale the WCM program, with close involvement of the District Disability Forums

1.2 Promoting Partner

The Norwegian Association of Disabled (NAD) is an independent human rights and advocacy organization of persons with disabilities based in Oslo, Norway. Established in 1931, NAD works with Disabled People's Organizations (DPOs) and Governments through existing local structures to ensure local ownership and facilitate sustainable change for persons with disabilities.

NAD has committed to securing funds for implementation of the WCM program in Malawi to ensure persons with disabilities take the lead in all the processes.

Not only does NAD provide funding for the Program, it also gives technical advice and promotes learning and transfer of knowledge from the equivalent program that is being implemented in Uganda since 2010.

NAD is also investing in pushing the international structures to become more disability inclusive and promote the WCM on various international scenes and conferences.

1.3 Key actors at district level

The WCM program implementation takes an integrated approach with multi stakeholder involvement. The participation of the various actors varies across the board and it largely depends on their presence, mission and vision as well as their commitment to work with the disability leadership structures. Therefore apart from the District Disability Forums who are the core implementing agency at district level, there are a number of other actors who play key roles in training, monitoring, and supporting the WCM Program:

Table 1: Showing the different Key Actors and their roles

Actor	Role
Financial Institutions (banks/MFIs)	<ul style="list-style-type: none"> • Increase access to their financial services for persons with disabilities to improve their livelihood. This includes a strategy on how to target potential clients with disabilities most effectively. • Making their premises accessible and have good infrastructure so that clients with disabilities can fully access their services. • Ensure that information on financial products and procedures is made accessible to all clients (incl. blind and deaf clients) • Incorporate inclusion of persons with disabilities in operational manuals and strategic plan, as well as staff orientation manuals • Develop performance indicators that relate to access to financial services by persons with disabilities and have these integrated in their MIS/ M&E • Exposes staff to role models with disabilities (e.g. staff members with disabilities, successful entrepreneurs, etc.) • Product promotion and marketing products mention inclusion of persons with disabilities • Maintain active relationships with FEDOMA, DDFs and Disabled Peoples Organizations
MACOHA	<ul style="list-style-type: none"> • Community based rehabilitation (CBR) is being implemented by MACOHA in all the selected districts. • Community Rehabilitation Workers (CRWs) will be key in mobilising persons with disabilities and community members to participate in the WCM program • Monitoring the program implementation alongside the FEDOMA Field Promoters. • Together with the village based CBR volunteers will also assist in identification of target groups and integration of the initiative in other CBR programs.
Community Development Assistants (CDAs)	<ul style="list-style-type: none"> • Lobbying, linking and networking to facilitate access of persons with disabilities to livelihood programs, financial services, business development services and other related services or opportunities • Mobilization of persons with disabilities to attend the WCM community mobilization meetings • Coordinate the registration of WCM groups at traditional

	<p>authority and district level respectively so that they can be legally recognized in the community to access other government programmes.</p> <ul style="list-style-type: none"> • Following up and monitoring of WCM program activities. • Report to the Action Development Committees as well as the District Social Welfare Office about the WCM program as part of the district report so that the program is popularized to attract more partners. • Scaling up the activities of the WCM program through advising on the target catchment areas; informing partners in their area of jurisdiction and at national level about the objectives of the program. • Advise the program on the potential collaborations and working on a mechanism to formalise the program strategic relations. • At district level there are district council meetings which comprises of chiefs (Traditional Authorities, T/As) within the districts, these T/As submits reports from their ADCs. Through these structures activities of the project will be supported district wide since the reports of the project progress will be discussed at these council meetings. Below the ADCs there are the Village development committees (VDCs) which are responsible for planning and implementing development works at village level. A representative of VDC sits at the ADC hence issues from villages are reported to ADC.
Traditional Authority Chiefs	<ul style="list-style-type: none"> • Sensitize the community about the potential of persons with disabilities to influence their participation in the WCM program • Participate in the groups' mobilization exercise following the guidelines provided by the program • Liaise with leadership at village level to promote the program initiative especially with the groups Management Committees and village headpersons.
DPOs at district and national level	<ul style="list-style-type: none"> • Creating awareness among the target population with view

	<p>of promoting effective mobilization and participation;</p> <ul style="list-style-type: none"> • Provide training for (potential) group members with disabilities • Provide regular group support in areas of governance, data collection, conflict resolution, record keeping, market research • Formulation of plans for participation in the WCM program and foster mechanisms for self-propagation of groups • Develop indicators for disability inclusion and performance as a means to ensure sustainability and viability of participation by the target members • Monitor the program progress and advise the program office and the District Working Group on issues relating to strategy
Religious and cultural leaders	<ul style="list-style-type: none"> • Advocate for equity and inclusion • Support and mobilization • Provide spiritual counselling to persons with disabilities and their family members not to neglect persons with disabilities
Village Agents	<p>After one year of implementation the program will select and bring on board willing and vibrant WCM group members to serve as Village Agents. They act as volunteer community mobilizers and replace the program paid Field Promoters when phasing out. During the period that the Field Promoters are still there, they coach and educate Village Agents to play their role. Village Agents are supervised by the DDF; they perform all the roles of the Field Promoters they will replace/ have replaced, provide business development support services and coaching, and also act as a voice of the groups at sub county and district level.</p>

It is the intention of the WCM program to influence the potential partners in the various districts to participate and perpetually get involved in key program activities. This should be prioritized from the on-set so that partners engage in the program processes of planning, groups training, monitoring and reporting activities even beyond the stipulated project life (after the districts have ceased getting direct funding by the program)

Chapter 2

2.0 WCM Program model implementation phases and structures

The WCM model has three (3) phases that give a detailed account of steps to sustainability. This implies that from the start of Economic Empowerment activities in a district capacities are built to ensure continued implementation of Economic Empowerment activities in the district also after external financial and technical support has been phased out.

This manual is organized around the three phases as follows:

Phase 1: Preparing the ground (3 months)

At national level; recruit a Coordinator to oversee the program and spearhead the district-based implementation start-up. It is through liaison with the Coordinator that NAD directs the technical support and guidance.

Program initiation – WCM Program information sharing and harmonization meeting; also specifying the actual program period in the selected district. Emphasis is made to the phase-out strategy

Identify key actors and identifying roles and responsibilities

Program Launch in the catchment area/district

Developing a shared vision on the WCM model implementation

Assess the capability of the Delivery Agency (DDF), formulation of practical Action Plans

Induction on the WCM for the District Disability Forum

Hiring of district based WCM staff – District Coordinator, Field Promoters, and after attainment of 60 active groups - about 1 year an Administrative Assistant

Establish program implementation structure – District and Traditional Authority Working Groups

Develop and sharing phasing out strategy with partners and beneficiaries

Phase 2: Capacity building and implementation (21 months)

Establishment and capacity building of We Can Manage Groups

Equip key actors with knowledge, skills and tools to be able to play their role in a sustainable way

Build data collection capacity and ensure that data are collected, analyzed and used by all the partners involved in the implementation.

Involve partners in monitoring, learning from experience thus continuous improvement, and documentation
Identifying a pool of resourceful persons among the existing WCM members and further build their capacity
Continuous communication with all stakeholders and enhance synergies among savings groups programmes, financial institutions, rural development programs, private sector, government, donors and other disability players
Continued assessment of the DDFs and the WCM Management Committees and provision of support where gaps are identified.
Documentation and sharing of results
Starting cost sharing on service provision by beneficiaries through mechanisms like AGMs.

Phase 3: Sustainability and upscaling (12 months) - starts after 24 months
Functional human resource policies and financial management systems employed by DDFs
Existence of local Business Development Service providers and Audit firms to assess the program
Withdrawing direct funding support, phasing out of program staff from district
Pool of resourceful persons who are playing their role paid by beneficiaries
Self-propagation of groups on the increase
District Disability Forum has stronger focus on advocacy and dissemination of result making use of media -> visibility of the program
Enhanced autonomy in program implementation
Intensive supportive monitoring by FEDOMA for data collection and quality control; but without direct support
Costing system is in place and implemented -> beneficiaries pay fully for services received

2.1 Preparing the Ground

This summarizes the step-to-step activities that are to be conducted to prepare for actual program implementation consisting of:

- District Disability Forum induction meetings
- Program initiation meetings
- Setting up implementation structures

2.2 District Disability Forum induction meetings

As mentioned the District Disability Forum is the main coordinating body at district level; to be able to play that role the first step in the program is to source competent, resourceful and charismatic persons for position of District Coordinator as well as the Community Based Trainers; the Field Promoters. These must be locally sourced personnel with good reputation, community training experience and project management skills. The process to identify and select the program staffs should be championed by the DDF with assistance from the line offices in the district local administration structures.

The recruitment of program staffs should be followed by training all District Disability Forum staff on the goal and policy guidelines of the WCM program.

Induction training on We Can Manage Program; The Project Coordinator and District Coordinator will organize this training for 2 days

Content: Goal, design and policy guidelines of the WCM

Output:

- Shared understanding of the goal, underlying policy guidelines as well as roles and responsibilities of the District Disability Forum and the other program stakeholders in the implementation of the program;
- Clear overview of the targeted beneficiaries, with an understanding of the need to focus on reaching out to men, women and youth with different categories of disabilities;
- Harmonization of expectations;
 - The Program does not provide direct funds to the group or DDF
 - All resources belong to the group members
 - The DDF must strive to sustain the program in their district
 - WCM program serves members from diverse disability categories; including the marginalized disabilities.
 - DDF Focal Persons and program Field Officers are NOT allowed to touch or keep or manage the Groups' funds whatsoever.

- FEDOMA reserves the right to withdraw the program from the district if there is non-satisfactory performance and/or compromise to WCM policy guidelines

➤ Practical understanding of:

- The implementation structure of the WCM including and understanding of the multi- stakeholders participatory approach and the function of the District and Traditional Authority Working groups
- The impact of We Can Manage on gender relations, including the positives and the potentially negative impacts and how to mitigate those
- The relationship between ownership and sustainability, as well as the phasing out strategy of the WCM
- Assigning Focal Persons to each of the Traditional Authorities to be involved in the WCM (territorial division)

2.3 Program initiation meetings

While the program staffs at FEDOMA headquarters and at the districts are expected to oversee the program and spearhead its operations in all districts, it is the duty of the DDF through liaison with the identified key actors to sustain the program way beyond the expected mandate and tenure highlighted at inception.

The DDF is expected to work hand in hand with:

- 1) Disabled Persons Organizations,
- 2) Care givers /relatives or guardians of the persons with disabilities
- 3) District Executive Committee (DEC)
- 4) Local leaders e.g. village chiefs, group village chiefs, STAs, TAs, Senior TAs, Paramount Chiefs, DC, religious leaders, clan heads, school heads,
- 5) Political leaders e.g. Members of Parliament, Councilors, Area Party representatives
- 6) Extension workers
- 7) Local development structure e.g. ADC, VDC,
- 8) WCM groups
- 9) Relevant Development Organizations within the district
- 10) Financial institutions,
- 11) MACOHA,
- 12) Community Development offices,
- 13) Religious and cultural leaders, and community at large to ensure the WCM program gains ground and ownership is established.

This relationship is expected to cause full understanding of roles by the different actors as well as to trigger program ownership as a stepping stone for sustainability of the program.

To build ownership and thus sustainability of the activities it is essential to involve the stakeholders as mentioned above in the **design, implementation, monitoring and evaluation of the We Can Manage activities**. This is done by supporting existing disability structures and the identified partners by strengthening their capacities to deliver, sustain and upscale the We Can Manage program activities.

Ownership starts from understanding and having a shared vision on the need for, and benefits of participating in the WCM program by persons with disabilities. It is further essential that different key actors understand and commit themselves to their own role and responsibilities in achieving targeting and empowerment of persons with disabilities. **The main implementation structure for the program is the District Working Group; this group consists of decision making and implementing representatives of all key actors.**

2.3.1 Information meetings

These are held at different levels to ensure involvement and ownership by key actors:

A. Orientation meetings with key actors' top management – held at National level headquarters by Program Coordinator

Target: line ministry, national DPOs, SG Partners, Fls, MACOHA

Content: explanations of the importance of incorporating disability inclusion in their operations and overall outreach plans.

Output: a contact person to be a reference point for any intended interventions around disability inclusion and also on continuous update on the progress.

B. Orientation meetings with each of the key actors at district level:

Target:

District Council, District Executive Committee, District NGO Committee, DSWOs, District administration officials, Action Development Committee heads, DPO leaders, MACOHA, CDAs, TA Chiefs, religious and cultural leaders, administrators, selected Fls' branch offices and district DPOs.

Content: We Can Manage program introduction

Output: key actors assign decision making and implementing representatives to the program kick off meeting

C. A program kick off meeting with representatives of key actors (2 days)

Content: objective of the We Can Manage Program, discussion of roles and responsibilities of each of the key actors, action planning.

Outputs:

- Detailed understanding of the implementing organization(s), their vision and mission
- Shared understanding of the objectives of the program as well as roles and responsibilities of each of the key actors in the implementation processes;
- Clear understanding of the targeted beneficiaries; i.e. persons with disabilities with emphasis to focus more on the youths, women and diverse impairments;
- Practical understanding on how to include the groups as mentioned above with attention for accessibility, communication, and attitudes;
- Practical understanding the positive and potentially negative impact of the WCM on gender relations, and how to mitigate them
- Demarcation of the catchment territory of coverage i.e. the Traditional Authorities and formal introduction of the zonal Field Officers.
- List of Traditional Authority Chiefs and Community Development Assistants; including their telephone contacts
- Establishment of a District Working Group; chaired by the District Disability Forum;
- A district action plan for year one, as well as action plans of each of the key actors to be agreed upon.
- Formalization of working modalities through signing Memoranda of Understanding with each of the stakeholders.

Note: Usually the WCM program will start with 5-6 Traditional Authorities; to roll-out to a wider area overtime when it has picked momentum.

D. Information meetings in the selected Traditional Authorities with the Area Development Committee, Area Executive Committee, TA Chiefs/leadership, local representatives of DPOs, representatives of persons with disabilities at ADC and TA, the DDF Focal Person, religious/cultural leaders.

Content: Introduction to the WCM program, discussion of roles and responsibilities

Outputs: :

- Detailed understanding of the implementing organization(s), their vision and mission

- Shared understanding of the program as well as roles and responsibilities of each of the TA stakeholders
- Clear overview of the targeted beneficiaries, with an understanding of the need to focus on reaching out to men, women and youth with different categories of impairments
- Practical understanding on how to include the groups as mentioned above with attention for accessibility, communication, and attitudes;
- Establishment of a Traditional Authority WCM Working Group;
- Understanding of, and commitment to the tasks and responsibilities of TA Working Group;
- Action plan detailing out the schedule of different Village Development Committee information sharing meetings;
- Proposed list of prospective mobilizers to liaise with the program staffs to organize Village meetings.

E. Group Village information meeting include the Village Development Committees, Group Village Headpersons, Village Headpersons, Community Development Assistants, DDF Focal Persons, DPO representatives, religious leaders, opinion/cultural leaders, and prospective group members.

Content: To provide information about the WCM program in general and the establishment of WCM groups in particular, including:

- Detailed understanding of the implementing organization(s), their vision and mission.
- Shared understanding of the program as well as roles and responsibilities of each of the Group Village stakeholders
- Clear overview of the targeted beneficiaries, with an understanding of the need to focus on reaching out to men, women and youth with different categories of impairments
- Understanding of and commitment to the tasks and responsibilities of the Group Village and village working group i.e. Focal Persons, Field Officers and Mobilizers.
- Action plan detailing out the schedule of Village Groups training meetings
- Proposed list of prospective group members; predominantly persons with disabilities

Chapter 3

The WCM Implementation structures

3.1 Introduction

The District Disability Forum is charged with the program coordination and implementation in liaison with the program District Coordinator, Field Officers and all key actors at TA, Group Village and Village levels respectively. The District Disability Forum also chairs the District program Working Group and supports the TA Working Groups. The Working Groups are important to enhance multi- stakeholder collaboration and information sharing, needed to build ownership and effectively implement, and monitor and evaluate progress. FEDOMA in this case plays the main role in overseeing, monitoring, guiding and providing technical support, and resource mobilization.

3.2 District Disability Forum based program staff

There are a number of program staffs in the first two (2) years of program implementation including:

- The District Coordinator EEP: hired by FEDOMA at start of the program – program paid.
- Field Officers/Promoters hired by the DDF at the district from the resourceful community volunteers/workers – program paid
- Administrative Assistant, hired by the DDF upon the program reaching 60 groups. When sourcing the Administrative Assistant, priority is given to the existing resourceful Field Promoters and persons with disabilities – program paid
- Village Agents (identified by end of year 2 from active WCM members and funded by the groups); they are hired and certified by the District Disability Forum but are group aided/paid.

3.2.1 District Coordinator:

Responsible to: 1 Administrative Assistant and all Field Officers

Specific roles and duties:

- 1) Mapping of new catchment areas in the district and in liaison with the District Disability leadership allocates zones of operation to the Field Officers.
- 2) Supports reach-out to the target group to ensure access to savings and loans

in accordance with laid program procedures.

- 3) Participates in routine planning and implementation of project activities at district level.
- 4) Provides technical guidance and capacity development support to WCM groups and Field Officers.
- 5) Formulates project budgets, schedules and shares the same with DDF leadership for sanctioning by the Project Steering Committee.
- 6) Proper utilization of project resources and/or funds in accordance with the planned activities and accepted procedures.
- 7) Build a team of motivated Field Officers and appraise their performance in line with the project guidelines and set targets.
- 8) Prepare timely reports in collaboration with DDF Chairperson before they are shared with Program Coordinator.
- 9) Heads the WCM model promotion campaigns in the community and cultivates avenues for strategic networks with relevant partners in service provision and disability development.
- 10)Oversee the community sensitization meetings and mobilization of groups through group's verification prior to kick-off.
- 11)Undertakes regular groups' spot on visits, audits group records and provides instant feedback to the groups to build their confidence, promote transparency and sustainability.
- 12)Heads the program data collection and dissemination activities through production of reports and feedback to groups and Field Officers.
- 13)Take active role in the promotion of the organization programs in the area of jurisdiction and effectively represent the organization in stakeholders' meetings.
- 14)Participate in relevant organization research activities to ensure realistic and facts based approaches are employed in the program implementation.
- 15)Participate in the organization's resource mobilization efforts and proposal development.
- 16)Hold networking and advocacy meetings to promote the organization programs effectively.
- 17)Not allowed to touch, handle and/or manage the groups' and individual members' cash during and after the weekly meetings whatsoever.

3.2.2 Administrative Assistant:

(Hired when the program has attained 60 groups)

Responsible to: All Field Officers

REPORTS TO: District Coordinator and DDF Chairperson

- 1) Maintain an updated filing system for the program activities in the district; this involves group schedules, progress reports, personnel files, stock/asset registers and cash records.
- 2) Manage district office petty cash, the registry at key events and take charge of taking minutes and sharing the same during program meetings.
- 3) Writing all groups' constitutions and maintaining record of the same as well as ensuring periodic (annual reviews) and compliancy with program policies.
- 4) Ensuring groups' schedules are up to date and that the routine follow-up and spot visits are consistent with the established plans. This shall involve sharing of the schedules with the Field Officers and Focal Persons.
- 5) Provide data collection forms to the respective Field Officers and Focal Persons for administration during group meetings and field visits.
- 6) Scrutinize field data forms for consistency and clarity by sharing instant feedback with the Field Officers, Focal Persons and groups' Management Committee members before data is treated.
- 7) Championing the program M&E including MIS data entry operations to generate reports and sharing feedback with the respective parties at group, field and program level for corrective decision making.
- 8) Manage the stock and dispatch project supplies and other materials taking precaution of the safety and security of such items. This shall include advising the District Disability leadership on stock replenishment.
- 9) Ensure that all project resources are in usable condition and are appropriately utilized according to plan.
- 10) Assist the groups to record and bank/deposit all the cash in respect to purchase of Start-Up Kits and other materials from the program office.
- 11) Ensure the office premises including the store and washroom are kept in a clean and tidy state throughout the period of occupancy.
- 12) Coordinate provision of Sign Language Interpretation services to deaf WCM group members during weekly meetings and other meetings deemed fit.
- 13) Participate in program field activities, including organizing community sensitization meetings, groups' disability verification, and conflict resolution as

well as attending partnership meetings at the local level.

- 14) Provide relevant training and support supervision to groups to build their capacity and promote strengthen compliance to WCM policies by the groups, Field Promoters and Village Agents.
- 15) Manage the program office through complaints and enquiries handling and appropriate dissemination of information to partners, WCM groups, and community members.
- 16) Keep in confidentiality in all matters relating to WCM program, human resources, and relations with partners, groups and/or the community.
- 17) Timely report any anomalies pertaining to the safety of groups' funds, misconduct of the Field Officers, Focal Persons and/or WCM group leaders to the relevant authorities for immediate corrective action.
- 18) Organize logistics for any relevant community, group and/or staff meetings and working groups as required by the program and the DDS.
- 19) Undertake as required any other duties compatible with the level and nature of the post and/or reasonably deemed by the supervisor(s).
- 20) Not allowed to touch, handle and/or manage the groups' and individual members' cash during and after the weekly meetings whatsoever

3.2.3 FIELD PROMOTERS (5 – 6 per district)-
Responsible to: Village Agents (5 – 8) and
Group Management Committee (40 – 64)

REPORTS TO: District Coordinator and Administrative Assistant

- 1) Prepare periodic activity plans for endorsement and submit timely progress reports to the supervisor(s).
- 2) Raise awareness in the community through information dissemination meetings and facilitation of formation of viable economic groups.
- 3) Mobilize people with disabilities and caretakers for active participation in WCM Program, building their capacity to practice the WCM model and work with other community members.
- 4) Train WCM members in group formation and management, Savings, Loan and Social Fund procedures, records filling and the accounting system in accordance with the set WCM guidelines.

