



INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST

## ISDAO Guidelines for Budget Preparation and Financial Reporting and Submission

Updated Version: October 2023

### Explanatory Note:

The purpose of this document is to provide detailed guidance on: (a) how to develop and submit a budget as part of a grant application to ISDAO; (b) how to develop and submit financial reports to ISDAO, and (c) the supporting documentation required for the financial report(s). The document is divided into three sections to address each of these areas.

This document accompanies the budget and report template, which is in Microsoft Excel format.

Please read this document carefully before preparing a budget or financial report for submission to ISDAO. To assist you in the preparation of reports and reporting, we strongly encourage all grantee partners to review this document when they receive it and/or at the beginning of the grant period to ensure that you are properly accounting for expenditures incurred under the ISDAO funding and that you are collecting the documentation (receipts, invoices, proof of payment, proof of exchange rate used) required when submitting your financial report.

Please feel free to write to ISDAO if you have any questions or need clarification on the budget/financial reporting template or these guidelines.

- If you have any questions regarding the budget and its development, please email Igor Koffi, Finance and Administration Officer ([igor@isdao.org](mailto:igor@isdao.org)) and copy [proposals@isdao.org](mailto:proposals@isdao.org)
- For questions regarding the financial report and supporting documents, please email Igor Koffi, Finance and Administration Officer ([igor@isdao.org](mailto:igor@isdao.org)), [grants@isdao.org](mailto:grants@isdao.org) and copy Olumide Makanjuola, Program Director ([olumide@isdao.org](mailto:olumide@isdao.org))



INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST

ISDAO BUDGET GUIDELINES

INSTRUCTIONS - READ BEFORE YOU START TO FILL YOUR BUDGET FORM

Please read these instructions carefully as any mistakes can disorganize your budget that will in turn end up being incomplete.

**VERY IMPORTANT**

All amounts recorded MUST be in United States Dollars (USD)

For the "Detailed Budget" worksheet, please only enter numbers (figures) in the "percentage cost %", "Unit cost in US dollars" and "Frequency / Number of units" columns to avoid interfering with the formula. Please do not enter any letters or words in these cells.

**PLEASE DO NOT ADJUST OR MAKE CHANGES TO THE TEMPLATE**

The budget worksheet has multiple sheets, including:

- Detailed budget sheet template
- Abstract
- Detailed budget

**WORKSHEET: BUDGET SUMMARY**

**Section A**

- ⇒ Fill in your organization's information in this section.
- ⇒ We require all fields in this section to be completed.
- ⇒ Please include all necessary information before proceeding to the next section.

Section A	
<b>Application title</b>	Write the name of the project/proposal here
<b>Name of group / organization</b>	Write the name of your organization or group here
<b>Country</b>	The country where your organization or group is based
<b>Grant period (from / to)</b>	The start date to the end date
<b>Local currency</b>	The name of the currency in your country
<b>Local exchange rate in US dollars on budget day</b>	Indicate the dollar exchange rate of the day you finalized the budget
<b>Reference source for the exchange rate (e.g. central bank, OANDA, etc.)</b>	Indicate where you got this exchange rate (e.g. central bank, the BCEAO site or from the OANDA currency converter website)
<b>Budget preparation date</b>	Indicate the date that the budget was finalized

## Section B

⇒ Please do not touch this section at all. Please do not fill anything in this section.

## Section C

⇒ Please fill out all your sources of funding for the next 12 months in this section. See the example below.

Source of income	Status (committed, expected, applied)	Funded project	Amount in US dollars	Comments
Africa Foundation	committed	General support	\$ 15,000	Support for staff salaries and office rent
LGBTIQ Community Foundation	expected	Human rights education	1	Human rights education targeting LBTQ
Africa Queer Network	applied	Documentation	\$ 12,000	Human rights documentation

### Committed Funds

• These are funds committed by a donor and that are available in your bank account

### Expected Funds

• These are funds you are expecting from an application submitted to a donor for funds that have already been approved but that have not yet been disbursed.

