

GUIDE B

Training Guide and Supporting Documents

Establishment and Capacity Building of WCM groups



DRAFT



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Introduction

This guide brings together the different tools and training materials used to guide the establishment and capacity development of We Can Manage groups. It is meant for the iSAVE Programme Officers, Programme Assistants, Field Promoters and Village Agents; all the actors that play a role in supporting and training the We Can Manage groups. The first section goes into the preparation phase, the second session deals with the different training sessions in the intensive phase leading up to the first disbursement meeting, and the third section handles the first disbursement meeting, first loan repayment meeting, up to action audit/share-out and elections. Please note that the training sessions on entrepreneurship that will also be organized for the WCM group members are brought together in a separate training guide.

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SECTION 1: PREPARATION PHASE

1.1 Orientation Meeting with Prospective WCM Members

Outline

After the prospective members for WCM groups have been mobilized, a first orientation meeting will be organized. After this orientation WCM groups will be established and eligibility to enter the programme needs to be verified. This session is expected to last half a day and during this meeting the general principles of the WCM model are explained to the participants in a systematic, detailed manner. Issues of membership, group autonomy, weekly transactions, business cycle and mutual expectations are discussed at length.

Content:

- Step-by-step description of how WCM works
- Qualities of good members
- Obligations of WCM group Management Committee, Field Promoter and Group members
- Training schedule
- Date and place for first training

Outcomes:

- The participants will have a detailed understanding on how the WCM model works.
- The facilitator will have had a thorough understanding of the behaviour, motive and general character of the prospective members and get insight on how to handle them.
- Groups are formed and ready for verification.

Participants/ target audience for the meeting

The orientation meeting with prospective members will involve at least two to three groups. This will still allow maximum participation and contribution of each and every individual participant.

Detailed Content

Session 1: The WCM Model

Description of the WCM model

The WCM model adopted the Village Saving and Loan Association (VSLA) model practiced by CARE International-Uganda, the Kenyan “Tuinuanne” model - a replica of the international renowned Women’s Empowerment Programme called “WORTH” and blended them with the Ugandan disability context.

Members’ strengths, dreams and commitment form the basis of the model and they are promoted to realise the needed change and action. The primary purpose of WCM groups is to provide simple savings, 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.

The fundamental principle for inclusive WCM groups is that persons with disabilities shall constitute at least 60% of the 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 functioning of the WCM groups is further based on the five principles of:

1. Confidence building – whereby every member’s self-worth is appreciated to actively participate in group activities.
2. Simplicity – of procedures, systems and records for ALL members.
3. Transparency – group transactions are witnessed by the group members.
4. Confidentiality – group secrets are not shared with outsiders.
5. Self-reliance – group functions autonomously and no assets or resources are introduced from outside, rather all funds are generated within the group.

Membership

WCM groups usually consist of 25-30 people. Groups that have less than 25 members will face difficulties to make a fair profit at the end of a business cycle. Groups that go beyond 30 members will be hard to manage and risk being unsustainable.

The WCM groups shall not be built on existing community groups to avoid conflict of interest. Thus, the fact that an individual already belongs to another type of group is not a guarantee to join a WCM group.

There should be only one member from the same household; better still, if members from the same household join different SCGs.

Members must be aware of the qualities that are needed in a member. The Field Promoter reviews the qualities of a good member:

1. Know each other and be from a similar economic background.
2. Not live too far from where the meetings will be held.
3. Have a reputation for honesty and reliability.
4. Be able to attend all meetings, arrive on time and follow all group rules.
5. Have a cooperative personality. Someone who is known to create conflict should probably not join.
6. Be able to buy at least one share each week.
7. Be able to repay loans on time.

The Field Promoter suggests that anyone who is not able to meet these standards should probably not join.

Group autonomy

- The WCM groups are autonomous and independent of the District Union and local DPOs/associations of persons with disabilities at the grass root level.
- Group affairs will be run by an elected Management Committee (MC) who are entrusted by the members to practice good, transparent and democratic leadership where all members are treated equally.

- The MC is elected annually to serve one business cycle and leadership is rotated amongst members. The Management committee includes a Chairperson, Treasurer, Secretary, 2 Money-Counterers, and a Security Assistant. Four (4) of the MC members should be persons with disabilities and at least three must be women.

Session 2: Group Operations

Transactions

All transactions take place in weekly WCM group meetings, in front of all of the members. The WCM model uses a money management system where a cash-box that has three padlocks whose keys are only produced in a group meeting to open the box. Record keeping is based on Cashbooks, passbooks and memorization so that everyone understands the system and the financial status of the group. Every individual member holds a passbook. The groups meet at weekly intervals to transact in a convenient and accessible meeting place agreed on by all members.