- 5) Create opportunities for knowledge transfer and information exchange sharing with relevant program partners including financial and business development service providers or as deemed fit by the program.
- 6) Provide support supervision to WCM groups through guidance, auditing records and providing immediate feedback to the members to ensure there is compliance to the established standards.
- 7) Carry out periodic data collection and monitoring among WCM groups to monitor growth and submit findings to the supervisor(s) for appropriate action.
- 8) Identify and coach Trainers/Mobilizers among the existing group members to further cement the model in the routine program activities.
- 9) Enforce adherence to WCM program policy guidelines and maintain set standards in relation to group formation, training, securing groups' funds, data collection, supervision schedules and self-reliance of the groups.
- 10) Promote and motivate team building among group members and fellow Field Promoters and attend to any other duties assigned by the supervisor(s).
- 11) Support the activities towards integration of WCM groups into community and other partners' development initiatives.
- 12) Organize target groups for needs assessment, including coordinating research and any other related knowledge sharing and learning activities related to the program and/or organization.
- 13) Not allowed to touch, handle and/or manage the groups' and individual members' cash during and after the weekly meetings whatsoever.

3.2.4 VILLAGE AGENTS (30 – 40 per district) –
Responsible to: WCM Groups (4 – 6) and
Group Management Committee (24 – 36)

REPORTS TO: District Coordinator and Administrative Assistant

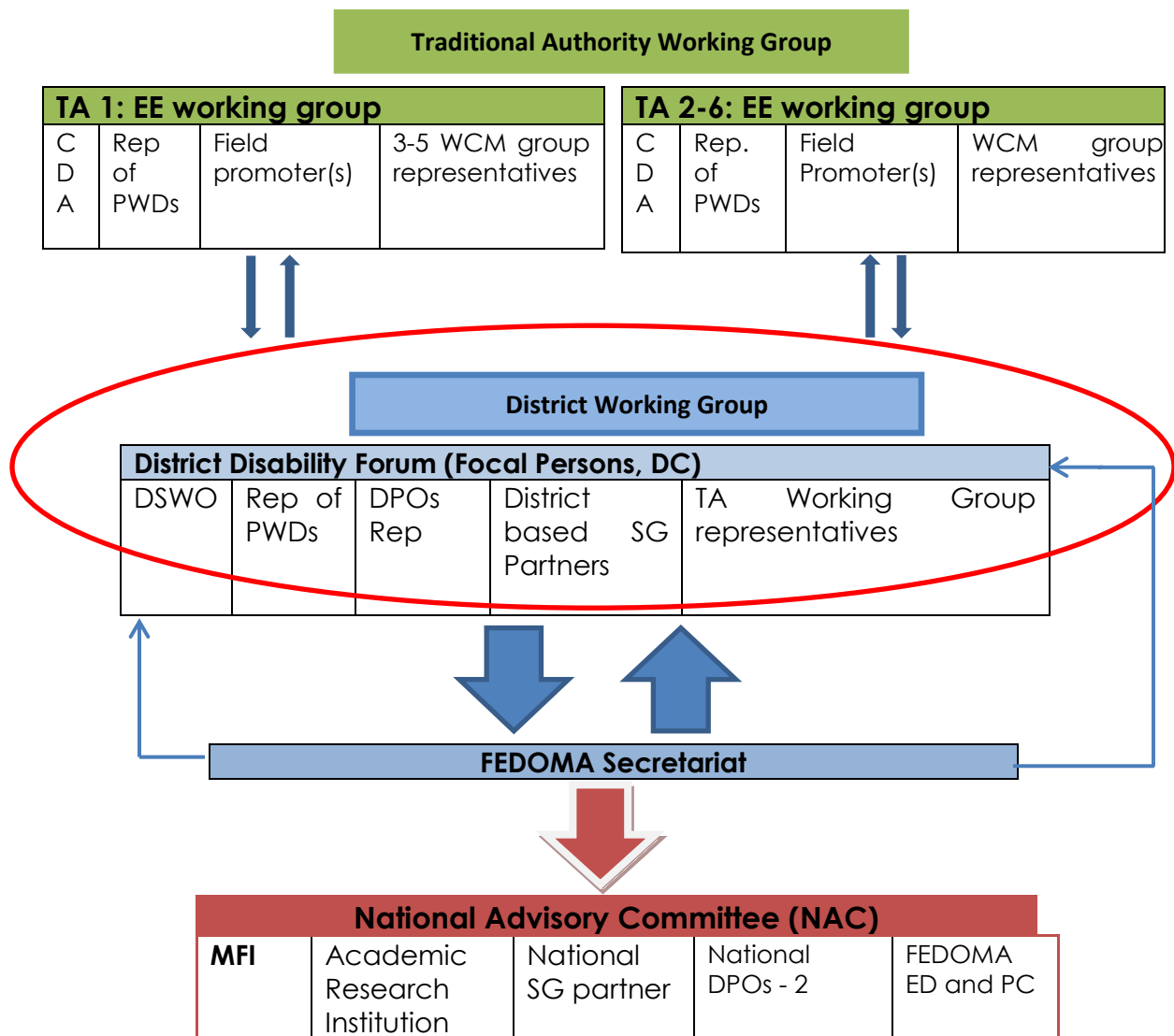
Village Agents are a replica of the Field Promoters. Like all program staffs and Focal Persons, Village Agents are also **NOT** allowed to touch, handle and/or manage the groups' and members' cash during the weekly meetings and between meetings.

They are expected to perform same roles as FPs with exception of the following:

- 1) They are identified among the active WCM group members.

- 2) They retain their membership status in the groups.
- 3) They are coached and groomed by the Field Promoters.
- 4) Their engagement is first subjected to an integrity test conducted in liaison with the group members and community leadership.
- 5) Their remuneration (if any) is negotiated between the groups and the DU; it is activity based and usually paid at agreed intervals in the course of the cycle/year.
- 6) In the beginning, they work under the Field Promoter. Later on they are attached to the program District Coordinator and/or Administrative Assistant.
- 7) They begin with inheriting some of the already established groups from the Field Promoters. Later on they can be allowed to form new groups on their own.
- 8) They cover a smaller geographical territory as compared to Field Promoters
- 9) Conditionally, (for quality reasons) VAs are allowed to manage few groups i.e. (about 4 – 6)
- 10) Village Agents undergo a formal training by the program staffs in liaison with the DU Focal Persons.
- 11) Village Agents are not engaged on permanent basis. The group and/or program can decide on how and when to switch, rotate and terminate their services especially if they fail to meet the minimum agreed standards and/or if they fail the integrity test (group expectations).

3.3 Program organogram



3.3.1 National Advisory Committee

This consists of key actors who have a passion to propel the WCM program activities and objectives to wider frontiers. They are selected by invitation at the discretion of FEDOMA but should be willing partners who have value addition to the program. Their service is voluntary so it is not incumbent on the program to sustain them; rather any costs accrued from their participation in the WCM program may be reimbursed upon production of supporting evidence. The NAC members do not substitute the program team and cannot participate in the program activities without the consent of FEDOMA. They may include among others; 2 FEDOMA officials, 1 MFI, MACOHA, DPO, and 1 SG partner.

3.3.2 District Working Group

This comprises the District Welfare Officer, Representative(s) of disabled persons, DPOs, Savings Groups partners, the CDA and the FEDOMA staffs.

During the first meeting of the District Working Group the group will have to agree on the Terms of Reference, including the objectives, the core responsibilities of each member, and meeting schedule (at least quarterly). The agreements and commitments made in the kick of meeting shall be used as a starting point. The District Working Group is an active group in the implementation, monitoring and evaluation of the progress and achievements of the program in the district. The group meets quarterly to share information, achievements and challenges and take this information along for the planning of activities in the next quarter. The DC uses the data reported in this meeting to compile a report for FEDOMA.

3.3.3 Traditional Authority Working Group

Consisting of the key actors at Traditional Authority level, these Working Groups are important to coordinate and create ownership at TA level. The working group also enhances visibility and momentum of the WCM activities at TA level. In the first phase of the program the Field Promoter plays a key role in coordinating the meetings of this working group, however, over time more responsibility is expected from other actors either from the local government or from active WCM group representatives. The main role of the working group is to coordinate activities, share data, and information on challenges and opportunities. The Working Group also is important to ensure that local leaders are involved and that issues arising at community level are identified and dealt with.

Chapter 4:

HOW THE WCM MODEL IS ORGANIZED AND IMPLEMENTED

4.0 STEPS IN IMPLEMENTING THE WCM MODEL

The Field Officer(s) must chronologically follow these main steps as they implement the WCMP model:

- a) Identifying the target group
- b) Identifying the Program Key Actors
- c) Building capacity of the Key Actors
- d) Introducing the WCM model policy guidelines
- e) Community and groups mobilization
- f) Training seminars to registered WCM groups
- g) Cardinal principles and methods of implementation

4.1 IDENTIFYING THE TARGET GROUP:

The WCM project model targets male and female persons with disabilities and their caretakers among others. The cardinal rule for the WCM model is that persons with disabilities **MUST** constitute at least 60% of the members of a self-selected economic group. Again, the WCM program model emphasizes that majority of the group members should be female members and it promotes recruitment of group members from the age of 10 provided such individuals are persons with disabilities and they are supported by their caretakers to actively participate. The economic group voluntarily forms and saves money in a common pool/fund from which members can borrow and pay back with interest.

4.2 IDENTIFYING KEY ACTORS

The WCM program implementation takes an integrated approach with multi stakeholder involvement thereby prompting the District Disability Forums who are the core implementing agency at district level, to coordinate the implementation in collaboration with selected actors who play key roles in community mobilization, groups' training, monitoring, and supporting the WCM Program in every possible way. These actors include:

- 1) WCM program staffs and Field Officers
- 2) District Disability Forums

- 3) WCM Management Committees
- 4) Government institutions like MACOHA
- 5) District and Traditional Authority Working Groups and
- 6) Formal Financial Institutions including MFIs.

4.3 BUILDING CAPACITIES OF THE KEY ACTORS

At the start of the implementation much attention is paid to building capacities of different key actors to understand and implement the WCM model. In brief, assessment is made of each of the key actors to establish if there are gaps that should be addressed.

Table... overview of capacities needs for each of the key actors:

Key actor	Capacities	Interventions/Trainings	Refer to Manual:
FEDOMA	<ul style="list-style-type: none"> To maintain the registration as a Microfinance Institute with the Reserve Bank of Malawi To provide the overall oversight of the project implementation 		
WCM staffs and Field Officers	<ul style="list-style-type: none"> To facilitate multi-stakeholder engagement To use all data collection and monitoring tools To enhance gender equality in all activities To fully include women and youths in all activities 	<ul style="list-style-type: none"> The WCM model Community mobilization M&E training Gender equality and mainstreaming Inclusion of youth 	<u>Facilitation guides and supporting documents:</u> <ol style="list-style-type: none"> 1. "Preparing the Ground for WCM Program" 2. Monitoring, Evaluation, Learning and Reporting Tools
District Disability Forum	<ul style="list-style-type: none"> To deliver on organizational objectives To balance diversity and coherence To act and commit To relate and attract resources To adapt and self-renew 	<ul style="list-style-type: none"> The WCM model Participatory capacity assessment Development of Capacity development plan Mobilization and implementation strategy Resource mobilization 	<u>Facilitation guides and supporting documents:</u> <ol style="list-style-type: none"> 1. "Preparing the Ground for WCM Program" 2. Training Modules 3. <u>Supporting</u>

		<ul style="list-style-type: none"> Financial management Program monitoring and evaluation 	<u>documents:</u> "Capacity Development of DDFs"
WCM Management Committees	<ul style="list-style-type: none"> To ensure proper (administration of) group operations To build cohesion among group members To resolve conflicts To ensure gender equality and attracting youth To ensure security of group funds To enhance growth of group funds Business development support 	Training in: <ul style="list-style-type: none"> Group leadership and Election of Management Committee Social Fund, share purchase, Loan fund policies and Accounting system Developing a Savings culture Financial management Development of the Group Constitution Safety of group funds Managing transactions: <ul style="list-style-type: none"> First share purchase meeting First Loan disbursement meeting First Loan repayment 	<u>Facilitation and training guides and supporting documents:</u> 1. "Establishment and capacity building of WCM groups"
District and Traditional Authority Working Groups	<ul style="list-style-type: none"> To mobilize community To hold effective meetings To register WCM groups To plan, monitor and document program activities To promote disability inclusion 	<ul style="list-style-type: none"> Orientation/ WCM launching meeting meetings Coaching and supervision 	<u>Facilitation guides and supporting documents:</u> "Preparing the Ground for WCM Program"
Formal Financial Institutions	<ul style="list-style-type: none"> To prioritize disability inclusion in operations To grasp basic skills to 	<ul style="list-style-type: none"> Disability Awareness training Participatory Disability 	<u>Training Manual and supporting documents:</u>

	communicate with clients with disabilities <ul style="list-style-type: none"> • To have capacity and systems in place to collect data on clients with disabilities • To enhance their capacity to reach out to clients with disabilities 	Inclusion Assessment <ul style="list-style-type: none"> • Development of Action plan to become more inclusive, including accessibility measures 	"Support financial institutions in becoming Inclusive to the needs of Persons with Disabilities"
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4.3.1 Capacity of WCM staffs and Field Officers

Before commencement of the WCM implementation FEDOMA will recruit technical staffs with skills in capacity building, coaching/mentoring, project management, advocacy, communication and community mobilization among others. At the program level we shall have the Project Coordinator, District Coordinator while at District Disability Forum we have the Field Officers (Field Promoters and Village Agents). Once on board, these human resources shall undergo a thorough orientation to include:

- 1) The WCM model;
- 2) Project management,
- 3) Monitoring, Evaluation and Learning Tools
- 4) Documentation and reporting
- 5) Participatory capacity building approaches
- 6) Community mobilization and
- 7) Group dynamics; i.e. formation and administration

The WCM program staffs and Field Officers' orientation blends in-house trainings as well as field learning experiences to equip the participants with the relevant skills with view of building their capacity to deliver on the program goal; producing quality and sustainable results.

4.3.2 Capacity of the District Disability Forum

During orientation the DDF has been sensitized and trained on the WCM model; staffs have been hired to provide technical support to the DDF, to train and coach the WCM groups. It is important though that in the implementation phase capacities of the DDFs are built to maintain, further develop and upscale WCM activities after direct support has been withdrawn.

The capacities go beyond technical capacity to guide key actors in the implementation of WCM activities, but also relate to capacities to manage and

operate the District Disability Forum in a sustainable way. To assess the capacities of the DDF and build awareness on capacity strengths and gaps, FEDOMA will facilitate a Capacity Assessment exercise. This is a guided self- assessment that looks at different components of organizational capacity, shows results and identified actions at baseline, follow-up assessment and after every successive year.

The assessment will result in a capacity development plan. Four (4) trainings will be incorporated in the capacity development plan of the District Disability Forum:

- 1) Monitoring and Evaluation;
- 2) Financial Management;
- 3) Strategic Management, and
- 4) Resource Mobilization.

4.3.3 Capacity of the WCM Management Committees:

The WCM groups are a form of community managed microfinance operated at a small scale; the village.

The primary purpose of WCM groups is to provide simple and flexible savings, affordable loan facilities and social insurance to its members; which is crucial in a community where access to formal financial services is limited. This is in line with the interest to enhance the self-esteem and promotion of self-reliance and financial independence among persons with disabilities. It is a fundamental principle of WCM program to have members of a self-selected and voluntarily formed economic group which saves money in a common loan pool/fund from which members can borrow and pay back with interest.

The capacities needed of the District Disability Forum go beyond technical capacity, but also relate to capacities to manage and operate in a sustainable way

The functioning of the WCM groups is further based on these six principles:

Principle	Importance/explanation
Confidence building	<ul style="list-style-type: none"> o Every member's self-worth is appreciated o Active participation by all members in group activities. o Group members have shared responsibility of fund management and decision making.
Simplicity	<ul style="list-style-type: none"> o The procedures, systems and records should be easy to understand for ALL members.
Transparency	<ul style="list-style-type: none"> o Group transactions are ONLY done in the weekly meetings.

	<ul style="list-style-type: none"> Members witness every transaction - seating arrangement
Confidentiality	<ul style="list-style-type: none"> Group secrets are not shared with outsiders. Non-group members not allowed to attend group meetings
Self-reliance	<ul style="list-style-type: none"> Growth is based on what group members possess. Groups are autonomous without any external assets/resources. The entire funds are self-generated; from the members themselves.
Love and passion	<ul style="list-style-type: none"> Mutual love, respect and empathy for one another. Activities in the group are driven by passion

Chapter 5:

INTRODUCING THE WCM MODEL POLICY GUIDELINES:

While the groups will decide on their own rules and regulations, the WCM program has developed some minimum standards to be followed:

- 5.1 The primary target populations for the WCM program are male and female persons with disabilities of all disability categories, including youths.
- 5.2 Persons with disabilities must consist the biggest proportion of the group members; i.e. at least 60%.
- 5.3 Caretakers of persons with disabilities are also encouraged to join the WCM groups. Caretakers are those individuals who assist persons with disabilities in their day-to-day activities e.g. guardians, parents and immediate family members.
- 5.4 The Group should decide on a yearly membership fee, and should commit to formally registering with the authorities.
- 5.5 To ensure transparency and accountability, all transactions are carried out at the weekly meetings in front of all the members of the Group to avoid unauthorized cash movement and minimize risks of fraud.
- 5.6 Each group is provided with a lockable cash box with three different locks. The Key-Keepers must not be members of the Management Committees; but rather other three (3) different people among the group members. The cash box itself will stay with the Treasurer.
- 5.7 Once agreed by the Group members, the length of the operating business cycle is recorded in the constitution.
- 5.8 All savings and dividends will be paid out to the members in proportion to each and everyone's savings.
- 5.9 For confidence building and transparency every member is provided with a Passbook where his/her individual savings and loan transactions are recorded.
- 5.10 The group maintains a Cashbook where each member's saving pay ins, Fine pay ins, Loan pay ins, Loan pay outs, social fund pay-ins and grants as well as the weekly balances of the Group social fund and Loan funds are recorded.
- 5.11 Group members are self-selected from among the target population and membership is open to both male and female disabled persons. Care takers and others willing to work with the disabled may also join.
- 5.12 A Group of 20-30 members is recommended to make a useful pool of capital.
- 5.13 The Group elects a Management Committee comprising five (5) people; the Chairperson, Treasurer, Secretary and two (2) Money counters. The Management Committee must be re-elected at the start of each cycle.

- 5.14** At least three (3) out of the five (5) Committee members should be female.
- 5.15** Groups meet on a weekly basis on the day, time and place as agreed upon by the members.
- 5.16** At the start of a new cycle, depending on members' abilities and dreams WCM allows saving **BIG** amounts beyond the traditional 1-5 shares.
- 5.17** The weekly savings/share value is decided by the Group. Any member is allowed to buy 1 - 5 shares at each meeting depending on his/her ability.
- 5.18** The share value should allow the poorest members to regularly save in the weekly meeting but it should not be set so low to fail savings objectives.
- 5.19** At the start of a new cycle, and with the agreement of all members of the Group, the share value can be increased to foster growth.
- 5.20** Each Group develops a written constitution to which members severally consent and sign in approval. The constitution has provisions on group operations, governance, and terms and conditions for savings, loans and social fund.
- 5.21** The group must fix and enforce fines against members who violate the group's principle norms.
- 5.22** If a member has outstanding fines (owes the group), no loan should be given until such a fine is fully paid.
- 5.23** By the 6th week, the accumulated savings can be given as loans to the group members.
- 5.24** Only group members should borrow from the loan fund.
- 5.25** All Group members shall have the same right to borrow from the loan fund.
- 5.26** The group reserves the right to extend loans to the members; especially if they consider it safe (risk-free).
- 5.27** The maximum size of a loan available to a member shall be (3) three times the member's savings. The **3 x Savings** rule only applies to the best members. This ensures a fair distribution of capital and prevents the risk of over burdening members with credit.
- 5.28** Any member contracts one loan at a time. One cannot take more than 1 loan at a given time.
- 5.29** The loan period shall be **1 to 12** weeks in the first cycle but in subsequent cycles it may be extended up to **26** weeks if the members decide.
- 5.30** All loans MUST attract interest; calculated **up front** on the day one contracts a loan and this should be made clear in the constitution.
- 5.31** WCM program recommends that groups charge interest of **1%** per week in order to make loans affordable to the members.
- 5.32** Towards the end of the business cycle, new loans may be issued PROVIDED the loan amounts are equivalent to borrowers' savings.
- 5.33** Before closing the cycle, all outstanding loans should be fully repaid.

- 5.34** The borrower is free to repay the loan in a period earlier than agreed.
- 5.35** The groups must decide on having a regular and equal contribution to social fund. The fund is set at a level that covers the minimum insurance needs of the Group members.
- 5.36** The social fund provides small grants for specific purposes like emergency assistance, funeral expenses, illness and school fees costs. Members make their request publicly to the Group at the meeting to access the grant.
- 5.37** The social fund is kept separate from the loan fund, and it should not be included in the end of business cycle share-out.
- 5.38** After sharing out, the group may invite new members to replace the deceased, those who migrated to other places, and/or non-active ones.
- 5.39** Disabled members must be given priority when recruiting new members.
- 5.40** Group members who are willing to save lump-sums in preparation for useful amounts of loans in the next cycle are not restrained.
- 5.41** Alternatively, all members may agree to contribute the same amount at the first meeting of the next cycle, which should not be limited to the normal five-share ceiling.
- 5.42** Once the opening balance/start-up shares are recorded in all passbooks, normal savings deposit will be bought, subject to the (1-5) share ceiling.
- 5.43** At beginning of a new business cycle, group members can agree to change the share value and ensure it is affordable to all group members.
- 5.44** The WCM program strongly recommends Groups to open bank accounts with licensed financial institutions of their choice to secure their funds.

5.45 Business Development Services training

Apart from the saving skills and provision of access to informal loans through the WCM groups, WCM is also about helping the members to make optimal use of their own resources and realize opportunities. Trainings on entrepreneurship deal with general business management skills like how to select a good business idea, getting started, improving sales, making good use of a loan, and investment decisions. It is about unlocking the entrepreneurial potential of the members as well as to enable WCM group members to learn simple accounting essential in business management. This will be done in a participatory manner showcasing local role models of entrepreneurs with disabilities highlighting the key component of entrepreneurship and business management.

It is of great importance to involve successful entrepreneurs with disabilities in the entrepreneurship trainings and business coaching.

5.46 Self-esteem and motivation

The training that the WCMP will provide shall put special emphasis on self-esteem and looking at oneself as a business person. Helping the members to see their own resources and opportunities is a goal; and not considering what they do not have to foster growth and development.