### Requested Funds

• These are funds requested from a donor but that have not yet been approved

⇒ Also note that the source of income may be donor funds, membership fees, income generated from activities, individual donations and others

⇒ Once you enter all the numbers and information, the total value will be calculated automatically. You don't have to do anything else here.

## WORKSHEET: DETAILED BUDGET

⇒ Under the detailed budget there are four sections. These are:

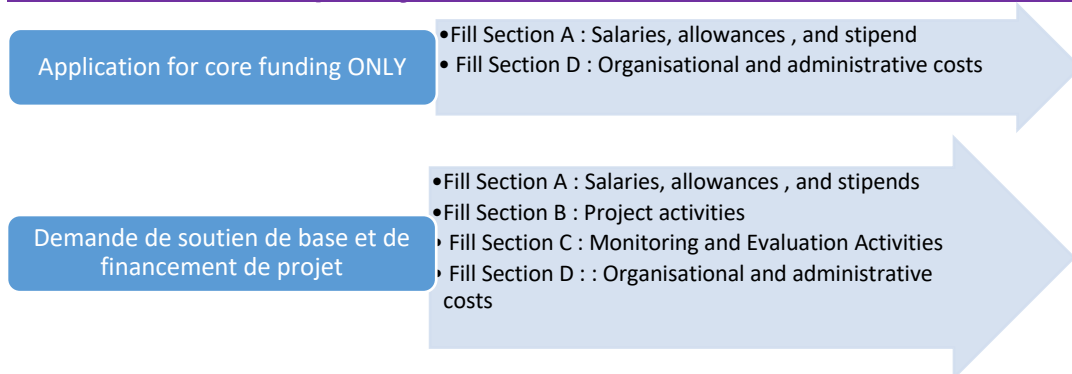
- **Category A** captures staff salaries.
- **Category B** covers the direct costs for project implementation
- **Category C** covers costs for monitoring and evaluation.
- **Class D** covers organizational and administrative costs.

Here is an example of budget categories:

Description	% Cost	Unit in USD	Frequency	Total in USD	Comments
<b>Category A - Staff costs</b>					
<b>Category B - Project activities costs</b>					
<b>Category C - Monitoring and evaluation costs</b>					
<b>Category D - Organizational and administrative costs</b>					

- ⇒ If you are applying for core funding, you will only need to complete sections A and D.
- ⇒ If you are applying for funding only for the project, you will only complete sections B and C.
- ⇒ If you are applying for core funding and project funding, you must complete sections A through D.
  
- ⇒ Core funding is funding that covers the salary costs and administrative costs of an organization, while core and project funding covers project costs, salaries, and administrative costs of the organization.

**Please read our Frequently Asked Questions to learn more about our core funding**



**Please only complete the categories that apply to your funding application**

Each section has the percentage cost, unit cost, and frequency. Under percentage costs, you need to enter the percentage you will invoice for this funding application charge against this funding application.

For example, this could be 10%, 40%, 70%, or 100%.

- ⇒ Under unit cost, please enter cost from budget line. This should be based on the total cost of the item on that budget line. You don't need to include the \$ sign, only the amount.
- ⇒ Regarding the frequency, please put the number of times you will need this budget line. Once you do this, the total budget for that budget line will be calculated automatically without you doing anything further.

**The table below provides an example ONLY - Please see for example the DETAILED BUDGET TEMPLATE sheet**

Description	Cost %	Unit in USD	Frequency / Number of units	Total in USD	Remark
<b>Category A - Staff costs</b>					
Programs Officer	50%	\$ 1,200	6	\$ 3,600	50% of the salary of the Program Manager invoiced for this funding for 6 months
Finance Officer	30 %	\$ 900	6	\$ 1,620	30% of the salary of the Finance Officer invoiced for this financing for 6 months
<b>Category B - Project activity costs</b>					
Speaking group	100%	\$ 100	4	\$ 400	Four focus group discussions
Community awareness event	100%	\$ 500	2	\$ 1,000	Two community outreach activities

**HOW TO COMPLETE CATEGORY [A] ON STAFF WAGES AND OTHER RELATED COSTS**

⇒ **CATEGORY A** is for all staff salaries and other related costs that are to be charged or allocated to the grant.

