

Firelight Newsflash! 9 February 2009

Top Tips for Who Does What in Financial Management

Everyone involved in an community-based or non-governmental organization, not just accountants, shares the responsibility for making sure that their funds are used effectively. But who should do what in practice? **1. The Board of Trustees** The Board is the governing body of the organisation. One of its main responsibilities is to oversee financial control and accountability in order to make sure that money is used appropriately to benefit all those it is intended to help. This includes to:

- Discuss and approve the annual budget
- Approve the organisation's financial policies, including delegated authority
- Review quarterly and annual financial reports, including budget monitoring, cashflow and the balance sheet
- Monitor progress in generating funds to ensure that the organisation has adequate resources to carry out its objectives
- Review and approve the audited financial statements
- Ensure accountability and transparency
- Periodically assess the financial risks facing the organisation.

2. The Director (sometimes referred to as Chief Executive Officer or Coordinator) The Director is the most senior member of the staff team and is responsible for:

- Appointing financial staff
- Managing the budgeting process
- Ensuring income is generated as set out in the financing strategy and budget
- Reviewing donor agreements to be aware of conditions attached to grants
- Making decisions about large expenditures (within the limits set by the Board)
- Ensuring that proper financial records and accurate books of account are kept
- Ensuring that financial reports are produced on time, in the correct format and delivered to the right people
- Monitoring that programme activities are in line with the budget
- Checking financial reports and drawing the attention of staff/Board to problems
- Ensuring control of cash, stocks and equipment.

Note: The Director may delegate some of the activities required to fulfil these obligations to senior managers, such as the Finance Manager or Programme Managers, but the **responsibility** remains with him/her.

3. Senior Managers

Typical financial management responsibilities of senior managers include to:

- Coordinate the budget for their departments or projects
- Monitor their project budgets against actual income and expenditure
- Manage their budgets within the limits set
- Explain the monthly financial reports for their departments or projects to their staff
- Review the overall organisational financial reports and give input to the Director on them
- Assist the Director with income generation, with specific reference to their projects or departments
- Further delegate some financial responsibilities to members of their team – eg responsibility for setting and controlling project budgets.

4. Programme Staff

Senior managers often delegate financial responsibilities to programme staff, including to:

- Set the project budgets ensuring all costs are included
- Control the project budget to make sure money is spent as agreed
- Work with the finance staff to make sure everything is coded correctly
- Work with logistics/admin to make sure that resources purchased are the best value for money
- Support partner organisations in planning budgets and monitoring expenditure.

5. Finance Staff

The finance team provide important technical support to the other members of the organisation. Their responsibilities include to:

- Handle the organisation's cash including issuing receipts and banking money
- Administer the payment process to ensure bills are paid on time
- Complete the books of account and reconcile them every month
- File all financial documents and make them available for the auditors
- Produce financial reports for the Board, managers and other stakeholders
- Maintain records for cash, equipment and stock control
- Ensure vehicle log books and maintenance records are kept
- Keep the asset register for computers, vehicles and office equipment.

Want to learn more? For more information about Mango and their training courses and publications, see their website <http://mango.org.uk/> or email enquiries@mango.org.uk.

Mango's financial management training manual is available for free in English, French, Spanish (Latin American) and Russian.

See: www.mango.org.uk/guide/resources/manual.aspx

Be-Free Center International Award for Best practices in child abuse protection and prevention

Supported by ZenDo - Bahrain Nomination closes **15 February 2009**. See attached announcement for more information. Email: contact@befreecenter.org For more information on the Be-Free Center, visit: <http://www.befreecenter.org/>

Campaign Launched to Stop "Passive Genocide" in Zimbabwe

Over Christmas, CIVICUS: World Alliance for Citizen Participation visited Zimbabwe to authenticate reports about the total breakdown of civic services in the country and to express solidarity with civil society activists whose courage remains alive despite the insidious repression let loose upon them by the state. They met with over 100 church leaders, NGO members, human rights lawyers and ordinary men, women and children and found that the situation in Zimbabwe is much worse than what is believed by Africans and the international community alike. People are starving on such a large scale that it can be termed a passive genocide through mass starvation. In response, CIVICUS has launched SAVE ZIMBABWE NOW!: A Relay Fast and Hunger Strike in Solidarity with the People of Zimbabwe. The initiative seeks to amplify African voices to build pressure on African governments to stop 'silent diplomacy' and take decisive actions to end the political, humanitarian and economic crisis.