5.47 The use of Mobile Phones

The mobile phone numbers for each group is collected and stored in the monitoring document and as a separate list. The WCM staff and Field Officers regularly update the list. The groups also have a possibility of contacting and reporting to the staff if they are facing difficulties and challenges or if they need information about other groups. In WCM program mobile phones are used in planning, monitoring and follow-up efforts as explained below:

5.47.1 Planning:

When the WCM staffs and Field Officers plan for training seminars and visitations they use mobile phones to contact the groups and inform them about the next event. Often used is the text message (sms) since that avoids misunderstandings of date/time/place, etc, followed by a short call to confirm that the sms is received by the various groups.

5.47.2 Monitoring information:

After field visits/trainings the monitoring documents are summarized. In case of any limited information from the groups, or uncertainty one can contact the groups via the mobile phone and get updated/confirmed information. The cheapest, safest and fastest way is to call the WCM groups directly via mobile phone. This follow-up depends on updated contact information, and all groups should be required to inform the WCM staff of any changes in phone numbers (or additional phone numbers of members).

5.47.3 Mobile Money Cash Transfers:

It is in the best interest of the WCM program to collaborate with key players in the local telecommunication service industry to formulate a safe, time saving and user-friendly platform whereby WCM groups can transact with ease.

This is a new mode of quick and safe transacting especially for groups in the very remote areas with poor infrastructure. Similarly, the Mobile Money cash transfers allow for the transfer credit from the Group Phone to another say; the bank account or program office phone at purchase of operational materials. This saves

time but is also useful for smoothening communication between the WCM program office to the Field Officer or the Group and vice versa if necessary.

5.48 Time bound model

The WCM program model promotes a cycle of savings and lending that is time bound (10-12 months) prior to share-out. That means that the group fixes specific dates during the year when to start and end the cycle. At every end of cycle, savings plus dividends are paid to the members.

A time bound cycle is a very transparent way of handling money and a way to avoid fraud and corruption tendencies and to ensure trust and good governance. A time bound model generates a lot of challenges when it comes to fund allocation and loan product design especially since all loans have to be repaid within a certain date. After some time when the Groups have become stronger and more self-reliant, they may decide to make their groups non time bound but this will not be motivated by the WCM program during the first years.

5.49 WCM Program Annual General Meetings (AGMs)

While the DDF structures are already prevalent in the program district, it is difficult to follow-up all the groups and to keep the fire burning on a long term basis. The idea is to create an independent structure of elected regional leaders who liaise with the program office and the DDF to organize WCM program Annual General Meetings (AGMs).

The AGMs are a platform for promoting information sharing and learning among the WCM groups; an opportunity to reflect on the program performance against the established targets and mark out relevant outreach strategies basing on the lessons learnt and experience. At the Annual General Meetings the groups select and facilitate trusted members who attend on their behalf. Participants in the AGMs include government officials, district and TA representatives, DPO officials, DDF executive officials and WCM members among others. The WCM members get inspired on how to sustain the WCM program by experienced facilitators from FEDOMA and its partners. The AGM has a blend of deliberations to commit every WCM group and members.

The key outputs from the AGM include:

- a) Documented accountability to all WCM program groups
- b) Resolution on value of WCM members' annual subscription fees.
- c) Clear understanding and sharing of roles by WCM program actors
- d) Shared Action Plan and sustainability Road Map
- e) Published Price Catalogue for relevant WCM materials

- f) Recognition of groups and individuals with distinguished performance
- g) Appointment of the new AGM coordinating team
- h) New year targets are set to highlight among other things:
 - o No. of strategic partnerships to be established
 - o No. of new groups to be formed
 - o No. of new persons with disabilities to be reached
 - o No. of business ventures started using funds from WCM groups
 - o No. of members' children enrolled in institutions of learning.
 - o No. of business ventures started and owned by the WCM groups
 - o No. of groups that have undergone all the WCM Training Modules.
 - o New territorial/geographical coverage
 - o Total amount of savings to be mobilized
 - o Total amount of Loans to be extended to members and
 - o Any other issues deemed fit by the General Assembly.

5.50 COMMUNITY AND GROUPS MOBILIZATION

There are a number of essential phases/stages which should be followed right from the mobilization of community members; the (potential) group members need to be taken through the process of group formation, and to be trained and supervised up to sharing-out/closure of the business cycle. The Field Officer(s) must chronologically follow these main steps as they implement the WCM model:

5.50.1 Orientation meeting with Government officials and district leadership:

The program should inform Government administrators, line ministries and political heads and national DPOs at different levels about what it wants to do. These are the people who can arrange a public meeting and who can contact influential community leaders. The meeting should discuss the essential components of the program, the target population, source of funds, funding period, groups' autonomy and how NO external funds are given to the groups. It should culminate into a formal soliciting for permission to operate in the said territorial zones and support for the program. It is spearheaded by the DDF Chairperson who works closely with the Project Coordinator, respective District Coordinator and DPO representatives.

What is covered in this meeting?

- The DDF Chairperson introduces him/herself, the Project Coordinator, District Coordinator and FEDOMA
- Project Coordinator highlights the Project purpose and goals:
 - build the capacity of community groups to be able to mobilize savings,
 - use these savings to start a loan fund and to create a social fund for relief of members experiencing emergencies
 - build confidence for poor people to start up enterprises
 - self-reliance among the disabled poor
- WCM program targets male and female persons with disabilities of all categories including youths and children. Their Caretakers and other community members are also welcome to join
- WCM groups will provide:
 - The opportunity to save and borrow flexibly as they need, and make attractive profits on their savings. Disabled poor people will find that WCM groups meet most of their needs for savings and credit, because there are no problems of high minimum deposit requirements, hidden charges, complicated procedures, or difficulty in accessing loans.
 - WCM groups can assist members in case of death, disease or natural disaster; local moneylenders may not be willing to provide this service to the poorest.
 - WCM groups help members build self-respect, self-reliance and self-confidence
- History of the WCM Program and its performance in other countries like Uganda plus similar Savings Groups programs worldwide. There are over 5 million poor people successfully managing their Savings Groups worldwide. More than 90% of SGs succeed and remain together for several years or more.
- Community members make a contribution towards start-up costs – cost sharing
- WCM Groups are taught to manage their own activities throughout the year; a Field Officer will attend most of the Group's meetings to train and assist them.
- In this district the WCM program will get direct funding for **three (3)** years after which FEDOMA will support the DDF to work out mechanisms to sustain the program
- WCM program facilitates the Field Officer to train the community/groups groups do not pay for the service.
- After a year the Field Officer will identify and select people from the WCM groups who will be trained and to carry on this work for a fee contributed by the groups. This will create new local jobs and ensure that WCM groups have a person in the community who can help them solve their problems.
- **The WCM program staffs, Field Officers and DDF Focal Persons are not allowed to handle and/or manage the groups' funds during and after meetings whatsoever.**
- The Project Coordinator promises the following to the Government and District officials:
 - Reliability
 - Integrity
 - Establishment of a sustainable service that enjoys community support and has

- an important economic impact.
 - Persons with disabilities of various disability categories including women and youths in are targeted.
- What FEDOMA and the DDF need from Government and Community Leaders:
 - Permission to work in the area.
 - Support to the District Coordinator and his/her team
 - Mobilization of the community to attend a public meeting, at which the WCM methodology will be explained and community groups invited to participate
- Feedback: the Project Coordinator should take questions and ask for feedback.

Outcome:

- a) Action Plan shared with the district leadership
- b) MoU signed with the authorities (optional)
- c) Letter of approval from authorities – General
- d) Participation of the district line office (DSWO) in the program key processes of mobilization, planning and monitoring.

5.50.2 Information meetings with Community leadership:

Like the district meeting mentioned above, the local community leadership in the selected catchment areas must be consulted and involved in the program from on-set. The key persons and offices expected in such a meeting include the political representatives, TA Chiefs, religious and cultural leaders, Community Development Assistants, Group Village Heads, Village Heads, representatives of local DPOs, the Chairperson of the DDF, area Focal Person(s) and Field Officer(s)

In this meeting, resourceful mobilizers will be identified to kick-start the community mobilization meetings. The participants in this meeting will agree on the strategy to sensitize and mobilize the community; for instance through writing invitation letters, running radio notices, meetings, community ceremonies.

Community sensitization and mobilization may also be done through piggy backing on existing community development programs provided it is envisaged not to be harmful. In this case though, issues of information packaging, ownership and ascription must be thoroughly discussed and agreed upon to avoid confusion to the community. Otherwise the WCM program does not build on already existing program/groups. Field Officers are expected to mobilize fresh groups based on a WCM foundation and orientation.

Outcome:

- a) Catchment areas are identified
- b) Potential mobilizers identified and contacted

- c) Definition of key actors' duties and obligations plus harmonization of expectations
- d) Opening avenues for information dissemination
- e) Plan of Action shared.

5.50.3 Groups Orientation meetings with clustered prospective members:

Community meetings are held at parish and village levels through the use of invitation letters, radio notices, disability leadership, cultural and religious leaders, opinion leaders as well as prominent local business people by the Field Officer(s) in clusters of about 50 - 100 potential WCM group members. The aim is to have the word spread to a wider community. The place, date and time of the public meeting should be agreed at this point, so that the Field Officer can schedule an appearance.

What is covered during this meeting:

- The purpose is to create autonomous WCM groups.
- WCM program is not a government programme.
- All of the funds used to provide loans to the members come from the members' own efforts. The program does NOT provide any money to WCM groups.
- The size of the Group must be not less than 20 members and not more than 30.
- Groups will be sold a metallic Cash Box that has 3 lockable padlocks on it and which contains all of the materials needed to run a group. This box cannot be opened outside weekly meetings.
- Qualities of good members
- Groups are governed by a Management Committee, appointed by the Group members.
- WCM group members will be taught to save regularly, to take loans from that savings, and to share out the savings and profits each year according to each person's contributions.
- The Field Officer is only there to teach them the system. Members will manage their activities themselves, and the FO will **NEVER**:
 - Handle or manage the Group's money
 - Write in the Group's records
 - Keep or take the Cash Box away.
 - Ask for a loan.
 - Ask for a gift

- Training and supervision takes approximately 12 months. After this the WCM group is independent, and continues to operate without much help, although the Field Officer will continue to be available for advice and support.
- During the first year, the FO will identify a number of local people (Village Agents) from the groups who will be trained to carry on the work. (S)he will be their supervisor to make sure that the quality of the WCM groups remains high.
- The members of the proposed Group should choose the venue and time of the meeting
- The FO then tells the assembly that (s)he will return to the community at an agreed time to see if people are interested and will then make training arrangements.
- Those members who are interested must form groups of between 20 - 30 members before the next meeting. The Field Officer stresses the following before closing the meeting:-
 - Group meetings are weekly and mandatory.
 - Majority of the members; at least 60% must be persons with disabilities.
 - Members must be residents in the vicinity of the meeting
 - Members must know and trust each other.
 - Leaders are not elected until after training begins.
 - Trainings are a MUST for all group members.

Outcome:

- a) Self-selection to get group members
- b) Group verification.
- c) Start-up/membership fees collected by group.
- d) Registration by the WCM program office

5.50.4 Groups Verification:

At such a time when a prospective group has determined its rightful membership and also exhibited willingness to register with WCM, the Field Officer MUST notify the program office and agree with his/her supervisor on the appropriate date to conduct a group verification. A list of the group members detailing out the names, gender, age, disability and category of membership is shared with the WCM program office in advance. All groups MUST undergo the verification exercise prior to paying Start-Up Kit fees and registration in the WCM program. It is conducted by the Project Coordinator or District Coordinator or Administrative Assistant and/or DDF Focal Person in the presence of the Field Promoter.

Group verification puts emphasis to detail pertaining to the history of the group, composition of members in regard to disability and gender as well as ensuring that the

group does not have more than **2 individual members who are close relatives**. When found eligible the group will be registered and given a unique Identification Number (which will go together with its name).

Table 5.1: Essential requirements and potential dangers for non-compliance

Requirements for the group/members:	Potential risks/dangers if compromised
The group must NOT be an already existing group; owned by another program/organization.	<ul style="list-style-type: none"> ○ Founder syndrome; ownership by others ○ Inconsistent procedures ○ Absence of allegiance ○ Limited accountability to members ○ Prone to abuse due to Mission drift
The group must consist of willing members; not coerced or persuaded with anticipation of external gain now or in the future	<ul style="list-style-type: none"> ○ Kills growth and members' self-motivation ○ Endangers commitment ○ Not sustainable, depends on external factors
The group must have majority of its members as persons with disabilities – at least 60%	<ul style="list-style-type: none"> ○ Escalates exclusion for disabled persons ○ Aggravates poverty for disabled persons ○ Limited chance to build social capital
Group members must be diverse representing all gender and disabilities; including marginalized disabilities	<ul style="list-style-type: none"> ○ Reduces possibility of learning ○ Missed opportunities to tap into other people's potential
Members must be residents of the locality or the nearby village(s)	<ul style="list-style-type: none"> ○ High cost of participation, e.g. time, communication, transport fare. ○ Irregular attendance of weekly meetings ○ High default on loans due to difficulty in recovery from distant members
Members' willingness to contribute towards start-up fees and weekly savings plus social fund.	<ul style="list-style-type: none"> ○ Breeds high level dependency ○ Denies ownership by members ○ Discourages commitment
Group must NOT be formed on grounds of religion, politics, social/economic status	<ul style="list-style-type: none"> ○ Deepens discrimination ○ Reduces opportunity to serve/participate ○ Promotes socio-economic imbalances

Group must be willing to subscribe to the values of the DDF

- Lack of control and supervision
- Disunity among the disability fraternity
- Difficulty in mobilization of disabled persons

IMPORTANT:

ONLY those groups that are deemed to have met the requirements shall be certified and registered in the WCM program.

The WCM program reserves the right for group registration.

Outcome:

Group verification is followed by certification which is the indication that WCM program has approved of the group registration. Practical plans to train members of the newly formed group commence.

5.50.5 Groups Registration

Each group should be registered with FEDOMA as a Microloan group as stipulated by the Reserve Bank Act.

The groups are guided to choose a name for the WCM group. It should be an inspirational name that motivates the members to actively participate in all group activities. The Field Officer gives the Group a number which is composed as follows:

- a) Each group will have a maximum of four digits
- b) The identification code for the group will be in the order of: district code (1 digit), Field Officer/Promoter code (1 digit), and the group number (2 digits)
- c) The Field Officer will be the one giving the identification code to the group in communication with the District Coordinator
- d) Each group will have to be made aware of their code.
- e) Registration/membership fees collected from the group members.
- f) Registration of the group by WCM program office
- g) Confirmed date and place for first Group Training.

5.51 TRAINING SEMINARS TO REGISTERED WCM GROUPS:

The Field Officer should follow a chronological flow of capacity building to enable effective learning, whereby all the key actors participate to cause ownership and

deeper outreach of the program. After the group has registered, the Field Officer agrees with the group members to coordinate and facilitate systematic training seminars to be attended by every group member. The training seminars are conducted in an atmosphere conducive for in-depth learning by the group members. The Field Officer should work out a suitable training schedule so that ALL the training content stipulated by the WCM model is appropriately tackled in the agreed time frame. The training seminar is a MUST for every new group and member. There are 10 Training Modules in the WCM program.

The Field Officers should not combine different groups together during such trainings in order to tap into the individual groups' uniqueness. Combining groups together during training seminars deters originality of ideas from members hence working against the key value of self-reliance.

It is important when organizing the trainings to ensure that the training venue is accessible and that access to the information is provided to all participants.

Members are encouraged to carry a note book and pen each to allow them jot down important points during the seminar.

5.52

5.52.1 The Field Officer should follow a chronological flow of capacity building to enable effective learning, whereby all the key actors participate to cause ownership and deeper outreach of the program. After the group has registered, the Field Officer agrees with the group members to coordinate and facilitate systematic training seminars to be attended by every group member. The training seminars are conducted in an atmosphere conducive for in-depth learning by the group members. The Field Officer should work out a suitable training schedule so that ALL the training content stipulated by the WCM model is appropriately tackled in the agreed time frame. The training seminar is a MUST for every new group and member. There are 10 Training Modules in the WCM program. The Field Officers should not combine different groups together during such trainings in order to tap into the individual groups' uniqueness. Combining groups together during training seminars deters originality of ideas from members hence working against the key value of self-reliance. It is important when organizing the trainings to ensure that the training venue is accessible and that access to the information is provided to all participants. Members are encouraged to carry a note book and pen each to allow them jot down important points during the seminar. In summary the training seminars should comprise of 10 essential modules:

5.52.1.1 Module 1: Groups, leadership & elections (1 day)

5.52.1.2 Module 2: Development of Group Constitution (2 days)

5.52.1.3 Module 3: Record keeping and WCM accounting system

5.52.1.4 Module 4: Group Transactions; Savings, Social Fund, and Loan handling.

5.52.1.5 Module 5: First Loan Disbursement meeting

5.52.1.6 Module 6: First Loan repayment meeting

5.52.1.7 Module 7: Safety of group funds

5.52.1.8 Module 8: Entrepreneurship and Business Management

5.52.1.9 Module 9: Financial Literacy: Loans, Savings and Investment decisions.

Module 10: Action Audit/share-out; kick-starting new cycle, members' retention/recruitment, and targets setting.

5.53 CARDINAL PRINCIPLES AND METHODS OF IMPLEMENTATION

To be able to administer the WCM project implementation effectively, the Field Officer should demonstrate attributes commensurate to their field routines namely:-

- 5.53.1** Articulate; the FO ensures the WCM model is understood by the local leaders, DPOs and all the Group members.
- 5.53.2** Mentorship; trains the WCM Groups and members to be self-reliant and independent of him/her.
- 5.53.3** Team building; encourages all Group members to work together by actively participating and contributing during the meetings. Also ensures maximum active participation of Key Actors.
- 5.53.4** Motivational to all the Group members to set personal targets, save regularly and attend weekly meetings on time.
- 5.53.5** Confidence building; encourages the heart, helps to build the self-image and esteem of the poor WCM Group members with assurance that they CAN MANAGE!
- 5.53.6** Fairness; ensures that the Management Committee is fairly elected, fulfills its responsibilities independently and conducts itself democratically.
- 5.53.7** Innovative and creative in handling the group affairs
- 5.53.8** Arbitrator; helps the WCM members to resolve any interpersonal conflicts that may arise.
- 5.53.9** Integrity; lives by example at all times and commands respect from the Group members, local leaders and the community he/she is working with.
- 5.53.10** Honesty; does not handle, manage the group funds or influence how it should be managed whatsoever.
- 5.53.11** Influencer; commits to mobilization of persons with disabilities and persuasion of the community at large to support and participate in the WCM program.

INTENSIVE PHASE

Chapter 6

Group formation and Leadership

A Note to Field Officer(s)

The WCM Field Officers, that is the District Coordinators (DCs), Administrative Assistants (AAs), Focal Persons (FoPs), Field Promoters (FPs) and Village Agents (VAs) are facilitators, not group managers or an alternative to Savings groups. They ensure the stability of the Group by assisting the members to organize themselves and build their own resources through a Savings Group. Their major objective is to build awareness and confidence so that participants learn the system, use it properly, save actively and transact profitably.

Field Promoters (FPs) are frontline persons whose work is to create independent SGs, and to maintain a training relationship with them that should usually last one year. Therefore FPs should never manage the activities of the Group but rather assist the members to organize themselves and build their own resources using the WCM model to become active and independent savers/borrowers.

The FP is a paid employee who starts by working directly to create SGs, takes on a training caseload of between 6 and 15 WCM groups. The FP should focus so much on the quality by ensuring that the formed groups practice the WCM model correctly since they (the groups) are role models in the community whereby it is expected that new spontaneous groups shall self-propagate in the future.

Therefore the FP should be skilled as at trainer, mentor, planner, organizer and quality controller since their work involves setting up a self-financing system of sustainable service delivery that will allow new SGs to be continually created. Adherence to the policy guidelines and laid procedures should be emphasized to groups since this is essential for impacting lives of the beneficiaries as well as for the successful operation and sustainability of the WCM program.

Summarily, the 10 Training Modules facilitated in their chronological order serve to smoothen the learning process for all WCM groups so that the WCM model is well understood by first; the Field Officers, the community and the WCM groups as well as their members.

Module 1: Group formation, leadership and elections (1 day)

This module covers all activities that take place during the initial stage of the group whereby it is guided on how to scrutinize rightful members and leaders before they are recruited and accorded responsibilities respectively. The authority of the General Assembly, qualities and responsibilities of members and leaders alike are discussed here.

6.0 Objectives:

It is expected at the end of these meetings that:

1. Members will agree to form themselves into a WCM Group.
2. Participants shall establish that they consist of members who are interested and committed to support their group to grow.
3. Participants will appreciate the role and authority of the group members (GA)
4. Participants will appreciate the qualities and roles of their leaders and
5. Carry out elections of the group Management Committee.

6.1 General guidelines

- ☐ At the beginning of the meeting the FO asks members if everyone is in attendance to make a register before making a roll call.
- ☐ The FO should stress that all late comers (including him/her) shall be fined upon late arrival in the subsequent meetings. She/he asks the group members to suggest an appropriate fine against late coming and shows them the fines bowl that it is placed in front of the Chairperson.
- ☐ The FO explains that the group will develop a set of rules to define circumstance under which fines shall be charged.
- ☐ The FO should clarify that in WCM program the success depends on the group members' own efforts and ability to organise their operations
- ☐ Members must be made to understand that FEDOMA and its partners/funders do not give funds or any hand-outs to the groups.
- ☐ WCM program is about learning to operate an efficient Merry-Go-Round where business training and organisational training are essential components.
- ☐ The FO stresses the importance of members seating comfortably in an orderly arrangement whereby they are able to view all the meeting proceedings and transactions.
- ☐ It is agreed who will be responsible for providing mats or chairs and a simple stool/table to facilitate the savings and loan transactions during the meetings.

- ❑ The FO makes a detailed presentation of the meeting, mentioning by writing down the main topics to be covered and at the end of it all asks some members to memorize the topics as this will be the practice in the weekly meetings where it is required to memorize cash balances and who has borrowed money.

6.2 Member self-selection

Membership to WCM program is not for everyone; only responsible, hardworking members should be accepted. It is important to highlight that all participants have strengths and dreams and that the WCM program helps to unfold these abilities through organised savings and systems.