Savings

The savings are made weekly in form of share purchases whereby a member is free to buy one-five shares per week. The share amount/value is decided by the group members.

Loans

The loans enable members to meet household and small business expenses. Majority of the group members should be involved in a lending decision.

Social fund

This is a fund from which members are offered mutual support and form a self-insurance scheme by accessing grants against calamities that might have befallen them. Every group member contributes an equal amount to the fund in the weekly meeting but the group decides on its use.

Fines

There is a prohibitive penalty which is charged from those members who violate the group rules and regulations. The value of fines and circumstances under which a fine is levied are agreed upon by all the group members. The fines are also recorded in the group records.

Closure of cycle

The system ensures that every WCM member earns an attractive and fair profit corresponding to their savings at the end of each business cycle (usually 50 weeks). This is done after all loans are fully repaid and fines settled. After closure of the cycle, members who do not want to stay can leave, and new members can join – the activities then begin for another year.

Session 2: Mutual responsibilities and obligations:

Different stakeholders have a role to play; for example:

- The Field Promoter: does not manage the group but support and empowers the group members to manage their own group affairs in line with WCM guidelines and procedures.
- In all circumstances at the group meeting, the iSAVE staff and Field Promoters including Focal Persons MUST not touch the group's money.
- Group members attend weekly meetings, make and observe group rules, appoint leaders and actively participate in the group proceedings and decisions.
- The iSAVE provides 20 Start-Up Kits to each new program district and the District Union is expected to sell them to the registered groups at a subsidized fee (20% discount) and proceeds from the sale of start-up kits are then ploughed back to production of new kits for the upcoming groups. The Start-Up Kit contains one lockable metallic cash box, three padlocks, one calculator, 25 - 30 passbooks, one cashbook, one stamp, one ruler, one eraser/rubber, two fabric bags, one ink pad, two pens (blue and black) and two plastic money-counting bowls.
- The iSAVE management and/or the District Union reserves the right to retrieve/withdraw the start-up kit if it deems it fit especially in cases where the affected group diverts from established WCM policy guidelines.

Session 3: Question and Answer/ Way Forward

- Encourage the participants to ask questions and be prepared to respond with clarity;
- Probe the participants to establish whether they are interested in becoming a WCM group;
- Groups that are interested agree on the date for group verification;
- Explain the training schedule and stress that the training will be for one group at a time;
- It is important to close the meeting by thanking all the participants for sparing time to; attend and assure them of a fruitful collaboration in the future.

1.2 Group Verification

Outline

When a WCM group meets the requirements, has determined its rightful membership and shows willingness to register with iSAVE, the Field Promoter will report this to the programme office so that the Programme Assistant/Administrative Assistant can plan for an appropriate date to conduct a group verification. This is a crucial step that precedes the receipt of start-up kit fees and group registration by the iSAVE programme.

All We Can Manage groups will go through a group verification process.

Content

This step is to verify whether the group is eligible to enter the program. When found eligible the group will be certified to enter the programme and be given a unique identification number (which will go together with its name).

Output

Certified groups with a group identification number which is composed as follows:

- Each group will have a maximum of four digits;
- The identification code for the group will start with the district code, then have the code of the Field Promoter, and the third and fourth digit will be the number of the group;
- The Field Promoter will be the one giving the identification code to the group in communication with the PA.

Each group will have to be made aware of their code. See annex B 1 for the WCM group identification sheet.

Detailed content

The Field Promoter shares with the iSAVE office a list of the group members detailing out the names, gender, age, disability and category of membership in advance.

The date for verification is agreed upon and communicated in advance with the prospective group members.

Verification is conducted by the Programme Officer or Programme Assistant or Administrative Assistant and/or DU Focal Person in the presence of the Field Promoter.

Group verification checks 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 two individual members who are close relatives.

Group verification checklist:

Parameter/requirements for the group:	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 DU	<ul style="list-style-type: none"> • 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 iSAVE programme. The iSAVE programme reserves the right for group registration. Only registered groups qualify to undergo the formal training.

SECTION 2: TRAINING SESSIONS

INTENSIVE PHASE

During the first weeks of group operations, the Field Promoter participates every week in the group meetings. He/she will be the backbone of the group, with a strong focus on training, coaching, and quality assurance.

The overall objectives for this intensive phase are:

- To train the group members in WCM model and ensure they appreciate the use of applying the underlying policy guidelines in the groups' operations.
- To form a system of uniformity and consistency in the application and practice of WCM model.
- To build the members' confidence in WCM model; appreciating its uniqueness in tackling disability issues and promoting self-reliance.

2.1 Group leadership and Election of Management Committee

This first section deals with setting up the leadership structures. It will take a number of meetings to go through some of the procedures and the elections. In this phase, the group will also develop the constitution.