More at <http://www.civicus.org/civicus-news/30-civicusnews/1002-zimbabwe-enough-is-enough>

ZAMBIA: Vulnerable Children Must Fend For Themselves **[news]** By Danstan Kaunda

LUSAKA, Jan 27 (IPS) - There will be as many as one and a half million orphaned children in Zambia by 2010. Deprived of adult guardians by the AIDS pandemic, many of these children will end up living in the streets of the country's major towns and cities. The government disputes the size of the problem. According to figures released by the Central Statistical Office in 2007,

there are only about 85,000 orphans and vulnerable children in Zambia. But the United Nations International Children's Educational Fund (UNICEF) and other international humanitarian aid agencies put the present figure at over one million. It is clear that Zambia's social and economic fabric has been badly weakened by the HIV/AIDS pandemic. UNAIDS estimates 1.1 million Zambians are living with HIV/AIDS; the prevalence rate for the 15 to 49 year age group is 15.2 percent. And as the pandemic cuts a wide path through the population, the number of orphan and vulnerable children (OVCs) increases. These children will face poverty, malnutrition and disease, and be unlikely struggle to get an education. Many will be exposed to violence, abuse and sexual exploitation. In 2006, the Zambian government launched a Street Kid Rehabilitation project to give a one year vocational training to children from the streets in skills such as carpentry and tailoring in the three centres located in the Copperbelt, Eastern province and one on the outskirts of Lusaka. They are also given additional support in the form of food, shelter and clothing. The project targets only male children in major towns and cities. Girls are forced into crowded homes for orphans run by non-government organisations. Government says over 1,200 boys have successfully completed the skills training and rehabilitation programme. But following their graduation from the training centres, many of the children return are returning to their old lives - begging for money in the streets - as there is no further assistance from government to put their new skills to use. "Government did not plan well in terms of the exit strategy. There are so many government resources that have gone into rehabilitating street kids over the years," Godfridah Sumaili, chairperson of the Children In Need Network says, "but there is no thinking as to where the children will go after training." Sumaili adds that Zambia needs urgent, large-scale intervention to meet the needs of the ever-increasing number of orphans and vulnerable. Mwale Katete, a programme officer at the Ministry of Youth, Sport and Child Development, replies that government can not be wholly blamed for the street returning to their old ways after graduating from the training camps. He accuses non-governmental organisations of not supporting governments' efforts to upgrade and sustain children's skills after graduating from the training centres. "Ignoring the street kid problem by failing to support government will only keep them (street kids) on the street and harden them into malcontents capable of turning society in their adult life," Katete told IPS. "Zambians should count themselves lucky that the street kids problem that is a perpetual headache in other countries is being effectively taken care of. They should support government's efforts." Pamela Chisanga, executive director of the Children In Need Network (CHIN) told IPS that there is a need to listen to children's voices to make public institutions more responsive and accountable to their needs and demands. "We need to modify

the approach to the issue. There is a need to start involving the affected children in designing programmes to mitigate the effect of children in the street," Chisanga said in an interview, "There is a need to generate projects that will directly contribute to developmental outcomes." Davison Mainza, a child care specialist and consultant, says if the skills programme is to succeed, government will have to change its approach and instill a sense of independent and entrepreneurial know-how in the newly-trained youth. "Government should be telling these children the truth: that they have to fight for their survival after the training. The children need to be constantly reminded that there is no [ready] market for their services. They have to create it themselves," says Mainza. "Otherwise they forget and the end product is what we are seeing now - they are back the streets." (END/2009)

GLOBAL: Food aid must change to suit children [news]