The FO should facilitate a discussion where participants are stimulated to suggest the characteristics of a good WCM member but he/she should discourage participants from pin pointing or embarrassing one another as they discuss the characteristics. He/she should mention that it is more than a training and work towards building unity and facilitating a learning process.

The FO again reviews the qualities of a good member, and suggests that anyone who does not meet these criteria should probably drop out before the next meeting. Good members will:

- Be hard working
- Known to each other.
- Not live too far from where the meetings will be held.
- Have a reputation for honesty and reliability.
- Be able to attend all meetings
- Have time to attend the weekly meetings on time.
- Not be afraid to contribute to discussion
- Follow all group rules
- Have a cooperative personality; those known to create conflict should probably not be allowed to join.
- Have ability to save regularly, even in small amounts each week.
- Be able to repay loans on time.
- Be respected in the community.
- Be open to other people's ideas.
- Be fair and willing to work with persons with disabilities.
- Not be discriminatory on the basis of tribe, gender, disability, politics or religion.
- Not be argumentative but cooperative to make a positive change.
- Show willingness to learn.

Qualities of a good member

Good members will:

- Subscribe to the values of FEDOMA and the DDF
- Not discriminate against each other; based on religion, political affiliation, gender, age, tribe, etc.
- Know each other and be from a similar economic background
- Not live too far from where the meetings will be held.
- Have a reputation for honesty and reliability.
- Be able to attend all meetings
- Attend all meetings on time.
- Participate in group activities including decision making
- Follow all group rules
- Have a cooperative personality. Someone who is known to create conflict should probably not join.
- Be able to buy at least one share each week.
- Be able to make contributions to the group social fund
- Be able to repay loans on time.
- There are not more than 2 members from the same household. It is better for members from the same household to join different WCM groups.

The FO should make sure that participants refrain from commenting on each other's character and capacity to avoid embarrassment in the selection process. The FO should stress it to the participants that any group whose members do not conform to the above traits stands high chances of collapsing. Individual members' obligations should be discussed here. All WCM group members are expected to among other things:-

1. Attend all the weekly meetings on the agreed days and be there on time.
2. Pay fines and penalties in the event of failure to observe the group rules
3. Actively participate in the group meetings and decisions.
4. At least contribute the minimum weekly savings at each meeting.

5. Always repay their loans on time.
6. Cooperate with other members to approve loan requests as well as requests from the Social Fund.
7. Commit to resolve disagreements and conflicts in the group; to help and encourage other members to be successful and active in the Group.
8. Contribute to the WCM group membership and Start-Up Kit fees.

The FO should emphasize that the primary objective of the group is to make savings to build wealth and ensure family security. Participants are asked if they are still determined to be part of the WCM program; or else they should pull out before the next meeting and this should not be considered as an embarrassment.

6.3 The General Assembly

Step 1:

The Group must unanimously agree to adopt a name that is unique and inspirational to the members' savings efforts; this name will be registered with the WCM program office.

Step 2:

The FO should highlight to members that belonging to the Group helps them to learn from each other and to encourage each other. If membership in a group is to be important the group must be strong and efficient; otherwise it will just be a waste. A group is not an end in itself, but rather a means to improve the life of each member. A strong group needs to be organised to have a vision.

Step 3:

The FO should explain that the General Assembly (GA) is a common name used to refer to the Group members and that everyone is a member of the General Assembly. The Management Committee works for the General Assembly since it implements decisions passed by the GA.

Step 4:

The FO should maintain that:

- ☐ All Group members are members of the GA.
- ☐ All members have the same rights in the Group.
- ☐ In voting, the rule of "one person, one vote" applies. All members have the right to vote and to be elected to the Management Committee of the Group.
- ☐ The GA elects the Management Committee consisting of 6; the Chairperson, Treasurer, Secretary, 2 Money counters and a Security Assistant.

- ❑ At least three (3) members of the Management Committee MUST be persons with disabilities. Women must take at least 2 seats apart from being Money Counters.
- ❑ The term of office of the Management Committee is one year, after which a new committee is elected
- ❑ WCM program accepts the re-election of a particular member to the same position for three (3) consecutive years.
- ❑ The MC member(s) who misuse group money should be removed immediately and the group takes measures to recover their money from the said MC member.
- ❑ The GA, not the Management Committee is responsible for setting the Group rules relating to transactions, members' behavioural conduct, meeting procedures, etc.
- ❑ The GA, not the Management Committee is responsible for formulating a written Constitution for the group.
- ❑ The Management Committee enforces the rules which are established by the GA and takes responsibility for running meetings and representing the Group to outsiders.
- ❑ If the Management Committee does not perform well, the GA may replace it, or any one of its members, by calling a special meeting, discussing the matter and deciding by voting if there should be any changes made.
- ❑ Every member of the GA has a right to propose an issue to be discussed in a meeting. These discussions take place after the share-purchase/savings and loan activities are completed.
- ❑ MC members must be exemplary in attendance, punctuality, payments; they should resolve conflicts and make sure the group is active and growing.
- ❑ MC members should continuously educate members, enforce the rules without partiality

6.4 Election of Management Committee members/Group Leaders

At the end of the session the FO explains that the next step is to consider what positions need to be filled in a Management Committee and mention that particular qualities are needed for each position and the work that each person chosen needs to do, using the tables below:

Table 6.4.1: Qualities and responsibilities of the Chairperson

Qualities	Responsibilities
<ol style="list-style-type: none">1. Respected2. Confident and calm when speaking in front of others3. Treats everyone equally4. Listens to others and asks for opinions5. Organized6. Always on time	<ul style="list-style-type: none">• To call the meetings to order, announce the agenda and lead discussions• To ensure that the meetings follow proper procedure and that the Constitution is followed and respected• To maintain discipline and charge fines as needed• To facilitate discussions and to ensure that everyone's views are listened to• To resolve conflicts• To represent the Group to outside parties, including government and other organizations.• To be a signatory to the group bank accounts.• To delegate duties to Management Committee members as deemed necessary.

Table 6.4.2: Qualities and responsibilities of the Secretary

Qualities	Responsibilities
<ol style="list-style-type: none">1. Good with numbers2. Writes neatly3. Has a reputation for trustworthiness4. Always on time5. Willing to work extra hours to train with the FO if needed6. From a respected home, reputed for honesty7. Available for	<ul style="list-style-type: none">• To ensure that all transactions for the Social Fund, Share-purchase and lending take place according to procedure, and that all rules are followed• To make all Passbook entries for shares and loans• To provide a verbal summary of the financial state of Group affairs at every meeting• To assist the FO to update his/her records during monitoring visits.• To liaise with the Treasurer to ensure availability of necessary books of accounts and documents• To take minutes of the general meetings• To read the agenda and minutes for discussion

specialized training by the Field Officer if needed.	during meetings.
8. Always punctual	<ul style="list-style-type: none"> • To be a signatory to the group bank accounts. • To assist the Treasurer update his/her records. • To record attendance of members in all meetings. • To liaise with the Chairperson in making group's correspondences. • To take charge of the group and members' registration. • To provide for the safe custody of the group minute book and visitors' book • To delegate duties to Management Committee members as deemed necessary.

Table 6.4.3: Qualities and responsibilities of the Treasurer

Qualities	Responsibilities
<ol style="list-style-type: none"> 1. Trustworthy 2. From a family with good reputation (not one considered unreliable) 3. Lives in a house with good security, not far from the meeting place 4. Always on time 5. Honest and with a sound character 6. Reliable and responsible 	<ul style="list-style-type: none"> • To keep custody of the Group Cash Box between meetings • To ensure that (s)/he is accompanied to/from meetings as necessary • To bring the Cash Box to the meetings on time • To maintain an accurate group Cashbook • To update financial records, including bank reconciliation. • To deposit as well as withdraw the group's funds. • To be signatory to the group bank accounts. • To be in charge of group's assets and materials purchase • To make periodic financial reports for sharing with the General Assembly. • To delegate duties to Management Committee members as deemed necessary.

Table 6.4.4: Qualities and responsibilities of the Money-counters

Qualities	Responsibilities
<ol style="list-style-type: none"> 1. Able to count quickly and accurately 2. Trustworthy 3. Calm and organized 4. Always on time 	<ul style="list-style-type: none"> • To verify if all cash notes/coins paid into the group are not counterfeit • To count all amounts paid into, or taken out of the group • To inform the Secretary of each transaction • To assist the Secretary in resolving or detecting cash discrepancy • To announce aloud to the members all monies in and out of the group

Table 6.4.5: Qualities and responsibilities of the Security Assistant

Qualities	Responsibilities
<ol style="list-style-type: none"> 1. Sober minded; not a drunkard 2. Vigilant and giving attention to detail 3. Aware of the village environment 4. Strictness 5. Trustworthy 	<ul style="list-style-type: none"> • To be part of the escort team for the Treasurer • To ensure the meeting takes place in a safe place • To alert the Chairperson of any misconduct by the members • To collect fines as and when they are levied by the Chairperson • To restrain non-members from attending the group meeting • To advise the group members on security matters during loan recovery

The Field Officer then organizes the election of the officials, starting with the Chairperson using the standard procedure and at conclusion of the election emphasizes to the GA that elections are held every year and the next elections shall be due in one year's time from now; presided over by a Field Officer.

6.5 Procedure for elections:

Step 1:

Everyone gets some small pieces of paper that would be used as ballot papers

Step 2:

Quietly and without discussion each member thinks of the person who could best fill the office of the Chairperson. None of the members are given chance to campaign to say: "I am the best person, vote for me"

Step 3:

Each member among the candidates makes a symbol for him/herself then draws it on paper and puts it in front of him/herself.

Step 4:

Secretly and without letting anyone else see, each Group member writes down the name or symbol of the person they think would make the best Chairperson.

Step 5:

Then the Group members each fold their papers and put them in the middle of the group. The FO with the help of another Group member opens all the ballot papers and sorts them out into piles according to the names and/or symbols written on them.

Step 6:

The 3 persons that get the most votes are appointed. Chance is given to each of the 3 candidates to assure the group if they are willing to serve on the MC before the rest of the group elect again among these three (3).

Step 7:

Whoever gets the most votes is elected Chairperson. But he/she has to get a majority, which means over half of the votes. For instance where there were 30 members, a person would have to get 16 or more votes to be elected Chairperson.

In case nobody gets a majority they vote again, in the same quiet and thoughtful manner.

This is how the Group also elects their Treasurer, Secretary, the 2 Money Counters and a Security Assistant, one at a time.

After this, the members propose names for the 3 Key Keepers among the remaining Group members. The Key Keepers must:

- a) Not be among the Management Committee members at all times.
- b) Not be members of the same household.
- c) Not be members with a blood or marriage relationship.
- d) Not be neighbours to one another or to the Treasurer

Upon successful completion of the election of the Group Management Committee, the Field Officer calls the elected Management Committee members in front asking them to face the General Assembly, officially declaring them as leaders and encourages them start to start playing their role with immediate effect.

Chapter 7

Module 2: Savings, Loan & Social Fund Policies (2 Days)

The FO makes members to understand that they need to create the regulations for themselves, and can modify them in the GA once they have been proven to be incomplete or ineffective. He/she stresses the importance of the present session, telling the members that the goal of the meeting is to develop policies to guide them in running the Group. The FO will emphasize that the group shall formulate the following policies:-

- Savings/Share purchase policies
- Loan/Credit policies
- Social Fund policies
- Records and Accounting policies and
- Safety of Funds policies

7.1 Objectives:

The main objective of this training is to ensure that the Group:

1. Formulates policies to govern the Savings, Loans and Social Fund transactions.
2. Decides on a Share Value (minimum amount that each member should save at each meeting)
3. Understands the importance of saving cash in a common pool/loan fund.
4. Understands the purpose of Social Fund, Loans and decides on the terms and conditions to apply if they want to borrow.
5. Understands the importance of keeping records and an accounting system
6. Appreciates the policies for safety money handling

7.2 The seating arrangement:

An orderly sitting arrangement is introduced for adoption by the group. Under this arrangement, the 6 MC members; Chairperson, Secretary, Treasurer, 2 Money Counters and Security Assistant are given the first 6 numbers at commencement of the business cycle. They will all sit facing the General Assembly; only the Security Assistant will be allowed to make frequent movements if the situation warrants.

Every member should be seated in a place where he or she can observe everything that is going on in the group. It is important that the members are not made to sit in a place where they act as mere spectators and not active participants.

NOTE:

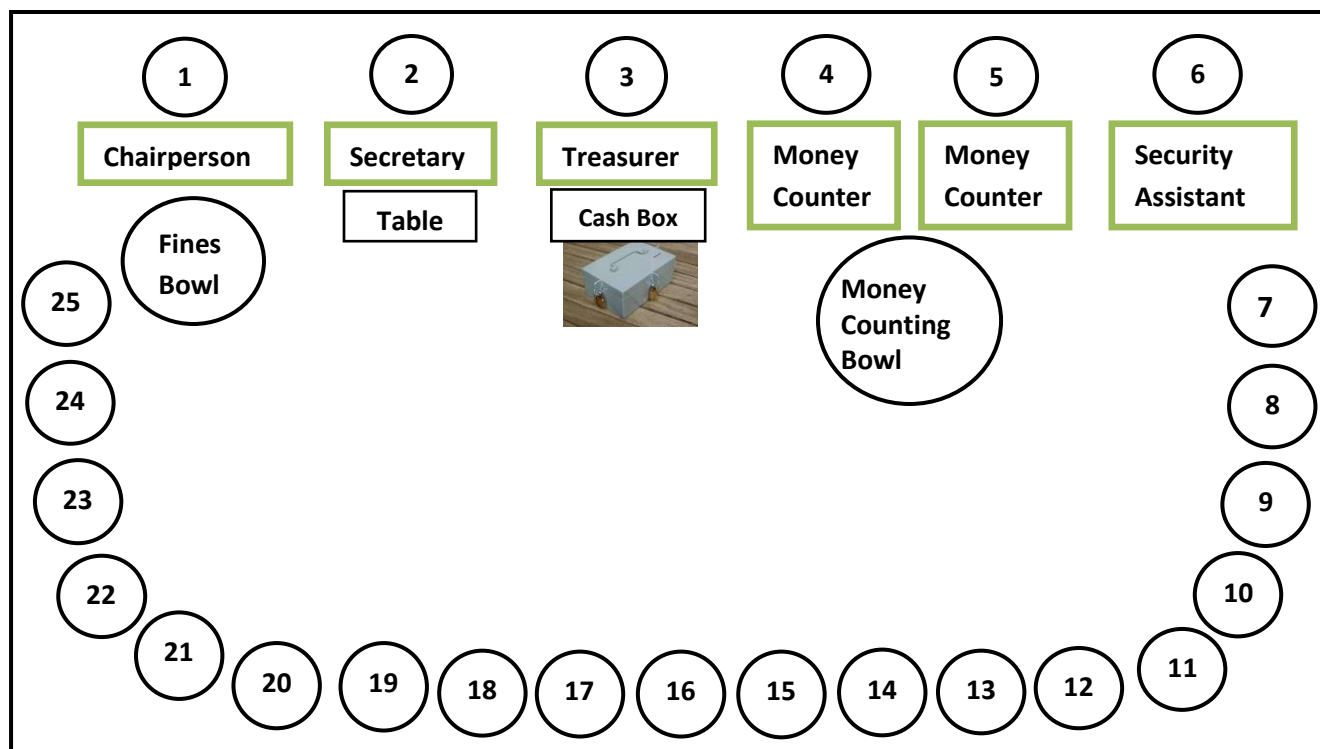
The Fines Bowl is controlled by the Chairperson and it is in front of him or her throughout the meeting in order to keep discipline, members may be fined and would be required to make the fine on the spot. This helps to keep the meeting going and saves time by not setting aside time for collection for fines.

This seating arrangement is very important since:

1. It allows all members to see clearly what is happening – transparency
2. It ensures that all members transact in order
3. It makes memorization of transactions easy for the members.

All transactions are done in the open where every member is a witness. As a practice, members should loudly declare the value of their savings, loan and social fund payments whenever they are called upon. Similarly, the Money Counters **MUST** display and openly announce the monies received from the members before it is recorded in the books by the Secretary and Treasurer.

Table 7.2.1: Example of the seating arrangement for a group of 25 members



7.3 Savings/share purchase policies

The FO should inform the members that all the savings in the Group belongs to the members. Accumulation of savings is aimed at increasing members' wealth for investment opportunities and enhancing security in order to reduce their vulnerability.

Members should aim at building up a common pool through members' weekly contributions in a WCM group. The group is the easiest, safest way to mobilize lump sums in a short time. Through this arrangement, members are assured of high returns on their savings since after six (6) consecutive weeks the willing and capable members can start taking loans upon which they pay interest to the group.

The FO should discuss with the members and prove to them that savings are more important to poor people than loans, because people need to have a 'soft ground' to land on before they can start taking the risks associated with borrowing.

It is the responsibility of the FO to educate the Group members that:

- ☐ WCM program model practices weekly mandatory saving/share purchase.
- ☐ It is important to set the minimum share value; low enough to enable poor members to join, but at the same time high enough to motivate the members.
- ☐ Only on the first day of savings, are members allowed to save BIG amounts in multiples of a single share value.
- ☐ Every week, members are free to buy from 1 to 5 shares based on their ability.
- ☐ Allowing multiple shares creates a possibility of combining members with different economic means.
- ☐ Voluntary savings, which is in excess of 5 shares, cannot be entered in the group records at one go. Only a maximum of 5 shares shall be recorded per week until the entire amount is finished. Bringing voluntary savings should not exempt any member from attending weekly meetings
- ☐ In case a member bring voluntary in the meeting, any excess cash shall be kept in the group cash box; only accessed during weekly meetings.
- ☐ A member may be allowed to carry another member's savings to the group.
- ☐ Members are allowed to withdraw some of their savings from the group if they have no debt in the group. This reduces their shares in the group.
- ☐ The dividends on savings are paid at the end of the year when the group is sharing out.

Important Highlights on Savings/Share purchase:

- ☐ Savings is the starting point for sustainable improvement and wealth creation. The FO should build the members' confidence to save; expressing that it has been part of their lives since many of them are already saving in-kind for instance through storing grain, rearing buying chicken/livestock, buying

plantations, plots of land and other items that can yield greater returns in the future.

- ❑ The groups' role is to encourage members to save regularly in order to:
 1. Avoid irresponsible spending of money
 2. Reduce risks like theft, loss, damage and wasteful use of household resources
 3. Look at their own money as a source of loans.
 4. Value money, even where it involves small amounts
 5. Have increased volumes of money
 6. Attract high profits/dividends to savers
- ❑ Successful savings requires a dream. For example buying a piece of land, rearing a herd of cattle, building a permanent house, starting-up a new business, starting a family, educating children, etc.
- ❑ Savings takes a sacrifice. One chooses to lead a strict life by foregoing the pleasures of the present in order to make the future life smoother and a little more predictable.
- ❑ Saving through the group arrangement guarantees chances to realize personal dreams which could otherwise not be attainable if one continued working alone.
- ❑ Savings enables one to meet daily household expenses, and to prepare for emergencies such as death, accidents, thefts, famine and long illness.
- ❑ The group creates a safe and trusted system where small but regular savings are allowed, atmosphere for growth is cultivated and safety of funds is guaranteed.
- ❑ The share value should be affordable to the least of the group members; meaning they are able to raise at least a share per week throughout the cycle.

7.4 Loan/Credit policies

The FO should moderate debate among group members to share their experiences of loans for example the repayment conditions, loan term, interest, repayments, recovery of loans, security for loans, the good and bad side of taking loans, etc. He/she informs members of the importance of setting standard conditions for loans which include:

- a) To create a basis for uniform treatment of all group members
- b) To enable productive growth of the Loan Fund
- c) To ensure safety of the Loan Fund
- d) To promote transparency in the group operations
- e) Avoid confusion and disagreement while paying back.

The FO opens room to discuss the suitable loan term/period. He/she educates the group that Savings Groups do not provide big loans and long term loans in the first cycles with reasons. For example:-

Why WCM program model promotes Savings as opposed to big, long term Loans?

- 1. The key motive is to create a savings culture which promotes asset acquisition and wealth creation hence reducing vulnerability of the poor disabled members.**
- 2. Emphasizing loans as opposed to savings breeds laziness whereby most group members become selfish target savers, joining the groups only to get credit**
- 3. Big and long term loans mean over indebting the members which may result into failure to repay hence the group Loan Fund will not grow.**
- 4. It is common knowledge that poor people mostly take consumption loans; this increases their vulnerability.**
- 5. Borrowing creates ground for dependency on the lender.**
- 6. Ideally the group business cycle is short i.e. 1 year therefore a member should be allowed to access loans more than once in the course of 1 year**
- 7. Loans increase risk to both the lender and borrower, because they must be paid back even if things go wrong for the borrower and yet still, loan money belongs to the group members.**
- 8. Short term loans (1 – 12 weeks) allow chance to most members to access loans.**
- 9. Most group members have no experience borrowing from the groups; they are doing it for their very first time**
- 10. The group loans are not secured so opening the space to give big loans and longer periods exposes the groups**

- 7.4.1 ALL loans in the WCM program groups are strictly to the group members. Non-members must never access loans from the group whatsoever. The Group constitution does not provide for non-members, they should not transact any business with the group. By doing so, risks such as loss of money and group secrets to the outsiders shall be avoided beforehand. Groups should be confident that if they follow the system they will succeed.
- 7.4.2 WCM program mostly encourages members to borrow for business, investments, etc. Loans can also be used for meeting basic needs provided the borrower has the capacity to repay (knows that there will be income to repay the loan).

- 7.4.3 The WCM program recommends a loan term not exceeding 12 weeks for cycle 1 and 2 groups. Older groups may consider changing this if they have good recovery experience and/or strict risk control measures.
- 7.4.4 For equitable distribution of the Loan Fund and lessening of chances of over burdening the members, the Loan amount given to any member should NEVER exceed three times his/her shareholding in the group.
- 7.4.5 ALL loans borrowed from the group attract interest which is paid upfront; on the day one contracts the loan.
- 7.4.6 The interest earned on loans is the property of the Group. All members get back a portion of this interest at the time of sharing out (end of cycle)
- 7.4.7 The interest that is charged on the loans to among other things:
- Cover potential losses faced by the group e.g. theft, accidents, unpaid loans.
 - Increase the members' earnings on shares/savings.
 - Reward the owners for the sacrifices made in saving with the group
 - To avoid impulsive borrowing by members; members should have a plan before taking loans.
- 7.4.8 The WCM program promotes a **1% weekly** interest rate charged on all loans. This rule makes WCM program unique to other savings programs.
- 7.4.9 The interest on the loans is charged **upfront** (upon receiving the loan) for simplicity and transparency reasons. Upfront interest enables the group to have a fair distribution of the Loan Fund among members since there will always be funds for on-lending.
- 7.4.10 The Group reserves the right to extend loans to its members; it must apply utmost precaution when giving loans.
- 7.4.11 Members MUST never be coerced to take loans from the group if they do not want. Some group members may prefer having a safe place to save to taking loans.