Detailed Content

Meeting 1

Making a register

At the beginning of the meeting, the Field Promoter asks members if everyone is in attendance to make a register before stressing that all late comers (including him/her) shall be fined upon arrival in the subsequent meetings. 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. It is explained that the group will develop a set of rules to define circumstance under which fines shall be charged.

Seating arrangement

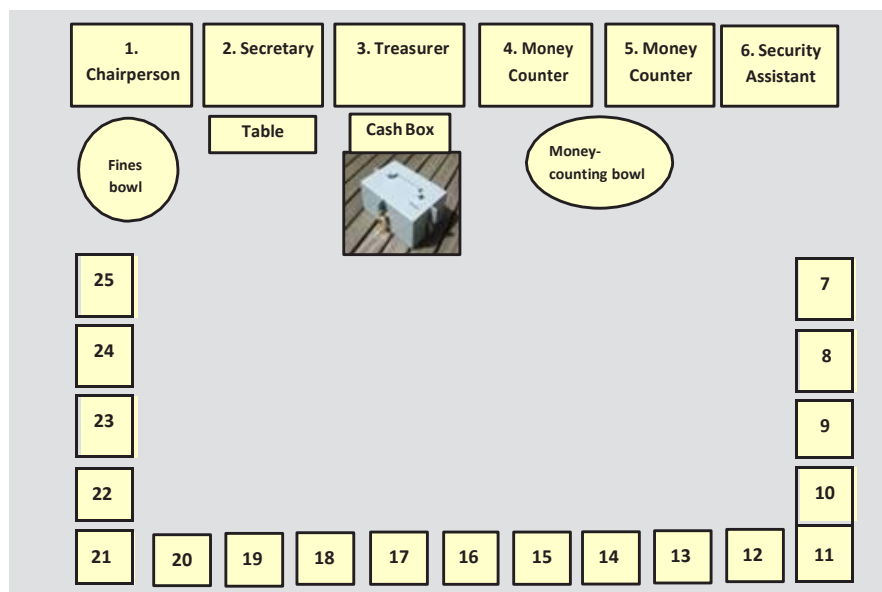
The FP stresses the importance of members seating comfortably in an orderly arrangement whereby they are able to view all the meeting proceedings and transactions. It is agreed who will be responsible for providing mats or chairs and a simple stool/table to facilitate the savings and loan transactions during the meetings.

A systematic and orderly sitting arrangement is introduced and emphasized to the members whereby all the six committee members sit facing the General Assembly.

At all times, members should sit in their order of registration and under this sitting arrangement, members are encouraged to remember their immediate neighbours' savings and/or loan transactions and vice versa. Memorisation of transactions should be emphasized.

All transactions are done in the open where every member is able to witness everything and it is advised that members must first openly and loudly declare their savings deposit, loan and emergency fund payments respectively and display them before handing it over to the money counters.

Figure 1: Example of the seating arrangement for a group of 25 members



Procedure of weekly group meetings

The FP makes a detailed presentation of the meeting, mentioning in writing 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.

The importance of organizing 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 programme recommends the Group Chairperson champions the meetings at all times and that the steps be followed chronologically during the ordinary weekly meetings:

1. Chairperson calls 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.
- a. Social Fund contributions, repayments and grants if any
 - b. Counting the money remaining (if any)
 - c. Filling out the records and balancing the books
 - d. Closure of Group Cash Box – Group members must witness this
 - e. Discussions on actions to be taken in case of any late pay-ins
 - f. Miscellaneous (A.O.B)
 - g. Closure of meeting

The Start-up kit

The FP should introduce the start-up kit to the group. The members should be made to understand that the iSAVE programme provides the kit to the group upon having a written plan of payment/commitment OR after they have paid up the registration fees with the iSAVE programme office. The group should make preparations to make payment for the registration fees ONLY at the iSAVE programme office, not to the FP so that they can qualify as iSAVE programme members and possess the kit, otherwise training will not be able to proceed.

For learning purposes, the start-up kit is displayed to the group members and it consists of the following items:

1. A metallic lockable cash box.
2. Three high quality padlocks, each with three (3) keys.
3. 25 - 30 Individual members' Passbooks.
4. 1 rubber, 1 stamp and 1 stamp pad
5. 1 Ruler,
6. 1 calculator
7. 2 plastic bowls.
8. 2 fabric money-bags for the emergency fund and loan fund respectively.
9. 1 Cashbook.

The General Assembly

- Adopt a name: The Group must unanimously agree to adopt a name that is unique and inspirational to the members' savings efforts which the FP records and passes on to the iSAVE programme to identify them in the MIS.
- Explain the General Assembly (GA): 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.