Please include the positions based on your organization's structure. For example, this could include:

- **Executive Director**
- **Program Assistant**
- **Finance Officer**
- **Programs Officer**

## **With regard to volunteers and peer educators:**

We understand that in an organization or group, a staff member could be volunteer and receive a monthly stipend.

- If so, please include such staff allowance under staff cost, in **CATEGORY A**.
- If allowances or stipends are for peer educators and volunteers related to project activities, please include them in **CATEGORY B**, as part of project activities. **Do not include them in CATEGORY A.**

If you do not intend to use this grant for salaries, allowances or allowances for staff or volunteers, you can leave this section blank, leave this section blank, and please proceed to the category B if it relates to your application.

## **HOW TO COMPLETE CATEGORY [B] ON PROJECT ACTIVITIES RELATED TO YOUR APPLICATION**

- ⇒ **CATEGORY B** requires you to enter all activities and costs associated with your project. The template includes many lines for this section, so there should be no need to add more lines.
- ⇒ This section is where you include details of the planned activities that are described in your application (Part B - question 7 of the proposal form). Please enter all the budget information relating to the activities you have proposed in your application.
- ⇒ If you are applying for core funding only and do not have specific project activities, do not complete this section. Please go to section C if this is related to your application.
- ⇒ As part of project activities, you can include allowances for peer educators and volunteers who are specifically related to project activities, if applicable

## **HOW TO COMPLETE CATEGORY [C] ON MONITORING AND EVALUATION ACTIVITIES RELATED TO YOUR APPLICATION**

- ⇒ **Category C** requires you to complete activities or items you will need to capture and / or are part of your monitoring and evaluation as part of the implementation of your proposed project. Please enter the information relating to your application here. If your funding application does not require this section, please skip to section D if it relates to your application.

## **HOW TO COMPLETE CATEGORY [D] ON ORGANIZATIONAL AND ADMINISTRATIVE COSTS RELATED TO YOUR APPLICATION**

- ⇒ **Category D** requires you to enter all your organizational and administrative needs related to this funding application that you are submitting to the ISDAO. Please note that these costs could include, for example, office rent, internet connection, telephone calls, utility bills, organizational audit and other related administrative and organizational needs. If there are no such needs invoiced on this ISDAO funding application, please do not fill anything here.



INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST

- ⇒ Please include brief budget comments / narratives on each budget line that can help ISDAO and our AGMP (Activist Grantmaking Panel) understand why you are charging this cost. They should be short.
- ⇒ Once you have completed your detailed budget, your budget summary will be displayed on the budget summary sheet in **Section B** of the document and no further action is required on your part.



INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST  
ISDAO GUIDELINES ON FINANCIAL REPORTING

INSTRUCTIONS - READ BEFORE STARTING TO COMPLETE YOUR FINANCIAL REPORT

Please read these instructions carefully as any mistakes can disrupt your Financial Report.

The Financial Report Template includes the following worksheets

- ✓DATA
- ✓ Summary
- ✓Detailed budget
- ✓Financial Report;
- ✓ General Ledger Book 1<sup>st</sup> Report;
- ✓ General Ledger Book 2<sup>nd</sup> Report;
- ✓General Ledger Book 3<sup>rd</sup> Report

**1. Data**

This spreadsheet gives the coding of the budget lines of the validated budget. For example, the code for **the first budget line of Category** will be **CA01**.