While high interest on loans promotes quick growth of Loan Fund and high returns on Savings, WCM Program advocates for affordability of loans to promote financial inclusion for the marginalized poor persons with disabilities.

Important Highlights on loans:

- ❑ The group members must ensure that the borrower meets the requirements. Taking a loan is NOT mandatory for every group member therefore extra caution is needed in assessment of every borrower focussing on the:
 - 1) Member's willingness to borrow; it should not be coerced.
 - 2) Member's character
 - 3) Member's repayment history

- 4) Member's capacity to repay.
 - 5) Availability of sufficient Savings on the member's account
- ☐ A member is entitled to one loan at a time. No loans are given to members with outstanding loans; similarly, one MUST fully settle all fines owed to the group to qualify for a fresh loan.
 - ☐ Loans given to group members are for meeting personal needs, venturing in business and investment opportunities.
 - ☐ Priority should be given to group members who have exhibited a good repayment record in the previous loans
 - ☐ Where the group deems it fit they may require the borrower(s) to put up some personal belongings as security for their loans. This is optional.
 - ☐ The group can continue giving loans to members up to the last week PROVIDED the Loan amounts do not exceed the borrowers' total savings in the group.
 - ☐ The borrower must make a verbal request for the loan; stating the purpose for which the loan is applied during the meeting.
 - ☐ The secretary will have a system of waiting list if money is not available.
 - ☐ The loan decision is taken during the group meeting by the GA, not the Management Committee. The members own the Loan Fund therefore they make the final decision.

7.5 Social Fund Policies

The WCM model recommends that the FO advises the Group to create a Social Fund to provide grants to members who encounter serious problems to strengthen the brotherhood and avoid adverse effects to the group such as members' drop-out, disorganization, disappointments, and failure to save, and so on. These effects are most pronounced where members are faced with unforeseen emergencies such as:

- Death of a member, a member's spouse, biological parent, biological child(ren);
- Death and/or loss of a members' livestock;
- Long illness of a member;
- Accidents that seriously damage a member's life e.g. causing permanent disability;
- Accidents that seriously damage a member's household for instance rainstorms, floods, fires gutting one's house;
- Famine;
- Disease outbreaks for example; Ebola, Cholera, etc.
- Educational support to orphaned children

The Group formulates a support mechanism for its members as a fallback or contingency through provision of grants. The grants may be refundable to the group or non-refundable depending on the priority of the Group. For instance, the group may choose to give Social Fund grants to members who are celebrating key milestones like weddings, academic graduation, baptism parties, bride price, hosting visitors, etc. Where the Social Fund is used for occasions deemed to be luxuries, the member MUST strictly payback/refund the grant in a specified period of time.

Guidelines for usage and operationalization of the Social Fund are spelt out in the Group constitution but the FO should stress that:

- 7.5.1 The Group must create a Social Fund to which members make weekly contributions.
- 7.5.2 Members' contribution to the Social Fund is mandatory to make it work.
- 7.5.3 The group must agree on a suitable weekly contribution by each member. It must be affordable to everyone but also reasonable to knock off catastrophes when they emerge. Ideally it should not exceed **20%** of single share value. It is subject to revision especially at beginning of every cycle.
- 7.5.4 The Group members should discuss what types of circumstances will be covered by the Social Fund grants.
- 7.5.5 The Group should not give very big grants that unnecessarily deplete the Social Fund, reasonable amount MUST be agreed upon by the members.
- 7.5.6 The Group members should guide and decide on how the Social Fund is managed, not the Management Committee.
- 7.5.7 Management of the Social Fund should be transparent; in every weekly meeting the Secretary/Treasurer must disclose to the Group members the Social Fund receipts, grants given out and balances. This rule must be religiously followed.
- 7.5.8 Contributions to the Social Fund MUST always come last after the savings pay-ins and loan transactions have been completed to avoid abuse by some members who may advance false claims in order to raise funds from which they can save and/or pay loans.
- 7.5.9 The Social Fund must always be kept separately in its own fabric bag; it should not be mixed with the Loan Fund.
- 7.5.10 Under all circumstances, the Social Fund is used for grants, not Loans.
- 7.5.11 The Group should decide on the number of times one must be entitled to the Social Fund grant per any given circumstance.
- 7.5.12 The Group may decide to use the Social Fund to knock off any losses incurred during the cycle or to repay any outstanding loan balances of the deceased member if his/her savings and security were deemed not sufficient to clear the entire debt due to the group.
- 7.5.13 The Group decides on how to treat any balances of the Social Fund at the end of the business.

7.5.14 The FOs shall not be entitled to the Social Fund grants under all conditions.

The WCM program model discourages groups from sharing-out the Social Fund at end of year because we cannot predict when catastrophes will occur; we prepare for them in advance therefore the group should not be taken unawares!

Important Highlights on Social Fund:

- ☐ The Social Fund grants are an entitlement to Group members who have contributed towards its establishment.
- ☐ ALL contributing members have equal rights to the Social Fund.
- ☐ Decisions on Social Fund grants are determined by the Group members, not the Management Committee or the Field Officer.
- ☐ In circumstances where a member has passed on (deceased), his/her NEXT OF KIN must take the Social Fund grant.
- ☐ The Group must ensure that members register their Next of Kin and that the record is periodically updated by the Group Secretary.
- ☐ The Social Fund is not used to off-set debts/loans unless a member has died and their savings is not sufficient to clear the debt/loan.
- ☐ The Social Fund must be kept separate from the Loan Fund
- ☐ In every weekly meeting, the Group members must be updated on the status of the Social Fund.
- ☐ The Field Officers; i.e. District Coordinator, DDF Focal Person, Field Promoter, Village Agent are NOT entitled to the Social Fund grants whatsoever.

7.6 Weekly Group meeting procedures

The importance of organising efficient Group meetings when the group get together can't be stressed too much. The Field Officers play a core role in coaching the Groups Chairpersons so that they chair meetings in a systematic, efficient and encouraging style. The WCM program recommends the Group Chairperson champions the meetings at all times and that the steps be followed chronologically during the ordinary weekly meetings:

1. Chairperson call the meeting to order requesting any member to volunteer with an opening prayer
2. Welcome remarks from the Chairperson
3. Studying a Module from the Manual (if the Group has not covered all modules)
4. Asking Group members to remind the meeting how much money was locked in the Cash Box in the previous week, that is: Loan Fund and Social Fund balances.
5. Call upon the Key Keepers to open the Cashbox.

6. Money Counters verifying by physically counting the money in the cash box and comparing the sum with the record books balance from the previous meeting.
7. Money pay ins in the order of:
 - a) Fines; levied instantly by the Chairperson with help of the Security Assistant
 - b) Savings/share purchases
 - c) Loan transactions:
 - Loan instalment repayments;
 - Fresh/new loan applications (borrowers speak out to the group)
 - Payment of interest on new loans;
 - New Loan disbursements
 - Borrowers signing in Cash Book to acknowledge receipt of loan
 - d) Social Fund contributions, repayments and grants if any
 - e) Counting the money remaining (if any)
 - f) Filling out the records and balancing the books
 - g) Closure of Group Cash Box – Group members must witness this
 - h) Discussions on actions to be taken in case of any late pay-ins
 - i) Miscellaneous (A.O.B)
 - j) Closure of meeting

Chapter 8

Module 3:

WCM Program Records System (1 Day)

8.0 Introduction:

There will be a big sum of money revolving in the Group coming from the savings/share-purchase, Social Fund contributions, fines, interest on loans and grants as well as loan repayments. To manage this money well, the Group will have a set of records to note all the general transactions relating to share purchases/savings, loans, Social Fund, fines, interest paid and bank transactions made.

8.1 The Start-Up Kit:

As a rule, WCM program provides a Start-Up Kit to the registered groups to enable them conduct the weekly transactions without restraint. The Start-Up kit comes to the group at a cost to be fully met by the members. The Groups will negotiate with the WCM program office on the suitable method of payment for the Start-Up Kit before it is delivered to them, but in principle the Group must have registered with the program office to qualify for the Start-Up Kit to prove their commitment.

For learning purposes, the Start-Up Kit is displayed to the Group members with the following items:



- a) A strong, well-made lockable metal cash box, able to be closed with 3 locks
- b) Three (3) good quality padlocks, each with three keys.
- c) 25 - 30 Passbooks (depending on group size)
- d) A rubber stamp for marking shares
- e) A rubber stamp ink pad
- f) A ruler
- g) 2 Pens; a blue one and a black one
- h) A good quality calculator
- i) 2 plastic bowls in different colours, at least 30 cm in diameter and at least 15 cm deep (one for fines and one for handling the Social Fund, Savings and loan collections)
- j) Two (2) cloth bags, with draw strings, at least 6 inches in diameter and 10 inches in depth: in one colour for the Social Fund, and another colour for the Loan Fund
- k) A Cashbook; of at least enough pages to record a full year's transactions.

Prior to conducting any cash transactions, the Group must have received from the program a Start-Up Kit containing all the necessary records and materials to enable the practical administration of cash transactions.

The FO tells the Group that the safety of the Cash Box will be the responsibility of the Treasurer and that he/she must carry the Cash Box to every Group meeting to enable accessing the funds and filling out of the necessary records. The FO should suggest to the MC that after each meeting the Treasurer is accompanied to his/her home by 2 other members and escorted to the meetings, to re-inforce security of the Cash Box. The Key Keepers must only open the Cash Box in front of the Group members during the weekly meeting.

8.2 STANDARD RECORDS SYSTEM:

The WCM model standard records include:

8.2.1 The Group Constitution:

It is essential that every Group formulate their own constitution with the guide of the FO prior to making any transactions relating to the Savings/share purchases, Social Funds and Loans. The WCM program model provides a generic template of the constitution with key policies already highlighted and allows the Group members to make their additions suited to their conditions and dreams. The group maintains a constitution which MUST at all times be kept in the Group Cash Box and a copy shared with the WCM Program office at the district.

8.2.2 The Individual Member's Passbook:

In the WCM program model the Passbook is the primary record of the Group. All other records stem from the passbook, making them secondary. Every group members MUST possess a Personal Savings and Loan Passbook and the principles governing the use, filling and safety of the Passbook should be adhered to.

The passbook is what identifies the Group member with the Group. It must be kept by the Group member between meetings, to be produced in every weekly meeting without fail. For transparency to prevail, Group members should not be coerced or persuaded to keep their Passbooks with the MC members or the FO at any one point in time. Once the Passbook is lost, the member MUST buy another one from the program office.

8.2.3 The Cashbook:

It is in the Cashbook that all the transactions of savings, fines, interest, loans out, loan repayments, Social Fund receipts, and grants are recorded. The cashbook also highlights the:-

- Maturity of the group (i.e. No. of weeks covered in a given cycle),
- List of members (names, age, disability and gender),
- Attendance registers.

The Cashbook is filled out by the Treasurer who is supported by the Secretary and the Money-Counters. The Cashbook MUST be kept in the Group Cash Box between meetings; nobody including the FO or the Management Committee members should keep it outside the Group Cash Box at any one point in time.

8.2.4 The Minutes Book:

The Group will also maintain a summary note book/Minutes book where details of every Group discussion, resolutions and closing amounts of monies on hand at the end of every weekly meeting are recorded by the Secretary. The Minutes book shall be kept by the Secretary, outside the Group Cash Box between meetings. The Secretary must produce it in the weekly meetings without fail.

8.2.5 The Group Bank records/statements:

Where there is sufficient infrastructure, the Group shall operate a bank account with a licensed financial institution. The entire documentation from the bank including bank statements, cheque books, passbooks, ATM/pass cards, deposit vouchers and withdrawal vouchers, etc. belong to the Group, and not the

Account Signatories or the MC members. Therefore this documentation must at all times be kept in the Group Cash Box between meetings for transparency.

NOTES:

- ❑ All the records apart from the Group Constitution must be harmonized during the weekly meeting to promote simplicity and transparency.
- ❑ The Treasurer will be custodian of the Cash Box that keeps the Group Constitution, Cashbook and Bank records between meetings therefore he/she should be a trustworthy person with a safe home to store the Cash Box.
- ❑ The Group records should be kept in the cash box while members must take good care of their passbooks.

Table 8.2.A: Showing the WCM records and their importance to the Group

Type of Record	Importance
Constitution	<ul style="list-style-type: none"> • Promotes ownership by the Group members • Guides the entire groups operations • Enables groups' registration with authorities • Promotes Group coherence • Opens Group to wider opportunities in the community • Protects the Group in the face of the law
Cashbook	<ul style="list-style-type: none"> • A mirror showing the Group incomes and expenditures. • Enables transparency and reliability • Time saving in case of any discrepancy • Makes computation of Group Wealth easy • Easy to follow by the Group members • Makes it possible to see periodic profitability of the Group
Passbook	<ul style="list-style-type: none"> • Gives real-time information to members/owners • Empowers members to have total control of their information • Evidence of ownership and attachment to the Group • Reference in case of transaction discrepancy • Reminds members of their individual debts owing to the Group • Motivates personal savings and goal setting • Reduces risks of fraud by dishonest MC and Group members.

Minutes Book	<ul style="list-style-type: none"> • Works as the Central Registry of the Group • Legal protection to the Group in case of any law suit. • Records detailed facts on deliberations in Group meetings. • Quickens decision making by driving a plan of action • Yardstick to hold members accountable and measuring the Group performance progress • Promoting ownership among the Group members
Bank Records	<ul style="list-style-type: none"> • Establish the accuracy of the transactions • Inform the Group of the relevance of the bank services • Promoting accountability and transparency • Make preparation of financial statements and monitoring of the Group financial position easy • Efficient management of Group funds • Informs potential partners, creditors of the Group viability • Reduces risks of keeping the Group Funds in members' homes

Chapter 9

The Accounting System and Records keeping

Module 4: Filling of the Passbooks and Cashbook (2 Days)

9.0 Introduction

The FO should emphasize to the Group members that consistent and accurate record keeping is a safe system to protect their funds therefore it should be made part and parcel of the WCM meeting activities. In all meetings the Group meetings the members must ensure that records of their transactions, discussions and resolutions are recorded and kept in a safe place. Precise, transparent and accurate filling of records is essential in avoiding group conflicts/disputes; it builds members' trust in the system and motivates savings. Important Group records must be kept in the Cash Box while the members retain and keep their passbooks.

It is the duty of the FO to ensure that all records are in order and this is realized through building the capacity of the members especially the Secretary and Treasurer to understand the importance as well as the correct of filling out the Group records. The FO should oversee the records filling exercise by the Group Treasurer and Secretary, and not personally participate in the actual records filling.

The FO should inform the Group and their Management Committee that record keeping is an activity of the whole Group; the duty of the MC is to ensure that everyone is clear on the process and amounts involved. Records' filling requires people who can make quick and accurate arithmetic i.e. counting besides being able to read and write. As much as possible the Group members should ensure that during the meetings, their ending balances in the individual passbooks are harmonized with the Group record/Cashbook.

9.1 Objectives:

It is expected at the end of this training module that:

- 1) Each Group member will understand the specific records maintained by the various Management Committee members
- 2) The Treasurer will learn how to fill out the Group Cash Book and ensure safety of the records and Cash Box.
- 3) The Secretary will understand how to maintain passbook based records
- 4) The Money – Counters will understand how to coordinate the physical flow of cash with the Group records.
- 5) The Key Keepers will know their role in ensuring accurate records during meetings

9.2 How to facilitate learning about WCM Records keeping

Step 1:

The FO asks what comprises the Group Wealth. The expected answer should be:

- The cash in the box
- Loans owed by the members
- Any property owned by the Group

The FO explains that the cash in the box must be remembered by everyone, and that members' savings contributions and the loans they owe to the Group will be recorded in the individual's Passbook.

Step 2:

The FO asks what every member needs to know about their own personal financial situation in the Group. He/she facilitates a discussion and seeks the answer the individuals need to know:

- How much money they have saved
- How much money they owe in unpaid loans

Step 3:

The FO then stresses that the information about individual share and loan amounts is recorded in the Passbooks which are owned and kept by the members. Only the Management Committee members should make entries in the Passbook. Members should report loss of their Passbook to the Group immediately; and organize to replace the lost Passbook with a new one.

Step 4:

The FO tells the Group that record keeping is an activity of the whole group, not the Management Committee, and that it is the duty of the Management Committee to ensure that the transaction processes are clear, transparent and participatory.

Step 5:

The FO also emphasizes to the Group members that although the records system does not need people who can read and write, it needs people who can count. He/she should verify once more that everyone member on the Management Committee (especially the Money-Counters) is able to count properly.

Step 6:

The FO asks everyone to hold up their Passbook. He/she says that when transactions are carried out, the Secretary will not need to remember everyone's name, but can call out their number, so no one gets forgotten. Group members are each encouraged to memorize their individual number and to mark it on their Passbook. Forgetting of your number attracts a fine, as agreed in the Constitution.

Step 7:

The FO mentions to the Group members that in the WCM model, members can save different amounts from each other, and that each member may also want to save different amounts at different times. On the first day of Savings, BIG sums are allowed, but afterwards, members can buy between 1 – 5 shares at each meeting. The value of a share has already been decided by the Group, therefore the FO asks the members to say it out aloud.

Step 8:

At this point the FO uses a sample Passbook and flip charts to demonstrate how Savings/Share-purchases are recorded in the Passbook. The FO goes ahead to display the Passbook cover pages, savings/shares pages and loan pages to the Group members.

For clarity, precise filling out of the records is extremely important. The explanation given below outlines the role played by the different parties in filling out the Group records:

❑ The Treasurer shall:-

- i) Fill out the members' Opening Balances in the Passbooks at start of cycle
- ii) Fill out the Group Cash Book every week
- iii) Fill out the Bank Deposit and Withdrawal vouchers
- iv) Sign up all the members' Passbooks at the day of Share-Out/close of cycle

❑ The Secretary shall:-

- i) Record members' views during the constitution making process
- ii) Fill out the members' weekly Savings/share purchases in the Passbooks
- iii) Fill out the members' weekly Loan repayments in the Passbooks
- iv) Record meeting proceedings in the Minutes Book

❑ The Group members shall individually:-

- i) Sign in the Group Cash Book in acknowledgement each time they contract a loan from the Group
- ii) Sign in the Passbook against each and every Loan repayment made during the meeting
- iii) Sign in the Passbook upon completion of their agreed Loan instalments
- iv) Sign at the last page of their Savings schedule in the Passbooks in approval of the Savings, dividends and balances figures displayed at the Share-Out/close of cycle.

Table 9.2 A: Display of Personal Savings and Loan Passbook – SAVINGS PAGE

Opening Balance <div style="border: 1px solid black; width: 150px; height: 25px; margin: 0 auto;"></div>					
Treasurer's Signature _____					

Date	Shares Bought this meeting					Total Shares

Date of Loan: _____

Loan Amount (MWK)

Interest Paid (MWK)
 →

Amount Received (MWK)
 →

Loan Period (Weeks)

Weekly Installment

Date	Amount Paid (MWK)	Loan Balance (MWK)	Member's Signature

Date of Loan completion: _____
Secretary's Signature: _____
Member's Signature: _____

9.3 GUIDELINES FOR PASSBOOK ENTRIES –

9.3.1 RECORDING SAVINGS IN THE PASSBOOK:

Assumptions:

- a) A single share amount is MWK 1,000
- b) Group members are free to buy more than 5 shares on week 1 (first day of savings)
- c) The first day of savings i.e. week 1 is on 1st July 2016
- d) The Group Treasurer is Mrs. Agatha Mkwapatira

ILLUSTRATION 1: For a Group Member who saved MWK 55, 000 on Day 1:-

Step 1:

We fill in the date of the entries i.e. 1st July 2016 in the date column;

Date	Shares Bought this meeting					Total Shares
1 st July 2016						

Step 2:

Calculate and fill in the number of shares bought in the Total Shares column;

$$\begin{aligned}\text{No. of shares bought} &= \frac{\text{Total Savings made by member}}{\text{Single share amount}} \\ &= \frac{\text{MWK } 55,000}{1000} \\ &= \underline{\underline{55 \text{ shares}}}\end{aligned}$$

Date	Shares Bought this meeting					Total Shares
1 st July 2016						55

Step 3:

We stamp in the weekly 5 shares limit first

Date	Shares Bought this meeting					Total Shares
1 st July 2016	★	★	★	★	★	55

Step 4:

- i. We calculate the Opening Balance i.e. number of shares left after stamping the 5 shares;

= 55 shares minus 5 shares

= **50 shares**

- ii. Therefore, the 200 shares are worth: = 50 shares x Single share amount

= 50 x MWK 1,000

= **MWK 50,000**

Step 5:

We recording the **MWK 50,000** in the Opening Balance box;

Opening Balance (MWK)

_____ **50,000**

Treasurer's Signature

Date	Shares Bought this meeting					Total Shares
1 st July 2016	★	★	★	★	★	55

Step 6:

- 1) The Group Treasurer then appends his/her signature in approval of the transactions. This is the first time the Treasurer signs in members' passbooks

A. Mkwapatira

Treasurer's Signature

Opening Balance (MWK)
50,000

Date	Shares Bought this meeting					Total Shares
1 st July 2016	★	★	★	★	★	55

9.3.2 RECORDING THE SUBSEQUENT SAVINGS IN THE PASSBOOK:

ILLUSTRATION 2:

If the same Group Member saved MWK 3, 000 on Week 2, MWK 1,000 on Week 3, MWK 4,000 on Week 4, and MWK 5,000 on Week 5, MWK 4,000 on Week 6 and MWK 2,000 on Week 7 respectively;

All the 6 steps in illustration 1 and additionally:-

All the unfilled spaces in the 'Shares Bought this Meeting' boxes will be crossed out with **black** or **blue** ink.