The FP 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 (Chairperson, Treasurer, Secretary, Security Assistant and two Money-counters).
- The GA, not the Management Committee is responsible for setting the group rules and regulations in a written Constitution.
- 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.
- All the members have the 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.

Meeting Two

Establishment of the Management Committee

- The WCM groups are managed by group leaders/Management committee which consists of the Chairperson, Treasurer, Secretary, two Money counters and a Security Assistant.
- At least four members of the Management Committee MUST be persons with disabilities. Women must take three seats; not more than one of them being Money counters.
- The term of office of the management committee is one year. iSAVE programme promotes that one member can only be re-elected three subsequent years. Any leader(s) who misuse group money should be removed immediately. The group can at any moment during the year relieve the leader(s) of their duties and replace them with the majority of votes.
- iSAVE programme recommends that before a leader is removed, a person talks to the leader individually first and if the issue cannot be settled that it be done in the weekly meeting. Any member can pass a vote of no confidence in the leader(s).
- Leaders must talk to their members and continuously educate them to ensure that the rules and regulations are followed, loans and penalties are paid and if necessary enforced. They must be an example in attendance, punctuality, payments; they should resolve conflicts and make sure the group is active and growing.
- To elect the WCM Group Management Committee a strict procedure must be followed. This procedure can be found in Annex B 2.

Table 1: Qualities and responsibilities of the WCM group Chairperson

WCM GROUP CHAIRPERSON	
Qualities	Responsibilities
<ul style="list-style-type: none"> • Respected • Has good ideas • Confident and calm when speaking in front of others • Capable of summarizing group members' views • Fairness; treats everyone equally • Listens to others and asks for opinions • Organized • Always punctual 	<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 outsiders and non-members, including local government officials.

Table 2: Qualities and responsibilities of the WCM Group Secretary

WCM GROUP SECRETARY	
Qualities	Responsibilities
<ul style="list-style-type: none"> • Good with numbers and capable of maintaining the passbooks • Writes neatly • From a respected home, reputed for honesty • Available for specialized training by the Field Promoter if needed. • Has a reputation for being trustworthy • Punctual 	<ul style="list-style-type: none"> • Ensures that all financial transactions concerning emergency fund, share-purchase/savings and lending take place according to procedure • Makes all passbook entries for shares and loans • Provides a verbal summary of the financial state of Group affairs at every meeting • Assists the FP to update his/her records during monitoring visits.

Table 3: Qualities and responsibilities of the WCM Group Treasurer

WCM GROUP TREASURER	
Qualities	Responsibilities
<ul style="list-style-type: none"> • Able to keep a simple record for daily slot savings in between meetings • Trustworthy and with a sound character • From a family with good reputation • Lives in a secure house, close to the meeting place • Reliable and responsible • Punctual 	<ul style="list-style-type: none"> • Keeps the group box safe in between meetings • Ensures that (s)/he is accompanied to/from meetings as necessary • Takes savings deposits in between meetings and slots the money in the box and keeps a simple temporary record • Brings the box to the meetings on time

Table 4: Qualities and responsibilities of the WCM Group Money Counters

WCM GROUP MONEY COUNTERS	
Qualities	Responsibilities
<ul style="list-style-type: none"> • Able to count quickly and accurately • Trustworthy • Calm and organized • Always punctual 	<ul style="list-style-type: none"> • Verifies all movements of money both in and out of the cash box. • Counts the money during each cash-box operation. • Informs the Secretary of each transaction • Assists the secretary in resolving/detecting any cash discrepancy

Table 5: Qualities and responsibilities of the Security Assistant

WCM GROUP SECURITY ASSISTANT	
Qualities	Responsibilities
<ul style="list-style-type: none"> • Sober minded; not a drunkard • Vigilant and giving attention to detail • Aware of the village environment • Strictness • 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

2.2 Group Operations and Procedures

The second phase of training consists of going through record management and savings and lending procedures. Depending on the nature of the group, it will take several sessions to guide the group members through this essential content. The WCM group principles say that ALL group members should be fully aware of the group operations and procedures.

Meeting four - six:

Different sessions on record management, share purchase/savings, lending and social fund. Upon declaring the meeting open, the FP calls the elected Committee members in front asking them to face the GA, declaring them as leaders and encourages them start to start playing their role with immediate effect.

The FP makes members to understand that they 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 rules and policies to guide them in running the Group.

It is expected at the end of these meetings that:

- The group will set out the rules that govern social fund and Savings and Loan Policies.
- The group will have decided on a minimum amount that each member should save at each meeting (the value of a share).

- The group will understand the importance of savings and how each individual can invest their savings in a common pool/loan fund.
- Members will understand the purpose of an social fund and decide on how it will be managed.
- The group will understand the usefulness of credit; the terms and conditions to apply if they want to borrow.
- The WCM group will have developed a Constitution that describes how the group is governed, spell out the governors and how they acquire their authority.