**2. Summary**

**Section A**

- ⇒ Fill in your organization's information in this section.
- ⇒ We require all fields in this section to be completed.
- ⇒ Please include all necessary information before proceeding to the next section.

Section A	
<b>Application title</b>	Write the name of the project/proposal here
<b>Name of group / organization</b>	Write here the name of your group or organization
<b>Country</b>	The country where your group or organization
<b>Grant period (from / to):</b>	From start date to end date
<b>Local currency:</b>	The name of the local currency used in your country
<b>Local exchange rate in US dollars on the day the budget was prepared</b>	Indicate the cost of the dollar on the day the budget was validated
<b>Reference source for the exchange rate (e.g. central bank, OANDA, etc.)</b>	Indicate where you got this exchange rate from (e.g., from the central the BCEAO site or from the OANDA currency converter site)
<b>Budget preparation date</b>	Indicate the date that your budget was validated



## Section B

**Do not fill anything in this section.**

## Section C

Copy and paste or rewrite the information entered in the budget template that you submitted during your submission as you update it.

### 3. Detailed budget

Please enter details and costs validated in this spreadsheet.

### HOW TO COMPLETE CATEGORY [E] ON RESPONSE FUND

**CATEGORY E** is added to the budget only when you are selected as a grantee partner, through the activist grantmaking panel.

⇒ **Category E** is for reporting on RESPONSE Fund up to \$US 1000 added to the budget of all funded partners.

### 4. Financial report

⇒ Here you will see each category. This will include categories A, B, C, D, E and F.

⇒ Based on the validated budget, please complete column B with the same information found in column B of the "Detailed Budget" tab for categories A, B, C, D and E .

⇒ Category F will only be filled in if you have an exchange gain. After validation of the expenses to be made with this exchange gain, you will fill in the title of these expenses in column B.

⇒ **The data in this spreadsheet is generated automatically after you fill in the General Ledgers.**

### 5. General Ledger Book

⇒ Ensure you fill in the information relating to

- Name of the organization,
- Country;
- Account number;
- Ledger reporting period;

## INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST

- Exchange rate (it must be that of the day of receipt of funds and justified by the credit advice or any other proof of exchange rate from your bank, FOREX, etc.);
- **For the Gain / Loss do not enter anything, as these are generated automatically.**

⇒ Each line of the General Ledger must correspond to an operation carried out. You also need to fill in each column the following information:

⇒ **Date of transaction**

- Here, you must indicate the date on which the transaction was conducted.  
For example 07/02/2021  
Dates must be chronological. Please use the format: day/month/year

⇒ **Budget line**

- Here, you must indicate the budget line to which the transaction in question corresponds. For example "CB01"  
Be careful not to confuse the number 0 (zero) with the letter O. Otherwise the amount of the recorded transaction will not be taken into account in the "Financial Report" tab.

⇒ **Transaction reference**

- In this column, you must put the number of the accounting document according to your numbering. If you don't have one, you can try the following numbering, "ISDAO/2022/ M1/001" (ISDAO / Year 22 / month1 / Number 001)

⇒ **Description of the transaction**

- Here, please describe the transaction in words. For example "Deposit for the rental of a room for the workshop on advocacy techniques"

⇒ **Payment method**

- This refers to indicating whether the payment for the operation/activity described is made by check or in cash.
- For example "Deposit for the rental of a room for the workshop on advocacy techniques" we will put "Bank" because the supplier has received a check. On the other hand, for the "Per diem for the workshop on advocacy techniques" we will put "Cash" because the participants received cash.

⇒ **Amount received (local currency) A**

This column should only be completed when you transfer funds to the bank account.

This may be funds received from ISDAO or a return made by your organization for an overpayment or leftover funds from an activity.

In this case the budget line is "RB".