The Passbook will appear as below:

<p style="text-align: center;"><i>A. Mkwapatira</i></p> <p style="text-align: center;">Treasurer's Signature</p>		Opening Balance (MWK)				
		55,000				
Date	Shares Bought this meeting					Total Shares
1 st July 2016	★	★	★	★	★	55
8 th July 2016	★	★	★	 	 	58
15 th July 2016	★	 	 	 	 	59
22 nd July 2016	★	★	★	★	 	63
29 th July 2016	★	★	★	★	★	68
5 th August 2016	★	★	★	★	 	72
12 th August 2016	★	★	 	 	 	74

9.3.3 RECORDING THE SAVINGS WITHDRAWALS:

It should be emphasized to the Group members that withdraw of Savings is not encouraged in the first months of the cycle since it demotivates saving. However Savings withdrawals may occur if:

- a) The member is in good standing with the group – reliable and trusted
- b) The member has got savings in excess of their loan with the Group.

It is not wise to overburden a member with another loan if they have a pressing need that requires money to settle; a savings withdrawal may be appropriate here.

In case of Savings withdrawal:

- a) We use **RED** ink to cross out the withdrawn shares the passbook; this reduces the Total Shares by the equivalent amount withdrawn.
- b) For easy recording, the member is NOT allowed to buy shares in the week they are withdrawing savings hence
- c) A penalty for not saving is levied from the member. This is done to discourage impulsive withdrawals

ILLUSTRATION 3:

If the member chooses to withdraw MWK 20,000, we follow the following steps:

Step 1:

We calculate the equivalent of shares in MWK 20,000

The Number of shares in MWK 20,000 equals

$$\begin{aligned} &= \text{Total Savings withdrawn divided by a single share value} \\ &= \frac{\text{MWK } 20,000}{1,000} \\ &= \underline{\underline{20 \text{ Shares}}} \end{aligned}$$

Step 2:

We cross out the withdrawn 20 shares using **RED** ink;

Step 3:

We deduct the withdrawn shares from the Total Shares;

$$\begin{aligned} &= \underline{\text{Total Shares}} \text{ minus } \underline{\text{Number of shares withdrawn}} \\ &= 74 - 20 \\ &= \underline{\underline{54 \text{ Shares}}} \end{aligned}$$

Step 4:

We update the Total Shares column to reflect the new value of Total Shares i.e. **54**;

The Passbook will appear as below:

<div><div>A. Mkwapatira</div><div>Treasurer's Signature</div></div>					<div>Opening Balance (MWK)</div> <div>55,000</div>	
Date	Shares Bought this meeting					Total Shares
1 st July 2016	★	★	★	★	★	55
8 th July 2016	★	★	★	<div></div>		58
15 th July 2016	★	<div></div>				59
22 nd July 2016	★	★	★	★	<div></div>	63
29 th July 2016	★	★	★	★	★	68
5 th August 2016	★	★	★	★	<div></div>	72
12 th August 2016	★	★	<div></div>		<div></div>	74
19 th August 2016	<div></div>					54

NOTE:

If the withdrawn shares exceed the number of stamps posted in the Passbook,

- a) All the stamps are crossed out;
- b) Total Shares are reduced by the equivalent withdraw;
- c) The Opening Balance figure is NEVER altered/changed

9.4 RECORDING OF LOANS IN THE PASSBOOK:

In the WCM Program, Group members start taking loans after 6 consecutive weeks of savings. The following steps are followed:

Step 1:

After the Group has agreed to give out the loan, we cross check to see if the borrower has got sufficient savings to qualify for the said loan. The loan should NEVER exceed **3 times** the borrower's savings.

Step 2:

We fill in the date when the loan is given out.

Step 3:

We compute the interest payable by the borrower:

Interest = Loan Amount x Interest Rate x Loan Period

= Loan Amount x 1% x Loan Period

= Loan Amount x $\frac{1}{100}$ x Loan Period

Step 4:

We collect the interest from the borrower

Step 5:

We fill in the Loan Amount, the Interest Paid and the Money Received by the borrower. These Loan Amount and Money Received must always tally, i.e. they should be equal and the same.

Step 6:

We fill in the Loan Period (No. of Weeks) for which the loan is applied, and the weekly instalment.

The Weekly installment is calculated as follows:-

Weekly installment = $\frac{\text{Loan Amount/Money Received}}{\text{Loan Period}}$

ILLUSTRATION 4:

For example if the member chose to take a loan of MWK 120,000 on Week 7, the computation would be as follows:-

A. Interest Payable:

$$= \text{Loan Amount} \times \text{Interest Rate} \times \text{Loan Period}$$

$$= \text{Loan Amount} \times \frac{1}{100} \times \text{Loan Period}$$

$$= 120,000 \times \frac{1}{100} \times 12$$

$$= \underline{\underline{14,400}}$$

B. Weekly Installment

$$= \frac{\text{Loan Amount/Money Received}}{\text{Loan Period}}$$

$$= \frac{120,000}{12}$$

$$= \underline{\underline{10,000}}$$

The Passbook record will appear as follows:-

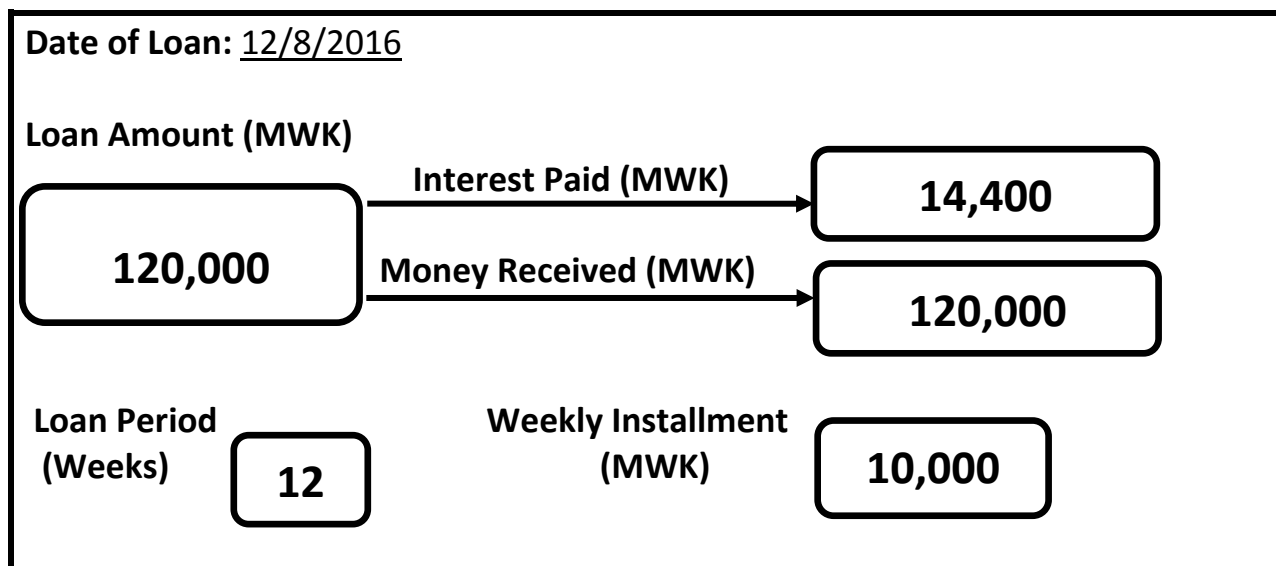


ILLUSTRATION 5:

In case the member paid an installment on their loan the procedure would be:-

Step 1:

We fill in the date when the loan installment is paid;

Step 2:

We enter the installment paid in the Loan Paid column;

Step 3:

We compute the Loan Balance; = Money Received minus Loan Installment Paid

Step 4:

The borrower appends his/her signature to acknowledge the installment paid

PRACTICALLY, if the same member chose to:

Pay a loan installment of MWK 10,000 on Week 8, MWK 15,000 on Week 9 and MWK 12,000 on Week 10;

The computation would be as follows:-

A. Week 8; 19th/8/2016 the Loan Balance would be:

= Money Received minus Loan Installment Paid

= 120,000 – 10,000

= **MWK 110,000**

B. Week 9; 26th/8/2016 the Loan Balance would be:

= Money Received minus Loan Installment Paid

= 110,000 – 15,000

= **MWK 95,000**

C. Week 10; 2nd/10/2016 the Loan Balance would be:

= Money Received minus Loan Installment Paid

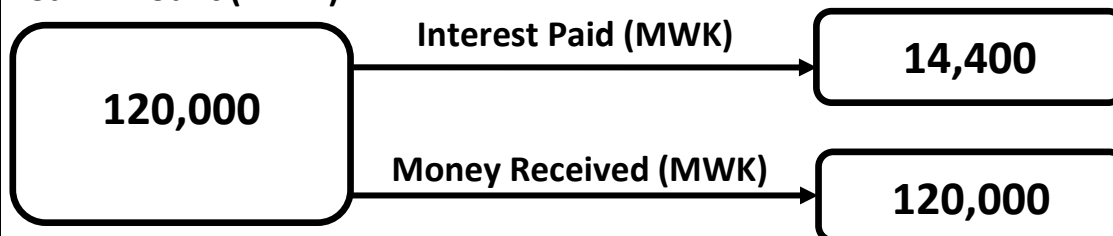
= 95,000 – 12,000

= **MWK 83,000**

Illustration of the Passbook record with the 3 loan repayments:-

Date of Loan: 12/8/2016

Loan Amount (MWK)



Loan Period
(Weeks)

12

Weekly Installment
(MWK)

10,000

Date	Amount Paid (MWK)	Loan Balance (MWK)	Member's Signature
19 th /8/2016	10,000	110,000	Chongaí Sarah
26 th /8/2016	15,000	95,000	Chongaí Sarah
2 nd /9/2016	12,000	83,000	Chongaí Sarah

9.5 GUIDELINES FOR CASHBOOK ENTRIES

For easy understanding, Steps 1 – 6 are performed on every individual Group member

Step 1: Perform a roll call:

The Secretary performs a roll call for the Treasurer to fill out attendance in the Cash Book. This is done to clear doubts on absentee members who should be charged fines.

Step 2: Update the Fines (this is spontaneous):

- a) Record the fines owing; including from the previous weeks.
- b) Record the fines paid that week.
- c) Record the total fines paid by members since beginning of cycle.

Step 3: Update the Savings/shares bought:

- a) Record the number of shares bought by the member that week.
- b) Record the savings withdrawals/reductions if any.
- c) Record the total shares paid by the member since beginning of cycle.

Step 4: Update the Interest on Loans taken:

- a) Record the interest paid to the Group that week.
- b) Record the Total Interest paid since beginning of cycle

Step 5: Update the Loans Balances:

- a) Record the Loan amount given to the borrower.
- b) Ensure the borrower signs to acknowledge receipt of the loan.
- c) Record the loan amount repaid by the borrower
- d) Record the loan balance outstanding/owing (remaining after payment of that week's installment)

Step 6: Update the Social Fund

- a) Record the Social Fund owing; including from previous weeks.
- b) Record the Social Fund payments that week.
- c) Record the Total Social Fund paid by the member since beginning of cycle.

Step 7: Update the Group Loan Fund Balance:

We get this by adding:

Total Fines + Total Savings + Total Interest Paid + Total Loans due

Step 8: Update the Group Social Fund Balance:

We get this by subtracting the Total Social Fund Grants (Pay-Outs) from the Total Social Fund contributions (Pay-Ins).

NOTE:

Steps 7 – 8 are meant to summarize the entire Group transactions in a given week

9.6 FILLING OUT THE CASHBOOK

Assumptions:

- a) A single share amount is MWK 1,000;
- b) The Social Fund contribution is MWK 500;
- c) It is Week 7 on the 18th July 2016
- d) Group member No. 4; Miss. Betty Tawonga bought 5 shares;
- e) She paid a fine of MWK 800 for being absent the previous week.
- f) She paid her Social Fund contribution from Week 1 to-date;
- g) She had accumulated 84 shares the previous week;
- h) That day, the member missed to pay a fine of MWK 500 for late coming;
- i) The members requested for a loan of MWK 200,000 for 12 weeks;
- j) The Group members discussed the loan request and demanded that she first settles the outstanding fines before her loan could be approved; she complied.

Step 1:

We calculate the member's savings by end of Week 7:

= 84 shares + 5 shares

= **89 shares**

Step 2:

We convert the 89 shares to local currency i.e. Malawian Kwacha (MWK);

= Total Shares times a Single Share Amount

= 89 x 1,000

= **MWK 89,000**

A. The calculations for Social Fund would be as follows:

B. The calculations for Fines would be as follows:

C. The calculations for Interest on a 12 weeks' Loan of MWK 450,000 would be:

Table 4.9: Cash Book Record for Member No. 1 at Week 6

		FINES (MWK)			SHARES		INTEREST (MWK)		LOANS (MWK)				SOCIAL FUND (MWK)		
Member No.	Attendance Rosta	Fines Owning	Fines Paid	Total Fines Paid	No. of shares bought today	Total shares bought to-date	Interest Paid	Total Interest Paid	Loans Out	Loan Repayment	Total Loans Owning	Loan Receipt Signature	Social Fund Paid Out	Social Fund Collected Today	Total Social Fund Paid
	✓														
	✓														
	✓														
	✓														
	✓														
TOTALS															
				A		B		C			D		E		F

NOTES:

1. LOAN FUND = A + B x (Share amount) + C + D
2. LOAN FUND = Total (Fines + Savings + Interest Paid + Loans Owning) - which must always equal to; Loans Owning + Cash in the Box/Bank.
3. SOCIAL FUND = (F – E).
4. The GROUP WEALTH = Total Fines (A) + Total Savings (B) + Total Interest Received (C) + Total Social Fund (E) which must always equal to the Total Loan Outstanding + Cash in Cash Box/Bank (Loan & Social Fund).

Chapter 9

Module 4: Safety of Group Funds in WCM Program (1 Day)

9.0 Introduction

WCM Savings Groups do not provide large investment capital or long term loans yet by their self-capitalization nature, autonomy and self-management practices coupled with the low level of economic activity in the rural areas, they will grow big pools of funds but the capacity to utilize these funds is still limited. This poses a security risk to the members' funds since it may be susceptible to abuse by dishonest individuals within the groups, at the DDF and among the program staffs if no precautionary measures are taken.

The WCM program strongly prohibits program staffs, DDF Focal Persons, Field Officers and Trainers from touching, handling and/or managing the groups' and individual members' money.

Table 9.1: Dangers of touching, managing group funds

POTENTIAL AND ACTUAL RISKS THAT ARISE IF PROGRAM STAFFS, FOCAL PERSONS AND FIELD PROMOTERS/VILLAGE AGENTS HANDLE GROUPS' FUNDS	
1.	Increased dependency syndrome since the groups will lack skilled members to manage their funds but solely rely on the non-members/Field Officers
2.	Conflict of interest; which may result in neglect of core duty and promotion of personal interests hence abuse of Group funds.
3.	Poor records since the Group members will not master the art of proper recording since due to mismatches between physical cash and records
4.	Breeds distrust towards the program and the implementing partners
5.	Deters building Group members' self-confidence/esteem since the owners of the funds are not in full control which undermines their participation.
6.	High default on loans; since every borrower will have a case against the program staffs hence they will seldom honor their obligations repay their loans and other debts owed to the group
7.	Destroys the spirit and culture of savings, the whole essence of group work hence triggering Group members' drop out. Handling Groups' funds does not depict transparency, but rather breeds high doubts and member dissatisfaction

9.1 Procedures for Safe Money handling

For clarity on procedures for Money handling, the FO must emphasize to Group members that:

- 9.1.1 Payment for the Start-Up Kit is made directly to the DDF Bank Account or offices by the selected MC members and an instant receipt **MUST** be issued in return. WCM program staffs, DDF Focal Persons and FOs are **NOT** allowed to collect the money from the villages or Groups whatsoever.
- 9.1.2 All payments for the Start-Up Kits must be paid within the first 3 months.
- 9.1.3 The WCM groups must use lockable metallic Cash Boxes in order to keep members' money and records safe.
- 9.1.4 The Cash Box is **ONLY** opened during the group meetings and locked in the meeting before the members disperse.
- 9.1.5 The lockable Cash Box ensures that transactions can only be carried out in the meeting when all Group members are present and that records cannot be altered without the consent of all the members.
- 9.1.6 During the weekly meetings, the Cash Box is placed in front of the group members.
- 9.1.7 All cash not used during the weekly meetings must be kept in the Group Cash Box; where it is separately wrapped in the Social Fund and Loan Fund cloth bags.
- 9.1.8 Each set of keys to the three (3) locks will stay with 3 different Key Keepers who are not members of the Management Committee. They should be trustworthy group members.
- 9.1.9 When new Key Keepers are appointed, the Group must ensure it replaces the old locks to avoid the risk of duplication of keys which may lead to theft of funds.
- 9.1.10 Whenever it is deemed safe, the Group meetings should take place at the Treasurer's home to avoid risks of carrying the Cash Box across villages every week.
- 9.1.11 Where the Group meeting place is not the Treasurer's house, the Treasurer plus the Cash Box must be escorted by at least two (2) other members who must include the Security Assistant to the meeting place and back home at all times.



- 9.1.12 The Cash Box MUST be disguised while in transit to and from the group meeting.
- 9.1.13 WCM program recommends Groups to open bank accounts with reputable, licensed financial institutions.
- 9.1.14 The Group appoints signatories from the MC members to include the Chairperson, Treasurer, Secretary and one member from the GA. To be on the safe side, withdrawals from the bank MUST first be approved by a GA resolution.
- 9.1.15 The group should decide on a maximum amount that can stay in the Cash Box before money is deposited in a bank. A clause to this effect must be provided in the Group constitution
- 9.1.16 Whenever funds are deposited in the bank, a copy of the deposit slip MUST be kept by the Group. This deposit slip MUST be shown to the members during the next weekly meeting for verification before it is added onto the Group records
- 9.1.17 Where the Group operates a bank account it must arrange a cash ordering system so that money can be brought from the bank to the group on time for the members to access loans.
- 9.1.18 Ideally, the group should try to lend out all their money (if they have good loan applicants). This way they will make more income and avoid the risk of money storage.
- 9.1.19 Up to the end of the cycle, the Group may extend loans to good applicants by strictly giving out Loan amounts equivalent to the borrowers' shareholding in the Group as opposed to the three (3) times savings rule.

9.2 The WCM program operational framework for safety of Group funds:

9.2.1 Constitution formulation:

- All groups are trained in constitution formulation and hence supported to have the constitutions written by the program office.
- The constitution should provide for the agreed group funds i.e. the Loan Fund and Social Funds, how they are contributed and managed.
- The constitution stipulates the minimum fund amounts to be kept in the group Cash Box between meetings.
- The constitution should have special clauses relating to bank account opening and management, procedures for storage and sharing of banking records, and naming of the bank account signatories to include at least 1 extra member from the GA.

- Where the existing constitution lacks the necessary clauses for the safety and security of the group funds, the District Coordinator MUST make time to engage the group in a discussion that will result in formulation of a living document to close the gaps. The program office compiles the members' views, puts them in writing and prints the new constitution for the group.
- The members and Management Committees are encouraged to follow their constitution in terms of Banking, Fines, Loan, Savings and Social Fund activities.

9.2.2 Promotion of transparency during meetings:

- The Group Chairperson manages the meeting by announcing the transactional stages in a logical order; one at a time.
- All transactions to do with savings pay-ins, Social Fund contributions/grants, interest on loans, new loan disbursements/repayments and banking are done and approved only in the weekly meetings.
- The seating arrangement is such that members are able to observe the stamping of their books or writing in the Cashbooks as well as the individual contribution from each one of them.
- The Money-Counter(s) make a physical count of the funds at start, during and end of meeting. They verify all the monies to ensure no counterfeits are brought to the fund. At every stage and transaction, they count out loud clear any doubts.
- The Secretary fills out the members' passbooks and shows what was recorded to the member.
- The Treasurer fills out the Cash Book and announces the beginning and closing cash position to the group at start and end of the meeting respectively.
- Loan requests are done in the open; disclosing the amount, purpose and duration of the loan requested for. Disbursement of the money was transparent and witnessed by all members.
- For consistency and confidence building, the members keep their individual passbooks between meetings to enable further reference if deemed fit.
- Every group must have 3 Key Keepers who should NEVER:
 - Be members serving on the MC
 - Be relatives by blood or marriage.
 - Be neighbours to one another.
- Loan Funds are never diverted to cover up for the Social/Insurance Fund and vice versa. The two (2) funds are separately kept and distinctively managed.

9.2.3 Cleanness and accuracy of groups' records:

- The program promotes the use of the individual member passbook as the primary record of the group. At every meeting when the Secretary fills out, the member verifies the entry.
- The program recognizes the Cash Book as the key secondary record that shows all the transactions taking place in the group from start to end of cycle.
- Savings/share purchases are stamped on every page in passbooks and the cells clearly filled. Unused cells are immediately cancelled.
- The members sign for every loan transaction i.e. receipt and periodic instalment.
- Upon receipt of final loan installment the loan is cancelled so the borrower and Secretary sign.
- In practice, all Group records are updated during the weekly meeting.
- The passbooks and loan records are checked for compliance and mathematical accuracy during every meeting and instant feedback is shared with the members.
- Special Meetings/Quarterly audits of the group records are conducted by the program team i.e. the District Coordinator, Field Officer, Administrative Assistant, and/or DDF Focal Person to measure accuracy and consistency. Instant feedback is shared with the group.
- Unnecessary cross-outs and changes are emphatically discouraged. Records should be completely accurate so any errors are pointed out to the Secretary and Treasurer, and also to the entire group.
- The Secretary and Treasurer and the entire Group members are shown the correct way of keeping records to make sure they understand it.

9.2.4 Proper loans disbursement and timely repayment of loans:

- Strict adherence to the policies and rules governing loans
- Interest on loans is charged up-front on the day one contracts the loan.
- In WCM, the ratio of loans to savings is 3:1; that is members MUST NEVER borrow beyond three (3) times their savings worth. Where the groups find it relevant they can adjust the ratio downwards to for instance 2:1 i.e. loans are only two times a member's savings but never upwards.
- WCM Savings Groups have flexible but mandatory loan terms where repayment is weekly.
- Late payment of loans exposes the group to risk of losing their funds. Therefore the program dictates that members sufficiently service their loans on time.
- Borrowers must disclose the purpose of loans to the group for discussion prior to taking the loans. This saves the fund from impulsive borrowing that may result into bad debts.