Savings/Share Purchase Rules of Procedure

The FP should inform the members that all the savings belong to them as savers aimed at increasing their investment opportunities and enhance security in order to reduce their vulnerability. Members should aim at building up savings in a common pool before they start to take out loans, so that if things go wrong they can still pay back the loans. In this case, the WCM groups are safest ways to save easily through purchase of shares and also assure members of high returns on every penny invested.

The FP 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.

Important to highlight:

- Savings is the starting point for improvement and wealth. Build the members' confidence to save by stressing that many of them are already saving through storing grain, buying chicken, livestock, plantations, plots of land and other items that can be traded when need arises.
- The groups role is to encourage members to save regularly in the group to:
 - Avoid spending money irresponsibly
 - Reduce risks like theft, spoilage/damage and unwarranted usage by household members
 - Enable members to use their own money as a source of loans
 - Earn high interest and increase in value
- Savings requires sacrifices. One must have a dream, for instance building a permanent house, owning so many heads of cattle, taking children from primary schools up to university etc. We deliberately set aside what we have today in preparation for our dreams to be realised in the future.
- Savings gives us new opportunities to start up our own businesses, make high value investments, meet daily expenses at household level and to prepare for emergencies such as death, accidents, thefts, famine to mention a few.
- As a group we need a safe and trusted system to protect our savings. Guard against risks but also create room for savings to grow through accepting small but regular share purchases, charging interest on loans as well as levying fines whenever the Group rules are broken.
- Saving large amounts is possible especially on the first day or by saving small amounts frequently.
- The share value should be an amount that everyone in the Group can afford throughout the entire cycle at every meeting, including during the seasons when there is very little cash available. It should satisfy everyone, including the poorest members to encourage regular contributions.

Savings Pay-ins

- The interest will come as dividends at the end of the year where all surpluses during the year will be paid out to the members.
- iSAVE programme methodology practices a weekly mandatory share/saving amount or value. The group decides on the minimum share value which should be set low enough for all members to participate, but at the same time high enough to be of some motivation for the members.
- Any member is free to buy as many as one to five shares at any meeting provided they have the means. This provision caters for low and high income seasons within the cycle.
- Only in special cases can a group member represent another member to buy shares on their behalf or make loan payments; since the meetings are not only for bank purposes, but also for training.
- iSAVE programme methodology doesn't provide for voluntary savings since this requires more advanced book keeping etc. Instead it allows a member to buy up to five shares.
- Members can access their savings by selling shares during the meeting. This reduces their shares in the group but they are free to buy more shares in the future.

Lending Rules of Procedure

The FP should spark a debate among members to discuss what they know and their experiences of loans, for example, issues of the repayment conditions, loan term, interest, instalments, etc. are shared by the members. He/she informs members of the importance of setting standard conditions that are uniformly applied among members to avoid confusion and disagreement while paying back.

The FP opens room for members to suggest how long people should be allowed to take out loans and educates the group about the danger of offering a very long period for a loan. For instance, he/she should be able to explain that when loans are short-term, most people in the group get a chance to borrow and also gives examples of activities financed by short term loans.

- iSAVE programme recommends allowing loans for business, investments or they can sometimes also be used for paying personal expenses as long as the borrower can show repayment capacity (knows that there will be income to repay the loan).
- The group should be encouraged to have a minimum loan term of four weeks and a maximum loan term of 12 weeks during the first cycle, but may consider changing this after one year's experience. The Field Promoter takes note of the group's decision.
- The amount borrowed by any member cannot be more than three times the total shareholding of that person. This is done to avoid unequal distribution of limited loan funds, and prevents a member from borrowing more than they can afford to repay comfortably.
- The interest raised through lending is the property of the group since it is another form of savings which the savers get back at the end of the cycle when the money is shared out. Interest is charged on the loans to among other things:
 - Cover potential losses from unpaid loans;
 - Increase the members' earnings on shares/savings
 - Reward the owners for the alternatives foregone if they were to retain their money and;
 - To avoid risks; whereby members borrow without a serious need or purpose.

- The group and NOT the Field Promoter should decide how much the weekly interest rate should be. It should be explained to the members that although high interest charges lead to faster growth of the loan fund, it makes it harder and expensive for members to borrow.
- iSAVE programme suggests a 1% weekly interest rate.
- Also, the group is informed that the interest on the loans is charged upfront (upon receiving the loan) for purposes of simplicity and transparency. This applies uniformly to all WCM groups and it should be encouraged so that the fund does not run short of money for members to borrow.
- Although the group's loan fund grows rapidly through the borrowing of the members, members are not obliged to borrow and they should not be forced into it. Some may feel that the most important thing is to have a safe place to save; therefore, no one should feel pressured to take out a loan that they do not need. Loans increase risk, because they must be paid back even if things go wrong for the borrower and yet still, loan money belongs to the group members.
- Lending is strictly to WCM group members, non-members MUST be kept out of this completely. Since the group constitution does not provide for non-members, they should not transact any business with them. 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.