⇒ **Disbursement (local currency) B**



**INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST**

- Here you have to put the amount of the expenses in the local currency..
- ⇒ **The other columns do not need to be entered, they are calculated automatically.**
- ⇒ For recording receipts of funds from ISDAO, after filling in, the date of the transaction, the budget line of the transaction, the transaction reference, the description of the transaction, the payment method, the next column to fill in is "Amount received \$"
  - Please enter the dollar amount that ISDAO sent you and the rest will be calculated automatically.
- ⇒ At the very bottom of the sheet, please indicate the balance of the bank statement line 147. The difference must be **zero**.  
If the balance is not equal to zero, you must explain why. This may be due to the fact that :
  - Either you have funds in the account before the receipt of the funds from ISDAO and it is the same amount that will show up on this line.  
Then you need to put this amount in another account or keep an Excel file that tracks your expenses related to the activity of the ISDAO fund to avoid budget overruns.
  - Either there are payments that have been made by check and the providers or suppliers or staff members have not yet cashed their check.  
In this case, there is nothing to do, we wait for the checks to be cashed and the balance will be adjusted at the next General Ledger.
  - Either there are transactions that have not been recorded in the General Ledger or there are overpayments that have not been made to the bank.  
The missing transactions must be recorded or the necessary reversals of overpayments must be made.
- ⇒ Based on the number of times your grant agreement requires you to submit a report, please complete according to the reporting period..
- ⇒ The next General Ledger is only filled in when you receive a new transfer..

In the General Ledger, ensure that all the expenses made directly through the bank or in cash are captured.

## ISDAO GUIDELINES FOR BOOKKEEPING VOUCHERS

### INSTRUCTIONS - READ BEFORE YOU START PUTTING TOGETHER YOUR BOOKKEEPING VOUCHERS

Please read these instructions carefully as any errors or omissions may result in partial or inadequate justification of your transactions.

#### 1. BOOKKEEPING VOUCHERS

##### ➤ Preliminary check

- Check that the amounts on the invoices and payment lists are correctly written and without erasures or overwriting.
- Check that the totals on invoices, payment receipts and other payment lists are correct.
- Verify that each transaction has a proof of payment (check, transfer order, cash receipt, etc.)
- Rename each accounting document with the "Transaction Reference" number of the General Ledger to which it belongs.

##### ➤ Documents to be provided

##### • Salary or bonus

- Contract or document indicating the amount of the bonus signed by the recipient and the person in charge of providing the payment + the sign-in sheet or any other document attesting that the beneficiary has received his salary or bonus + the proof of payment (check, transfer order, cash receipt etc.)

##### • Consultant or Facilitator Fees

- Contract or document indicating the amount of the fees signed by the recipient and the person in charge of providing the payment + the sign-in sheet or any other document attesting that the recipient has received their fees + proof of payment (check, transfer order, cash receipt, etc.)

##### • Room rental or coffee/lunch break or accommodation

- Vendor selection procedures or memo explaining vendor selection + invoice + proof of payment (check, money order or cash release slip etc.)

##### • Per diem or transportation costs



#### INITIATIVE SANKOFA D'AFRIQUE DE L'OUEST

- Signing cards with the amounts written and legible, signed by the beneficiaries. + Proof of payment (check, transfer order or cash receipt, etc.)
  
- **Purchase of materials or equipment**
  - Supplier selection procedures or memo explaining the choice of supplier + invoice + proof of payment (check, transfer order or cash receipt, etc.)
  
- **Administrative costs**
  - Invoices or receipts for payment + proof of payment (check, money order or cash receipt etc.)

## 2. HOW TO RENAME BOOKKEEPING VOUCHERS

- Assign a unique "Transaction Reference" number to each document.
- The transaction number in the General Ledger must be the same as the accounting document that justifies this transaction.

## 3. DOCUMENTS TO BE SUBMITTED

- Credit note or any other document justifying the exchange rate (exchange receipt). This is a document from the bank that details the exchange rate used.
- Copy of the bank statement that shows when funds from ISDAO were received and the amount received.
- Excel file of the financial report
- Bookkeeping documents properly renamed.