- Group cohesion is encouraged so that Group members take it upon themselves to recover all monies outstanding from defaulting borrowers.
- The Program staff, Focal Persons, and Field Officers engage members in discussions to formulate a plan to improve on-time loans repayment.

9.2.5 Registration of WCM groups with the local authorities:

- Groups' registration cultivates ground for groups' recognition by the Group Village, Traditional Authorities and District authorities.
- Registration of groups also makes it easy for linkage with licensed financial institutions
- This in turn brings the authorities closer to monitor the group activities, assist in loan recovery, and conflict resolution which threaten sustainability of the loan fund.
- Groups that meet the registration requirement are awarded with Registration Certificates from the local authorities.

9.2.6 Promoting Bank linkages to secure Groups' funds:

- The WCM program supports strategic collaboration with the umbrella organization for financial institutions which may include but are not limited to Microfinance Institutions and commercial banks. Partnerships can be cultivated at the start or in the course of the program cycle.
- Rigorous sensitization of groups about fees and procedures of Financial Institutions is conducted by the program in collaboration with the DDF and the selected partners e.g. at the district like CDAs, DCOs.
- Group members are consulted and involved in the decision for choice of bank prior to account opening and deposit of group funds. The decisions are made by the GA, not the Management Committee.
- Mature groups are to be linked to licensed financial institutions to secure their excess loan funds. This reduces the risks associated to keeping cash in the box e.g. theft, fires and insecurity of the Treasurer's home.
- Group members with big investment needs may in the future be linked to the MFIs/banks to save the group from the risk of lending out big unsecured loans.
- Bank linkages also help to reduce the risks of members' over indebtedness by the group as a means of putting off the big sums of money that would otherwise have remained in the Cash Box.
- Bank transactions are discussed and approved by the GA before they take place
- Bank records including deposit/withdrawal vouchers, cheque books, Pass cards/ATM cards, bank statements are kept in the Group Cash Box.

Chapter 10

Module 5: Development of Group constitution (3 Days)

10.0 Introduction:

Prior to the training, the FO should carry along a blank copy of the Group Constitution Template which bears the fixed positions of the WCM program to promote consistency and a commonality to all WCM program groups.

The FO goes through the blank template, one item at a time; guiding a discussion that will help group members to reach agreement on each clause. The FO then helps them to fill in the blank spaces. Decisions that the Group needs to make for itself are shown as underlined blank spaces.

The FO should NEVER rush the group discussions or put the group members under pressure to finish everything in the stipulated 2 days since the outcome whatsoever shall become a living document that guides the group's operations over time.

The FO should allow the discussions to flow naturally by ensuring that all group members participate in an active manner even if it takes then longer than expected. The FO should NEVER think that he/she knows what the Group will decide and fill out the constitution template form before engaging the members in a discussion at the meeting.

It is important that the FO explains that the rules developed in the previous meeting will be included in the Constitution, but that this meeting will concentrate on the rules that help the Group govern itself, including any decisions already made about the Group membership, registration fees, Group Leadership, Savings, Loans, Social Fund and fines.

Once the pre-filled template is filled out by the group members, they will then sign to show that they agree.

10.1 Important Notes:

10.1.1 It is not a rule that groups' constitutions must be written in English. The group members have the liberty to write the constitution in their local dialect if they deem it fit.

10.1.2 The WCM program office should spearhead the constitution writing process for the groups and as such MUST maintain a copy for each and every WCM group. If the group(s) makes amendments to their constitutions, the FO must be part of the process. The FO should inform the office about the new developments and also ensure that the program office maintains a copy of the updated version of the constitution.

10.1.3 The constitution belongs to the group not the FO or any member of the MC.

10.1.4 The group must at all times maintain a copy of their constitution in the group cashbox other than in custody of any MC members.

A good constitution has the following benefits:

1. Inspires the Group to define objectives for its very existence
2. Enables the group to realize its set objectives/ targets
3. Can serve the best interests of the group members.
4. Clearly elaborates any contentious issues without ambiguity.
5. Contains well thought out clauses that are not subjected to impulsive change by the members
6. Commands respected from the authorities at the community, Traditional Authority, District and national level.
7. Saves the group's key resources like time and money
8. Guarantees safety of group funds; NOT exposing the Group to risks.
9. Promotes growth of the group Loan Fund
10. Inculcates a culture of savings and investments among members.
11. Cultivates a discipline of self-respect and self-control among members
12. Promotes unity and a brotherhood both in times of joy and trouble
13. Serves as a yardstick to measure groups' maturity.
14. Markets the members to access other development programs and services beyond the capacity of the Savings Group.

10.2 Essential components of a good constitution

A. BASIC INFORMATION ON THE GROUP

- Name of the Group (must be inspirational and unique)
- Physical location/Address (Village, Group village, TA, District)
- Date of Group formation
- Date of official registration by authorities (TA and/or District)
- General description and address of the group members

B. OBJECTIVES:

The constitution should have a section for objectives for which the Group is established. The objectives should be:

- (a) Clear and precise
- (b) Realistic and attainable by the Group members
- (c) Measurable
- (d) Inspirational to the entire Group membership
- (e) The brain-child of the Group members; not opinions of the Field Officer

C. MEMBERSHIP:

- a) Pre-conditions/qualifications for membership should be well spelt out
- b) Clarity should be made about the start and cessation of membership
- c) Conditions that warrant cessation of membership must be highlighted

D. THE GROUP MANAGEMENT:

A good constitution should stipulate where power lies and the officers to who power is entrusted; explaining their roles and the extent of their influence.

Ideally, the constitutions should NEVER disempower the Group members in any way.

The FO MUST facilitate a group discussion on Qualities and Roles of the Group Management Committee members to enrich the Group members' understanding of the duties enshrined and the potential danger if the Group does not appoint a Management Committee.

E. VOTING:

The constitution should clarify on the voting procedures; i.e.:

- Who of the members is eligible for voting and being voted?
- Stress that every Group member is entitled to ONE single vote.
- The approved mode of voting and the circumstances in support of each
- The required quorum of GA to conduct MC elections
- When elections must be held

F. ELECTION OF THE MANAGEMENT COMMITTEE MEMBERS:

- Where the powers to elect the MC members lies
- Group members' voting rights
- Definition of the Management Committee office bearers
- Filling of vacant positions on the MC
- Removal of MC members and conditions warranting the same
- The tenure of office for the MC, etc.
- Roles and duties of the MC members
- Qualifications for MC members

G. MEETINGS:

The Group constitution should clarify on the essential typical meetings expected of the Group, when and how they are organized. These include:

- a) Weekly Group Meetings
- b) Annual General Meetings (AGMs)
- c) General Meetings
- d) Special Meetings

H. GROUP WEALTH AND HOW IT IS TREATED:

From the start of the cycle, every Group member puts his/her individual resources into a common pool. It should be well defined in the constitution what comprises the group wealth, how it is mobilized, how and when it is shared amongst the members.

I. SOCIAL FUND GRANTS:

- a) How much is every member's weekly contribution towards the Social Fund?
- b) Who should be entitled to the Social Fund grant?
- c) Circumstances warranting the Social Fund grant
- d) How much grants should be paid out for the different circumstances?

- e) Which Social Fund grants must be refunded to the Group?
- f) Period for settling refundable Social Fund grants
- g) Number of times one should access Social Fund grant for a single circumstance
- h) Maintain that the GA determines which group member should access the Social Fund grants from time to time.

J. FINES:

- a) There should be provisions for penalties against those members who fail to comply with the bylaws in the constitution.
- b) Define how fines should be collected during the weekly meeting
- c) Clarification to the effect that fines due are first recovered before loan disbursement
- d) Explain how fines are treated at end of cycle

K. LOAN FUNDS:

The constitution must define what constitutes the Group Loan Fund; that is:-

- 1) The total members' Savings contributions
- 2) The total member's Fines contributions including all fines owing
- 3) Interest charged on loans and
- 4) All outstanding Loans payable to the Group

It must fully define the terms and conditions of the LOAN:-

- a) Mandatory payment of interest on loans
- b) Interest must be paid upfront on the loan amounts advanced.
- c) Outstanding fines must be paid off to zero prior to taking new loan.
- d) Definition of the loan term
- e) How and when loans are repaid
- f) The value of savings one must possess to qualify for a loan. WCM model dictates a maximum ceiling of 3 times the borrower's savings.
- g) The GA should take lead in making a lending decision not the MC.
- h) That loan advances are ONLY in full amounts and by form of cash form
- i) The Group reserves the right to grant or deny loan advances to the members.
- j) Field Officer(s) MUST never touch, manage or keep the Group Funds whatsoever.

L. BANK ACCOUNTS:

- a) Whether the Group will open and operate a bank account
- b) In case of a bank account, it should be with a licensed financial institution.
- c) The General Assembly approves the bank of choice not the MC
- d) Who are the signatories to the bank accounts?
- e) What are the signing orders/mandate?
- f) How the bank records should be stored and shared with Group members
- g) Disclosure of bank statements to the WCM Program office and the GA

M. DISPUTES:

- a) Who in the Group setting is responsible for settling disputes?
- b) What other choices are there for conflict resolution?
- c) Whether the Group can seek legal redress?

N. AMENDMENTS:

- a) What should be the quorum of the GA to warrant constitution amendment
- b) How often should the Group consider making constitution amendments?
- c) Whether the MC can make additional rules on top of the constitution?

O. DISSOLUTION:

- a) The constitution must elaborate on how to handle dissolution,
- b) Circumstances that warrant Group dissolution
- c) How the General Assembly should approve the decision to dissolve
- d) How the Group assets should be divided amongst members

P. OWNERSHIP AND APPROVAL:

For record and ownership purpose, the Group members must severally disclose their particulars in the form of names, gender, age, disability and append their individual signatures in approval and adoption of the constitution.

NOTE:

The FO should facilitate a fruitful discussion whereby Group members discuss all elements of the constitutions and enrich their constitution with clauses that best suit their setting and aspirations.

9.7 The First Savings/Share purchase Meeting

At this point, the Management Committee will be learning only how to conduct a Share-purchase meeting such that they play their roles as follows:-

Chairperson; levies fines and announces each step of the meeting as it moves from one procedure to another.

Secretary; records minutes and passbook entries, and assists the Treasurer to maintain the Group Cashbook

Treasurer; controls financial transactions occurring during each step of the meeting, fills out the Group Cashbook, responsible for the security of the Cash Box between meetings and assisting the Secretary to maintain Passbooks.

Money – Counters; verify all the cash pay-ins, count all the cash and instantly give updates to the Secretary to harmonize passbook records.

The FO should instruct the Group to sit in an orderly manner; in the order of their numbers – the MC members facing the GA. Members are advised to memorize respective numbers for chronological flow of transactions.

Again, the FO also stresses to the Group members that they will only concentrate on the Savings/share-purchase, Fines and Social Fund at this point. This will give them a chance to get familiar with how things are run before they learn about loan meetings.

Being the first savings meeting, the FO stresses that:

- a) They have the freedom to contribute any amounts in the multiples of a single share value without limit; BIG amounts beyond 5 shares are accepted.
- b) This day's savings shall be apportioned as:
 - i) A figure in the Opening Balance block and
 - ii) Stamps in the shares blocks
- c) Everyone contributes according to his/her ability and dream; it is not mandatory to contribute equal amounts
- d) The Secretary fills out the passbooks and
- e) The Treasurer fills out the Group Cash Book
- f) Every member cross-checks his/her passbook for consistency and accuracy

The uniqueness about Day 1 Savings is that there is no limit to the amount one can save; BIG amounts in the multiples of a single share are allowed. Once the Savings is in excess of 5 shares, it is recorded in 2 fields; in the Opening Balance field as figures and in the Shares field as stamps.

Table 10.4.1: Procedures for First Share-purchase meeting

Meeting step	First Share-purchase meeting – Procedures
1. Meeting opening	<ol style="list-style-type: none"> 1. The Chairperson calls the meeting to order. 2. The Secretary performs a roll call. 3. The Key-Keepers open the box, which remains in front of the Treasurer. 4. The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting.
2. Share-purchase/savings	<ol style="list-style-type: none"> 1. The Chairperson announces that members will now make their first Savings/shre purchases. 2. The Secretary calls each member to the front by their number. 3. Each member comes to the front and buys any amount of shares, giving the money to the Money-Counters and their passbook to the Secretary. 4. The Money-Counters count the money, place it in the Money-counting bowl and announce the number of shares that have just been purchased by the member. 5. The Secretary fills in member's savings as follows: <ol style="list-style-type: none"> a) Stamps the correct number of <u>shares</u> into the passbook; b) Fills out the member's <u>Opening Balance</u> figure, and; c) <u>crosses</u> out any unused blocks. 6. The Treasurer fills the records as follows: <ol style="list-style-type: none"> a) Fills member's total shares in the Group Cashbook; b) Appends his/her signature against the <u>Opening Balance</u> figures in the member's Passbook. 7. The member then checks that the Opening Balance figure and number of new stamps in the passbook is correct; <u>add up to his/her total savings that day.</u> 8. After confirmation, the member gets back his/her passbook and takes to the seat.
3. Expenses	<ol style="list-style-type: none"> 1. The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. 2. If any expenses are approved by all of the members, the Chairperson instructs the Money-Counters to remove the necessary amount from the Money-counting bowl and give it to the member who is responsible for paying the expense.
4. Calculating the Loan Fund	<ol style="list-style-type: none"> 1. The Money-Counters combine the money in the Fines bowl and the Money-counting bowl. 2. The Money-Counters count the money and the Secretary

balance	<p>announces the total to the Group.</p> <ol style="list-style-type: none"> 3. The Secretary then tells the Group that this money constitutes their Loan Fund. 4. The Secretary records this amount in the Minutes Book 5. The Money-Counters place the Loan Fund in its draw-string bag and put it in the cash-box.
5. Social Fund	<ol style="list-style-type: none"> 1. The Chairperson announces that contributions will be made to the Social Fund. 2. The Secretary calls each member, by number, to give their Social Fund contributions to the Money-Counters. 3. When the member comes forward they give their Social Fund contribution to the Money-Counters and it is recorded in the Group Cashbook. 4. As each member comes forward, the Chairperson assigns a rule from the Group Constitution (a different one for each member) to be recited in every meeting during the first cycle. Members are told that they must do this when they come to make their Social Fund contribution. 5. The Money-Counters confirm that each member has given the right contribution and place it in the Money-counting bowl. 6. The Money Counters count the total amount in the Money-counting bowl and announce this to the members. 7. The Secretary says that everyone should remember this amount for the next meeting 8. The Secretary records this amount in the Minutes Book. 9. The Social Fund money is then replaced in its draw-string bag and put back in the cash-box.
6. Closing balances	<ol style="list-style-type: none"> 1. The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting. 2. The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the balance of the Loan Fund for the next meeting. 3. The Secretary records the Loan Fund and Social Fund balances in the Minutes Book. 4. The 3 Key-holders are called by the Chairperson to lock the box.
7. Closing	<ol style="list-style-type: none"> 1. The Chairperson invites members to discuss any other subject that may be of interest. 2. The Chairperson announces the date and time of the next meeting and reminds everyone to come with their Social Fund

	contributions and Share-purchase money.
	3. The Chairperson informs members that in the next meetings the Savings/share-purchases shall range from 1 – 5 shares per week.
	4. The Chairperson tells the members that they will be able to request for a loan at the first loan meeting, five (5) weeks ahead
	5. Once discussion is complete, the Chairperson closes the meeting.

The Secretary should enter the Loan Fund and Social Fund balances in the Minutes Book in the following manner:

Table 10.4.2: Weekly record of Balances – Example

Date	Cash in Loan Fund (MWK)	Cash in Social Fund (MWK)
1/5/2016	MWK 242,500	MWK 10,300

Summary and Conclusion:

The FO should explain again that the first loan meeting will not occur for another 5 weeks.

The FO answers any remaining questions about the Savings/share-purchase and reminds the MC that from now onwards, the success of the Group depends on their leadership.

The FO reminds the members that they will be expected to recite the rule from the constitution that they are supposed to remember at the start of the next meeting. The Management Committee and any other members observing are thanked and the meeting is closed.

9.8 The First Loan Meeting – (at Week 6)

This meeting takes place 5 weeks after the first savings meeting to ensure that the Group has reasonable savings to kick-start the lending of funds to members.

The FO tells the members that this meeting will be the first chance they have to borrow, once Share purchases and Social Fund activities are completed.

The FO says that loans will be taken and interest charged on them **MUST** be paid **upfront** that is, instantly; as one takes the loan. Paying upfront interest is necessary to:

- Reduce chances of mathematical errors
- Keep record-keeping simple and understandable for the members, including the Management Committee
- Allow the Group to quickly build their Loan Fund
- Save potential borrowers from waiting for long before they access loans

The FO must emphasize to the Group that WCM program model does **not** permit a group to give out loans to non-Group members including Field Officers at every meeting.

Table 4.6: Procedures for the First Loan Meeting

Meeting step	Share-purchase and first loan meeting – Procedures
1. Meeting opening	<ol style="list-style-type: none"> 1. The Chairperson calls the meeting to order. 2. The Secretary performs a roll call. 3. The Key- Keepers open the box, which remains in front of the Treasurer. 4. The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting.
2. Share-purchase/ Savings	<ol style="list-style-type: none"> 1. The Secretary asks the members to recall the balance of the Loan Fund from the previous meeting. 2. The Money-Counters then remove the Loan Fund from its bag and count it, announcing the amount to the members. 3. Once it is agreed that the amount remembered and the amount counted are the same, the money is placed in the Money-counting bowl. 4. The Chairperson announces that members will now buy shares. 5. The Secretary calls each member to the front by their number. 6. Each member comes to the front and buys between 1 – 5 shares, giving the money to the Money-Counters and their passbook to the Secretary. 7. The Money-Counters count the money, place it in the Money-counting bowl and announce the number of shares that have just been purchased by the member. 8. The Secretary stamps the correct number of shares into the passbook and crosses out any unused blocks. 9. The Treasurer records the correct number of shares in the Cashbook.

	<p>10. The member then checks that the number of new stamps in the passbook is correct: <u>the passbook remains with the Secretary for the rest of the meeting.</u></p> <p>11. (If a member needs to make a Savings withdrawal, they will ask for it instead of buying shares. When a withdraw is made, the Secretary will cross out the number of shares from the member's passbook that corresponds to the value of the withdrawal and the Money-counters will give the money from the Money-counting bowl. The value of a share paid back to the member will be equal to its original purchase price.</p> <p>12. The Treasurer will make an equivalent reduction from the member's shares in the Cashbook.</p>
3. Expenses	<p>1. If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the Money-Counters, who place it in the Money-counting bowl.</p> <p>2. The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the Chairperson instructs the Money-Counters to remove the amount needed from the Money-counting bowl and give it to the member who is responsible for paying the expense.</p>
4. Calculating the new Loan Fund balance	<p>1. The Money-counters combine the money in the Fines bowl and the Money-counting bowl.</p> <p>2. The Money-counters count the money in the Money-counting bowl and the Secretary announces the amount to the Group.</p> <p>3. The Secretary then tells the Group that this money constitutes their Loan Fund and it is now available for lending in this meeting.</p>
5. Loan taking	<p>1. The Chairperson invites loan requests, reminding members of the maximum loan term (12 weeks) and loan amount (three times the member's savings).</p> <p>2. Each member who wants a loan then makes a request out loud to the Group, announcing the amount requested, the purpose of the loan and over what period of time they expect to repay.</p> <p>3. The Treasurer cross checks in the Cashbook to ensure the loan applicants have no outstanding fines. If the borrower is found to have any fines due for payment, he/she is compelled to settle it first before the loan request is considered. <u>No new loan is given to any member who has not paid his/her due fines to zero.</u></p> <p>4. The Secretary then calculates the total value of the requests and announces it.</p> <p>5. If the total value of loans requested is more than the money available in the Loan Fund, the Group must discuss adjustments to the individual loan amounts until all members are satisfied.</p>

	<ol style="list-style-type: none"> 6. Once it is decided how much each borrower will receive, the Secretary calls each borrower to the front in order of their number. 7. The Secretary then enters the loan amount, loan period, interest paid, value of weekly installment and Total Loan Balance due in the Member's passbook. 8. The Treasurer fills the Group Cashbook with details including; the amount of interest paid, loan amount of loan given out to the member . 9. The Secretary instructs the Money-Counters to give the borrower the loan amount from the Money-counting bowl. 10. The borrower then counts the money, and signs in the Group Cashbook. 11. The Secretary then instructs the borrower to announce out loud the total amount due and the amount of their weekly repayment installment. 12. This process is repeated until all loans have been issued. 13. The Money-Counters then count the money remaining in the Money-counting bowl and announce the amount to the Group. 14. The Secretary then tells the Group that this money constitutes their Loan Fund. 15. The Secretary records this amount in the Minutes Book. 16. The Money-Counters then place the Loan Fund in its draw-string bag and put it in the cash-box.
6. Social Fund	<ol style="list-style-type: none"> 1. The Secretary asks the Group to recall the balance of the Social Fund from the previous meeting. 2. The Money-Counters then remove the money from the Social Fund bag, place it in the Money-counting bowl, count it, and announce the amount to the members. 3. The Chairperson announces that contributions will be made to the Social Fund. 4. The Secretary calls each member, by number, to give their Social Fund contributions to the Money-Counters. 5. When the member comes forward they recite a rule from the Constitution, that they have been given to remember by the Chairperson. At the same time they give their Social Fund contribution to the Money-Counters. 6. The Treasurer records the Social Fund payments in the Cashbook and the member is given his/her passbook. 7. The Money-counters confirm that each member has given the right

	<p>contribution and place it in the Money-counting bowl.</p> <p>8. The Secretary then asks if any member has missed a payment to the Social Fund in the last meeting. If so, they are asked to pay it now.</p> <p>9. The Secretary then asks if anyone needs a grant from the Social Fund. Members in need make their request to the Group.</p> <p>10. If a majority of the members approve the grant, the money is provided to the member according to the Constitution.</p> <p>11. The Money-Counters count the total amount in the Money-counting bowl and announce this to the members</p> <p>12. The Secretary says that everyone should remember this amount for the next meeting</p> <p>13. The Treasurer records this amount in the Cahbook and the Secretary in the Minutes Book.</p> <p>14. The Social Fund money is then replaced in its draw-string bag and put back in the cash-box.</p>
7. Closing balances	<p>1. The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting.</p> <p>2. The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the balance of the Loan Fund for the next meeting.</p> <p>3. The Secretary records the Loan Fund and Social Fund balances in the Minutes Book.</p> <p>4. The 3 Key-holders are called by the Chairperson to lock the box.</p>
8. Closing	<p>1. Before closing the meeting, the Chairperson invites members to discuss any other subject that may be of interest.</p> <p>2. The Chairperson announces the date and time of the next meeting and encourages them to keep time.</p> <p>3. The Chairperson encourages everyone to come with savings, social fund contributions and for the borrowers; the loan installments in the next meeting, and reminds them that the loans are repaid weekly</p> <p>4. Once discussion is complete, the Chairperson closes the meeting.</p>

9.9 First Loan Repayment Meeting

In this meeting the FO plays a significant role of coaching the Management Committee on how to manage the Loan repayment meeting. The FO tells the members that this will

be the first time the Group will receive loan repayments and he/she will guide them through the steps.