Important highlights on loans:

- First of all, the groups must secure that a borrower is good and able to repay. Loans are not for everybody, not even if they are members of the group. The main assessment should be the repayment history, the connection to the savings and the collateral, but at the same time the rest of the group will have to use their common sense and their local knowledge when they are to decide on a loan application.
- Loans can be obtained by members and used for personal needs, business and investment opportunities. A repeat loan should not be given until all members that are considered good borrowers have received a loan. Similarly, a new loan should only be granted to those that present a clean repayment history in their later loans.
- iSAVE programme methodology uses a collateral list where the members put up all their personal belongings. Therefore, non-members MUST NOT borrow from the group.
- Loans can be of up to 12 weeks, but the last three months before the end of the cycle the term will be four weeks to enable the pay-out of all savings and dividends at the end of the cycle.
- For members wishing to borrow from the group loan fund, iSAVE programme recommends only a verbal expression during the weekly meeting where the member simply states that he/she wants a loan and the purpose for which it is requested. The Secretary will have a system of waiting list if money is not available.
- The majority of the group should decide on loan approvals. The loan decisions can only be made in the group meetings in front of all group members.

Social Fund Rules of Procedure

- The group must create a Social Fund to which members make weekly contributions.
- Members' contribution to the Social Fund is mandatory to make it work.

- 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 the weekly Social Fund contribution should not exceed **20%** of single share value. It is subject to revision especially at beginning of every cycle.
- The group should decide on the type of emergencies to be covered as well as the amounts that warranted for such emergencies.
- The group members should discuss what types of circumstances will be covered by the Social Fund. The emergencies usually covered by the Social Fund include: medical and after birth expenses, educational support to orphans, funeral expenses, natural catastrophes such as floods, accidents, a house burning down
- The group should not give very big grants that unnecessarily deplete the Social Fund, reasonable amount MUST be agreed upon by the members.
- The group members should guide and decide on how the Social Fund is managed, not the Management Committee.
- 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.
- Contributions to the Social Fund MUST always come last after the savings pay-ins and loan transactions have been completed. This is done to avoid abuse by some members who may advance false claims in order to obtain funds for saving and/or loan payments.
- The Social Fund must always be kept separately in its own fabric bag; it should not be mixed with the Loan Fund.
- Under all circumstances, the Social Fund is used for grants, not Loans.
- The group should decide on the number of times one must be entitled to the Social Fund grant per any given circumstance.
- 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.
- The group decides on how to treat any balances of the Social Fund at the end of the business.
- Sometimes the entire Social Fund can be fully used for emergency reasons if the group so decides but whatever balance there is at the end of the business cycle/year can be paid out as dividends or the group can decide to keep it for the next cycle.
- The FOs shall not be entitled to the Social Fund grants under all conditions.
- The provision for multiple shares creates a possibility of combining members with different economic means.
- It is important to set the minimum share value/savings low enough to enable poor members to join, but at the same time high enough to motivate the members.

2.3 Record keeping system

- There will be a big sum of money rotating in the group coming from the savings/share-purchase, social

fund contributions, fines and earnings on interest. To manage this money well, the group will have a general cashbook where all the transactions of the savings, loans, social funds and fines are entered.

- All the records must be harmonised in the meeting and the books closed at the end of each meeting to promote simplicity and transparency. The Treasurer will be responsible for keeping/storing the records in the cash box between meetings therefore he/she should be a trustworthy person with a safe home to store the cash box.
- Similarly, each member will have a Savings and Loan passbook to record their individual transactions. The passbooks will stay with each member between meetings and must be brought to the meetings every week. The passbook-based record keeping allows members to see their balances at any time and prevents quarrelling and unfair treatment from literate members.
- Precise filling out of the records is extremely important to avoid group conflicts.
- The group records should be kept in the cash box while members must take good care of their passbooks.

2.4 Safety of Group funds

- The iSAVE programme will design a special cash box with three lockers to store any extra funds between meetings. The cash box will have enough room for the records and there will also be a fabric bag for the social fund.
- Each key of the three locks will stay with different trustworthy group members who must not be part of the group Management Committee.
- The group should decide on a maximum amount that can stay in the cash box before money is deposited in a bank.
- 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.
- Where the group operates a bank account it must arrange a loan ordering system so that money can be brought from the bank to the group on time for the members to access loans.
- 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.

2.5 Group rules

The groups will decide on their own rules and regulations, but the iSAVE programme will have some minimum standards to be followed:

1. The group should decide on a yearly membership fee, and whether to formally register with the authorities.
2. 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.
3. Each group is provided with a lockable cash box with three different locks whose keys must be kept with three different members between meetings. The cash box itself will stay with the treasurer.
4. The cycle of savings and lending is time bound (10-12 months) and all savings and dividends will be paid out to the membership in proportion to the amount each member has saved throughout the cycle.

5. A cycle must not be less than ten months or longer than one year prior to share-out. Once agreed by the Group members, the length of the operating business cycle is recorded in the constitution.
6. For confidence building and transparency every member is provided with a Passbook where individual savings and loan transactions are recorded.
7. The group maintains a cashbook where each member's saving pay ins, fine pay ins, loan pay ins, loan pay outs, social fund contributions and the weekly balances of the group social fund and loan funds are recorded.
8. Group members are self-selected from among the local population and membership is open to both male and female persons with disabilities. Care takers and others willing to work with the disabled may also join.
9. A group of 25-30 members is recommended to make a useful pool of capital.
10. The group elects a Management Committee comprising six people; the Chairperson, Treasurer, Secretary, two Money counters and a Security Assistant. The Management Committee must be re-elected at the start of each cycle.
11. At least three out of the six Management Committee members SHOULD be female and at least four should be members with disabilities.
12. Groups meet on a weekly basis on the day and time as agreed upon by the members. In the subsequent cycles, once the Groups are independent, they may decide otherwise.
13. The weekly savings/share value is decided by the Group. Any member is allowed to buy one - five shares at each meeting depending on his/her ability.
14. 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 the savings objectives of the majority.
15. At the start of a new cycle, and with the agreement of all members of the Group, the share value can be increased or decreased.
16. Groups may have a provision for daily savings in between the weekly meetings through use of a slot-savings system to allow for regular deposit of small amounts and enable members meet the minimum savings requirements.
17. Each group develops a written constitution to which members severally consent and individually sign. This provides a framework for governance, dispute resolution, disciplinary action and it also spells out the conditions for saving/share-purchase and access to benefits payable from the social fund.
18. The accumulated savings can be given as loans to the group members. All group members shall have the same right to borrow from the loan fund especially after majority of the group consider it safe.
19. The size of a loan available to a member shall not be more than three times the total value of all their savings with the group. This ensures a fair distribution of capital and prevents the risk of over burdening members with credit.
20. The loan period/term shall not exceed 12 weeks in the first cycle but may increase to not more than 26 weeks if the members decide in the subsequent cycles.
21. All loans MUST be repaid with interest; at the rate decided by the group and should be noted in the constitution. The iSAVE programme recommends a 1% weekly interest rate.
22. For simplicity (and income) reasons the interest will be calculated up front; at the time the borrower is taking the loan.

23. As a rule, all loans must be repaid before the end of the business cycle to enable a smooth sharing out.
24. Towards the end of the business cycle, new loans may be issued provided the amounts involved do not exceed the borrower's net worth in the group.
25. In principle, all outstanding loans are fully repaid before sharing-out.
26. Although the period of loan repayment is agreed when the loan is taken, the borrower is free to repay the loan in a period earlier than agreed.
27. The group must fix and enforce fines for situations where members violate the group's principle norms.
28. The groups must decide on having a regular and equal contribution to an emergency/social fund. The fund is set at a level that covers the minimum insurance needs of the group members.
29. 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.
30. The emergency/social fund is kept separate from the loan fund, and is not included in the end of business cycle share-out.
31. After sharing out, the group may invite new members to join and/or expel the non-active ones. Extra care must be taken to ensure members with disabilities are not locked out or expelled from the group.
32. Group members who are willing to save lump-sums in preparation for useful amounts of loans in the next cycle are not restrained.
33. 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.
34. Once the start-up shares are stamped into all passbooks, normal savings deposit will be bought, subject to the normal five share ceiling.
35. When a new business cycle begins, group members can agree to change the value of the share since this cannot be changed in the course of the cycle.
36. The groups will be motivated to have their own bank account with a licensed bank where they can keep their excess funds to avoid risks of theft and fraud especially towards the end of the business cycle.

All that has been discussed in the past weeks will be documented in a constitution. A template can be found in annex B 3.

Entrepreneurship

The WCM groups are not only about accumulating money and ensuring that the group members have an emergency fund to count on when school funds or medical bills have to be paid for. The groups are also meant to be a basis for economic empowerment where group members will start or strengthen their own businesses. To be able to do this in a sensible way the group members will receive a number of training sessions as well as coaching in business development. A first important step will be to do a market analysis: what are business opportunities? After which the members will be supported to make a business plan and plan for investments. The content of the entrepreneurship training session will be brought together in another training manual.