The FO uses Table 4.10 to facilitate the first loan repayment meeting.

Table 4.10: Procedures for a Loan Meeting with First Loan Repayments

Meeting step	Loan Meeting with First Loan repayments – Procedures
1. Meeting Opening	<ol style="list-style-type: none"> 1. The Chairperson calls the meeting to order. 2. The Secretary performs a roll call. 3. The Key-Keepers open the box, which remains in front of the Treasurer. 4. The Fines bowl is placed in front of the Chairperson, so that fines can be collected during the meeting.
2. Share-purchase/savings	<ol style="list-style-type: none"> 1. The Secretary asks the members to recall the balance of the Loan Fund from the previous meeting. 2. The Money-Counters then remove the Loan Fund from its bag and count it, announcing the amount to the members. 3. Once it is agreed that the amount remembered and the amount counted are the same, the money is placed in the Money-counting bowl. 4. The Chairperson announces that members will now buy shares. 5. The Secretary calls each member to the front by their number. 6. Each member comes to the front and buys between 1 – 5 shares, giving the money to the Money-Counters and their passbook to the Secretary. 7. The Money-Counters count the money, place it in the Money-counting bowl and announce the number of shares that have just been purchased by the member. 8. The Secretary stamps the correct number of shares into the passbook and crosses out any unused blocks. 9. The Treasurer records the correct number of shares in the Cashbook. 10. The member then checks that the number of new stamps in the passbook is correct: <u>the passbook remains with the Secretary for the rest of the meeting.</u> 11. (If a member needs to make a Savings withdrawal, they will ask for it instead of buying shares. When a withdraw is made, the Secretary will cross out the number of shares from the member's passbook that corresponds to the value of the withdrawal and the Money-counters will give the money from the Money-counting bowl.

	<p>12. The Treasurer will make an equivalent reduction from the member's shares in the Cashbook.</p> <p>13. The value of a share paid back to the member will be equal to its original purchase price.)</p>
3. Expenses	<ol style="list-style-type: none"> 1. If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the Money-Counters, who place it in the Money-counting bowl. 2. The Chairperson asks the Secretary if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the Chairperson instructs the Money-Counters to remove the amount needed from the Money-counting bowl and give it to the member who is responsible for paying the expense.
4. Loan repayment	<ol style="list-style-type: none"> 1. The Chairperson asks borrowers to identify themselves. 2. The Secretary confirms the identity of the borrowers and the amount due by each borrower by referring to their passbooks. 3. Each borrower is then called to the front to give their payment to the Money-counters. It must not be less than the agreed weekly installment due. 4. The Money-Counters count the payment, announce the amount and place it in the Money-counting bowl. 5. The Secretary enters the paid installment in the member's passbook in the '<u>Amount Paid</u>' box. 6. The Secretary then calculates the remaining balance due and enters it in the '<u>Loan Balance</u>' box in the member's passbook. 7. The Treasurer fills the Cashbook with the paid installment and the owing/remaining balance if any. 8. The borrower signs the passbook to approve that a correct loan entry has been made. 9. If the loan is paid to zero, the Secretary and the Borrower sign at the end of the loan schedule in the passbook and it is announced to the Group that the loan has been fully paid. The remaining boxes are crossed with a RED diagonal line. <p>NOTE: <u>The Group members should applaud the borrower whenever a loan is fully repaid.</u></p>
5. Calculating the new Loan Fund balance	<ol style="list-style-type: none"> 1. The Money-Counters combine the money in the Fines bowl and the Money-counting bowl. 2. The Money-Counters count the money in the Money-counting bowl and the Secretary announces the amount to the Group. 3. The Secretary tell the Group that this money constitutes their

	<p>Loan Fund.</p> <p>4. The Secretary then tells the Group that this is the money available for lending in this meeting</p>
6. Loan Taking	<p>1. The Chairperson invites loan requests, reminding members of the maximum loan term (12 weeks) and loan amount (three times the member's savings).</p> <p>2. Each member who wants a loan then makes a request out loud to the Group, announcing the amount requested, the purpose of the loan and over what period of time they expect to repay.</p> <p>3. The Treasurer checks in the Cashbook to see if the loan applicants have no outstanding fines. If the borrower is found to have any fines due for payment, he/she is compelled to settle it first before the loan request is considered. <u>No new loan is given to any member who has not paid his/her due fines to zero.</u></p> <p>4. The Secretary then calculates the total value of the requests and announces it.</p> <p>5. If the total value of loans requested is more than the money available in the Loan Fund, the Group must discuss adjustments to the individual loan amounts until all members are satisfied.</p> <p>6. Once it is decided how much each borrower will receive, the Secretary calls each borrower to the front in order of their number.</p> <p>7. The Secretary then enters the loan amount, loan period, interest paid, value of weekly installment and Total Loan Balance due in the Member's passbook.</p> <p>8. The Treasurer fills the Group Cashbook with details including; the amount of interest paid, loan amount of loan given out to the member .</p> <p>9. The Secretary instructs the Money-Counters to give the borrower the loan amount from the Money-counting bowl.</p> <p>10. The borrower then counts the money, and signs in the Group Cashbook.</p> <p>11. The Secretary then instructs the borrower to announce out loud the total amount due and the amount of their weekly repayment installment.</p> <p>12. This process is repeated until all loans have been issued.</p> <p>13. The Money-Counters then count the money remaining in the Money-counting bowl and announce the amount to the Group.</p> <p>14. The Secretary then tells the Group that this money constitutes their Loan Fund.</p>

	<p>15. The Secretary records this amount in the Minutes Book.</p> <p>16. The Money-Counters then place the Loan Fund in its draw-string bag and put it in the cash-box.</p>
7. Social Fund	<ol style="list-style-type: none"> 1. The Secretary asks the Group to recall the balance of the Social Fund from the previous meeting. 2. The Money-Counters then remove the money from the Social Fund bag, place it in the Money-counting bowl, count it, and announce the amount to the members. 3. The Chairperson announces that contributions will be made to the Social Fund. 4. The Secretary calls each member, by number, to give their Social Fund contributions to the Money-Counters. 5. When the member comes forward they recite a rule from the Constitution, that they have been given to remember by the Chairperson. At the same time they give their Social Fund contribution to the Money-Counters. 6. The Treasurer records the Social Fund payments in the Cashbook and the member is given his/her passbook. 7. The Money-counters confirm that each member has given the right contribution and place it in the Money-counting bowl. 8. The Secretary then asks if any member has missed a payment to the Social Fund in the last meeting. If so, they are asked to pay it now. 9. The Secretary then asks if anyone needs a grant from the Social Fund. Members in need make their request to the Group. 10. If a majority of the members approve the grant, the money is provided to the member according to the Constitution. 11. The Money-Counters count the total amount in the Money-counting bowl and announce this to the members 12. The Secretary says that everyone should remember this amount for the next meeting 13. The Treasurer records this amount in the Cahbook and the Secretary in the Minutes Book. 14. The Social Fund money is then replaced in its draw-string bag and put back in the cash-box.
9. Closing balances	<ol style="list-style-type: none"> 1. The Secretary announces the total of the Social Fund once again, and the Chairperson instructs all members to memorise the Social Fund balance for the next meeting. 2. The Secretary announces the total of the Loan Fund once again, and the Chairperson instructs all members to memorise the

	<p>balance of the Loan Fund for the next meeting.</p> <p>3. The Secretary records the Loan Fund and Social Fund balances in the Minutes Book.</p> <p>4. The 3 Key-holders are called by the Chairperson to lock the box.</p>
10. Closing	<p>1. Before closing the meeting, the Chairperson invites members to discuss any other subject that may be of interest.</p> <p>2. The Chairperson announces the date and time of the next meeting and encourages them to keep time.</p> <p>3. The Chairperson encourages everyone to come with savings, social fund contributions and for the borrowers; the loan installments in the next meeting, and reminds them that the loans are repaid weekly</p> <p>4. Once discussion is complete, the Chairperson closes the meeting.</p>

ANNEX 1: TEMPLATE OF THE GROUP CONSTITUTION

i. Essential components of a good constitution

I. BASIC INFORMATION ON THE GROUP

Name of the Group (must be inspirational and unique) _____

Location/Address (Village, Group village, TA, District): _____

The Group was formed on: _____

Date of official registration by authorities (TA and/or District): _____

General description and address of the group members: _____

Q. OBJECTIVES:

The objectives for which the Group is established shall be:

- (f) To be an independent, profitable provider of financial services to the group members
- (g) To mobilize savings from members by way of weekly contribution to the Group fund and to encourage members to raise funds for savings in every possible way.
- (h) To extend loans to Group members for productive purposes and to charge interest on the same loans
- (i) To offer a safe place of saving money for the group members
- (j) To commit to supporting group members during good times as well as handling life's emergency shocks like deaths, illnesses, famine, accidents, etc.

- (k) _____
- (l) _____
- (m) _____
- (n) _____

- (o) To do all such other things as may be necessary for the attainment of the group's objectives.

R. MEMBERSHIP:

d) Membership in the Group shall be open to people with these qualifications:-

1. Male and female persons with disabilities of all disability categories, age group.
2. Caretakers of persons with disabilities. Caretakers are those individuals who assist persons with disabilities in their day-to-day activities e.g. guides, helpers, parents and immediate family members.
3. A resident in the vicinity of the group i.e., same village or neighbouring village(s).
4. A person who has been invited by the Group and fulfilled the membership requirements.
5. A person who has paid up the membership fees and annual subscription fees. The annual subscription fees shall change from time to time as deemed by resolution of the Annual General Meeting.

e) When a member wishes to withdraw their membership they shall be paid an equivalent of their total contribution made towards the Group fund after paying off all their outstanding debts due to the Group. Such a member shall not qualify for any dividends from the Group.

f) Membership to the group shall cease when a member:-

1. Voluntarily resigns from membership.
2. Dies.
3. Is declared a criminal under the law; and is deemed not to have reformed.
4. Has been repaid the entire amount standing to their credit as members.
5. Fails to pay the required weekly contributions. Sufficient notice shall be given as deemed by the GA.
6. Is expelled from the Group by the General Assembly for gross misconduct. The reasons for which a members must be expelled from the Group are:

- Participating in stealing or misappropriation of Group funds,

- _____
- _____
- _____
- _____
- _____

S. THE GROUP MANAGEMENT:

The supreme authority of the Group shall be the General Assembly.

There shall be a Management Committee appointed by the General Assembly to control and manage the Group's day to day operations as suggested by the General Assembly. The Management Committee shall into consideration the disability and gender balance and shall not exceed six (6) people but shall consist of the following:

- a) The Chairperson
- b) Treasurer
- c) Secretary
- d) 2 Money Counters
- e) Security Assistant

The FO MUST facilitate a group discussion on Qualities and Roles of MC members to enrich those highlighted in the template above. Insert all suggestions in the constitution

T. VOTING:

- a) No member shall be entitled to vote at any General Meeting unless he/she has continued to be a fully paid up member.
- b) Members who do not meet the requirements shall not be invited to the General Meeting
- c) Every eligible member shall be entitled to one vote for every position to be filled.
- d) There shall be three systems of voting namely;
 - 1. Secret ballot (at election of MC members)
 - 2. Lining
 - 3. Raising of hands
- e) And the mode chosen for a particular meeting shall depend on the issue being discussed and as members shall agree.
- f) Members who have not attained the consent age (minors) shall NOT participate in the voting.
- g) The required quorum of GA to conduct MC elections shall be (fraction)
- h) Elections must be held at the beginning of each new cycle.
- i) The maximum number of people that must stand for each position is 3.
- j) A member can only be re-elected to the same position **twice**.

U. ELECTION OF THE MANAGEMENT COMMITTEE MEMBERS:

- a) The GA has the powers to elect the MC members. Every Group member has equal voting rights
- b) The 6 office bearers on the Group Management Committee are: Chairperson, Treasurer, Secretary, 2 Money Counters and a Security Assistant
- c) MC members volunteers and not paid workers
- d) If a position falls vacant on the MC, the GA shall immediately fill it through election of another group member who fulfills the qualifications to fill the position.
- e) The MC shall hold office for one (1) year tenure but retiring members shall be eligible for re-election for more terms if the GA deems it fit.
- f) Members of the MC shall be elected and suspended or removed only by a majority of members present and voting at a General Assembly.
- g) It is the role of the MC to call meetings and regulate discussions both for weekly and General Meetings
- h) The MC shall see to it that the Group participates in programs that add value to the members.
- i) The MC shall prepare and keep a register of the members of the Group.

V. REMOVAL OF MANAGEMENT COMMITTEE MEMBERS:

- a) A member of the committee may be removed from office by ordinary resolution of the GA passed during the meeting for inability to perform his/her duties or any other sufficient cause including:
 - I. Participating in fraud or causing loss to the Group
 - II. Ceasing to hold membership qualification according to these bylaws
 - III. Failure to attend [REDACTED] consecutive meetings without a good reason
 - IV. Being charged guilty of an immoral or criminal offence
 - V. Being a person of unsound mind
- b) A member may voluntarily resign from the MC by writing through the Chairperson. Resignation does not stop such a member from continuing as a member of the Group.

W. MEETINGS:

The Group shall convene a number of meetings depending on the issues at hand during the course of the cycle. The meetings shall include:

- e) **Weekly Group Meeting**; at a place and time agreed by the members. It is mandatory that every Group member attends the weekly meetings without fail but flexibility is allowed. Members who miss the weekly meeting should be penalized to pay a monetary fee as stated in the Group Constitution. If special conditions warrant, some members may be exempted from the penalty, but the exemption is determined by the GA, not the Chairperson.
- f) **Annual General Meeting (AGM)**; shall be convened once every calendar year and groups shall be served with a notice at least [REDACTED] weeks prior.
 - The first AGM is organized by FEDOMA and participants are drawn from different program districts.
 - Subsequent AGMs are organized by the DDF in collaboration with the WCM program office
 - The Groups' GA shall appoint members to represent them at the AGM. Every WCM group shall bear the costs towards the transport and meals of their representatives at the AGM.
 - Resolutions of the AGM are binding to all the WCM groups in the district.
- g) **General Meeting** of members at which every fully paid up member has a right to attend and to vote. The General Meeting shall be held once in the year on a date communicated to the Group members well in advance (at least 6 weeks). The quorum for General Meetings shall be 2/3 of the group members. The General Meeting will discuss key matters such as:-
 - 1. Considering amendments to the Group constitution,
 - 2. Considering revision of the Share Value,

3. Revision of the Loan/lending terms,
 4. Recruitment of new members,
 5. Election of new MC members,
 6. Transact any other business.
- h) **Special Meeting** of the GA usually every once every 3 months or at any time based on the MC and/or program discretion; upon receipt of demand for such a meeting by stating the reason for the meeting. The FO should preside over the Special meetings and it is in such meetings that Group Financial Audits are conducted.

X. GROUP WEALTH:

- a) The wealth of the Group shall consist of:-
- 1) Members' weekly contributions to the Group Fund.
 - 2) Loan, grants and advances made to the Group members.
 - 3) Reserve funds kept on the Group Bank Account(s)
 - 4) Fines
 - 5) Membership fees
 - 6) Social Fund
 - 7) Interest on loans and
 - 8) Annual subscription
- b) All funds of the Group that are not required for immediate use shall be deposited in a licensed financial institution chosen by the Group members.

Y. SOCIAL FUND GRANTS:

- i) The Group members shall contribute to the Social Fund on a weekly basis. The Social Fund contributions should be affordable to all the members but at the same time of substantial amounts to enable members recover from life threatening eventualities.
- j) As a rule, a Group member or his/her **Next of Kin** shall be entitled to a Social Fund Grant(s) in the following circumstances:-

S/No.	Circumstance warranting Social Fund	Amount	Grant Condition (whether
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	Grant	(MWK)	to be paid back or not)
1.	<u>Death:</u>		
a)	Of a Group member		
b)	Member's Spouse		
c)	Member's biological parents		
d)	Member's biological children		
2.	<u>Burial/Last funeral rites:</u>		
3.	<u>Celebration by member:</u>		
a)	Wedding ceremony/anniversary		
k)	Hosting visitors e.g. In-Laws, clerics		
c)	Member's Academic Graduation Party		
4.	<u>Accidents:</u>		
a)	Destruction of member's home		
b)	Death of member's livestock		
l)	Causing permanent disability		
5.	Paying members' children School Fees		
6.	Critical illness of member		
7.	Other circumstances		
8.	Other circumstances		
9.	Other circumstances		
10.	Other circumstances		

- c) Only active group members are entitled to Social Fund grants. They must have made a contribution towards the fund in the first place.
- d) Apart from the registered NEXT OF KIN (in case of death of a member), non-members are not entitled to the Group's Social Fund grants
- e) The Social Fund grants refundable to the Group should be within a period not exceeding weeks
- f) Every active group member is entitled to Social Fund grants BUT it is ONLY limited to time(s) for every agreed circumstance during the business cycle.

- g) The GA determines which group member should access the Social Fund grants from time to time.
- h) The Field Officer(s) shall not be entitled to the Social Fund whatsoever.

Z. FINES:

Any member who fails to comply with the provisions in the constitution shall be liable to pay a fine of such sum as the Group shall set from time to time. The Chairperson shall ensure the fines are instantly collected during the meeting and the same declared to the GA. The following table lists the fines that will be charged:

Offence to be penalised	Amount (MWK)
Failure to attend a weekly meeting	
Coming late to the meeting by Group member	
Coming late to the meeting by Field Officer(s)	
Coming late to the meeting by FEDOMA staffs	
Missing the weekly savings/ not buying shares	
Not paying the required Loan installment – (charged weekly)	% of Loan Installment
Failure to complete the Outstanding Loan in agreed period – (charged weekly)	% of Past Due Loan Installment
Compelling the group members to recover a loan from borrower	Total cost used in recovery of Loan
Forgetting the Group rules	
Loss of member Passbook	
Forgetting Cashbox Key	
Gossiping during the group meeting proceedings	
Noise –making phone calls, playing music in meetings	
Making unnecessary movements during meeting	
Disclosing Group Secrets to outsiders (non-members)	
Coming to the meeting while drunk	
Showing disrespect to a fellow member	
Forgetting decisions taken in the preceding meeting	
Forgetting the previous week's Loan and Social Fund balances	
Failure by any MC member to perform his/her duties	
Failure to attend weekly meetings for 8 consecutive weeks	
(Other)	

(Other)	
(Other)	

AA.LOAN FUNDS:

The Group Loan Fund comprises the following:-

- The total members' Savings contributions
- The total member's Fines contributions including all fines owing
- Interest charged on loans and
- All outstanding Loans payable to the Group

The Group shall extend LOAN advances to its members from the Loan Fund on condition that:-

- k) There shall be an interest payable on the loan amounts advanced.
- l) The borrower is willing to pay off the interest upfront (at time of borrowing).
- m) The borrower has not unsettled loan or fines prior taking new loan.
- n) The loan term or period does not exceed [REDACTED] weeks.
- o) The **maximum** loan amount does not exceed [REDACTED] times borrower's savings.
WCM model dictates a maximum ceiling of 3 times the borrower's savings.
- p) The borrower accepts to repay the loan in equal [REDACTED] (weekly/Monthly) installments
- q) The borrower shall always disclose the purpose to the Group
- r) The GA, not the Management Committee take lead in the lending decision.
- s) Loan advances are ONLY in cash form and in full amounts.
- t) The Group reserves the right to grant or deny loan advances to the members.

The Field Officer(s) shall not be allowed to touch, manage or keep the Group Loan Fund whatsoever.

BB.BANK ACCOUNTS:

- h) The Group will open and run a bank account with a licensed financial institution approved by the General Assembly.
- i) The signatories to the bank accounts shall be the Chairperson, Treasurer, Secretary and/or any other Group member if the GA finds it necessary.
- j) The signing mandate shall be [REDACTED] signatories

- a) The MC shall disclose to the General Assembly all the Cash Deposit and Cash Withdraw slips each time a transaction takes place in the bank
- b) The MC shall ensure that periodic Bank Statements are shared with the General Assembly every [REDACTED] weeks.
- c) The MC shall always avail the Bank Account details for inspection by the WCM program office, program staffs and Focal Persons.
- d) At close of the business cycle ALL funds on the Bank Account MUST be disclosed to the GA.

CC. DISPUTES:

Every dispute between the Group and its members or persons claiming under or on account of members shall be settled by the Management Committee and/or the WCM Program Office and/or DDF Focal Persons and upon failure to reach amicable settlement may [REDACTED] or seek legal redress.

DD. AMENDMENTS:

No new rule shall be made nor shall any of the rules contained in this constitution be amended without a resolution passed by the General Assembly at a General Meeting of the Group duly convened and held. Any additional rules made by the Management Committee shall always be consented by the General Assembly before they are passed and put in the Group constitution.

EE. DISSOLUTION:

If the Group shall have voluntarily or involuntarily wound up, the liquidator may seek approval of the General Assembly to divide its assets in accordance with the right of the members.

We the several persons whose particulars in the form of names, gender, age, disability and signatures appear hereunder have this [REDACTED] day of [REDACTED], 20[REDACTED] agreed to the abovementioned rules and adopt them for [REDACTED] (insert name of the Group) and we have totally resolved that these rules be accordingly registered.

No.	NAMES	Gender	Age	Disability	SIGNATURE
1.					
2.					

3.					
4.					
5.					
6.					
7.					
8.					