Household budgeting

When money starts to accumulate and the group members start or strengthen their businesses, things might change at household level. In case of a female group member, she might bring in more money in the household than before, and as such her decision making power about what happens to the household income is expected to change. This might induce minor or more impactful household conflict. In some cases, these conflicts might lead to serious cases of gender based violence or divorce. This is why it is important to start discussing how to best plan do household budgeting before it is too late.

Objectives

- Household members are aware of how household budgeting can be done in an effective way
- Decision making structures in the household are discussed

DRAFT

Annex B1: Group Identification Sheet

Group Identification Sheet

Identification of districts

1=	Lira
2=	Manafwa
3=	[Name district 3]
4=	[Name district 4]
5=	[Name district 5]
6=	[Name district 6]
7=	[Name district 7]
8=	[Name district 8]

Identification of field promoters

Sub code	Name
1=	[Name of field promoter, for example Among Esther]
2=	
3=	
4=	
5=	
6=	
7=	
8=	
9=	

Each group will have a maximum of four digits. The identification code for the group will start with the district code, then have the code of the field promoter, and the third and fourth digit will be the number of the group. E.g 1103 -> this is the third group established by the field promoter with subcode 1 in Lira. The field promoter will be the one giving the identification code to the group in communication with the PA
Each group will have to be made aware of their code

District	Name of Field pro	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
Example	AMONG ESTHER	1101	1102	1103	1104	1105	
Example		Onyapoyere group	ngwalo Onote gro	Ogen Obanga group	Blue Conerv Disabled group	Onyapoyere group "B"	
Example	APIO JANET	1201	1202	1203			
Example		Ocukuru Village Group	Nyer giti group	Ujowa Group			

Annex B3: Format of the Group Constitution

A. BASIC INFORMATION ON THE GROUP

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

Location/Address (Village, Parish, Sub County, District): _____

The group was formed on: _____

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

General description and address of the group members: _____

B. OBJECTIVES

The objectives for which the group is established shall be:

- (a) To be an independent, profitable provider of financial services to the group members
- (b) 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
- (c) To extend loans to group members for productive purposes and to charge interest on the same loans
- (d) To offer a safe place of saving money for the group members
- (e) To commit to supporting group members during good times as well as handling life's emergency shocks like deaths, illnesses, famine, accidents, etc.
- (f) _____
- (g) _____
- (h) _____
- (i) _____
- (j) To do all such other things as may be necessary for the attainment of the group's objectives.

C. MEMBERSHIP

- a) Membership in the group shall be open to people with these qualifications: -
 - 1. Male and female persons with disabilities of all disability categories and age.

E. RESPONSIBILITIES OF MANAGEMENT COMMITTEE MEMBERS

These are the responsibilities of the Management Committee members

Chairperson
<ul style="list-style-type: none">• To call meetings and regulate discussions for the Weekly meetings, Special meetings and General Meetings• 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
Secretary
<ul style="list-style-type: none">• To prepare and maintain an updated register of the members of the group• 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 during meetings• 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

F. VOTING:

- a) No member shall be entitled to vote at any General Meeting unless he/she meets the membership requirements.
- b) Every eligible member shall be entitled to one vote for every position to be filled.
- c) There shall be three systems of voting namely;
 - 1. Secret ballot (at election of Management Committee members)
 - 2. Lining
 - 3. Raising of hands
- d) And the mode chosen for a particular meeting shall depend on the issue being discussed and as members shall agree.
- e) Members who have not attained the consent age (minors) shall NOT participate in the voting.
- f) The required quorum of the General Assembly to make binding resolutions shall be two thirds (2/3) of the General Assembly.

G. 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 six office bearers on the group Management Committee are: Chairperson, Treasurer, Secretary, two Money Counters and a Security Assistant.
- c) MC members are volunteers and not paid workers.
- d) If a position falls vacant on the Management Committee, the General Assembly 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 a one year tenure but retiring members shall be eligible for re-election for _____ more terms if the GA deems it fit.
- f) Elections for group Management Committee must be held at the beginning of each new cycle.
- g) The maximum number of people that must stand for each position is three.
- h) A member can only be re-elected to the same position **twice**.
- i) Members of the Management Committee shall be elected and suspended or removed only by a full quorum at a General Assembly.

H. REMOVAL OF MANAGEMENT COMMITTEE MEMBERS

- a) A member of the committee may be removed from office by ordinary resolution of the General Assembly 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 _____ consecutive meetings without a good reason

We the several persons whose particulars in the form of names, gender, age, disability and signatures appear hereunder have this ____ day of _____, 20____ agreed to the abovementioned rules and adopt them for _____(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					
9					
10					
11					
12					