[JOHANNESBURG, 30 January 2009] - The response to global food price rises is failing small children, which could have a long-term impact on the economic growth of poor countries, according to Médecins Sans Frontières (MSF). International food aid for young children, who are most affected by the crisis, largely consists of cereal-based porridges made of corn-soya blend containing no animal-source food, which is not ideal for children aged below two years and moderately malnourished children, said Stéphane Doyon, leader of MSF's nutrition team. MSF has lobbied the UN Secretary-General's High-Level Task Force (HLTF) on Global Food Security to take action. "Food aid must change," Doyon told delegates at the recent two-day UN meeting to review global plans to deal with the food price crisis, in Madrid, Spain. The current food price crisis could exacerbate pervasive malnutrition in the Sahel, the Horn of Africa and parts of Asia, aid agencies said. Nutritionists have been advocating that the provision of ready-to-eat blended food such as Plumpy'nut - a paste of milk powder, sugar, peanut paste, oil, minerals and vitamins - be scaled up. Although the UN Standing Committee on Nutrition endorsed the use of read-to-use therapeutic food (RUTF) in 2007, change will only come when the World Health Organisation (WHO) amends the minimum standard for children aged under two for donors, and the World Food Programme switches to the new generation of foods, in turn boosting production. Stephen Jarrett, Principal Adviser to UNICEF said the UN agencies "were working on it" and changes would be announced soon. The new foodstuff has revolutionised the treatment of acutely malnourished children: over 25 countries have adopted this approach, widely acknowledged as effective in treating severe malnutrition, but only nine per cent of the 20 million children needing it get this treatment, said MSF. At the end of the Madrid meeting, nutritionists had reason to feel somewhat elated when the

final communiqué urged countries to make their "best efforts" to ensure that children aged under five had permanent access to adequate food. "It was good news for us that the need for adequate nutrition was acknowledged," said Doyon. Undernutrition contributes to between 10,000 and 15,000 child deaths every day, and to one-third of all child deaths before age five worldwide, according to MSF, which called for changes to the minimum standards for food aid in a letter to the HLTF in 2008. "The fact that milk was removed from donated enriched flours targeted at young children in the late 1980s, solely due to economic reasons, indicates a deadly double standard in which nutritional science is ignored," MSF wrote in their letter. MSF recently published a study in the Journal of the American Medical Association, showing that children in a region in rural Niger, who had received RUSF, had a 58 per cent lower chance of suffering from severe malnutrition. **"Window of opportunity"** A series of studies published in The Lancet in 2008 confirmed that the first two years of life were a "window of opportunity", when nutrition programmes had enormous impact on a child's development, with life-long benefits. Improved nutrition in early childhood leads to better adult human capital, including larger body size, greater physical work capacity, more schooling, and better cognitive skills, according to John Hoddinott, a senior research fellow at the International Food Policy Research Institute, who led one of the studies. Young Lives, a 15-year study of childhood poverty in Ethiopia, India, Vietnam and Peru, funded by the UK Department for International Development (DFID), found that the impact of high food prices on young children was already unfolding, and underlined the need for adequate nutrition, including breastfeeding and supplementary feeding programmes. The study collected data in 2006, when food prices were already higher than in 2000, and noted that stunting had increased in all four countries, affecting one-third of children as well as lowering their cognitive abilities. Stunting also had a psycho-social impact on the children in terms of their self-esteem, sense of shame, respect, and being included. **Costs** There are also costs. According to MSF, treating 19 million children with severe acute malnutrition and 36 million with moderate acute malnutrition would cost about US\$3.6 billion. "The option before countries is to provide the cheapest solution or the effective one. Either we continue with today's sub-standard approaches, which are driven by an impulse of compassionate aid at cheap cost, and which sacrifice current scientific knowledge and innovations to short-sighted economical considerations," said Doyon. "Or we apply nutritional science based on our current knowledge, and reform food aid and help countries setting up effective nutritional support programmes." [Source: IRIN News; <http://www.irinnews.org>] **Further information**

[The Feeding of the Nine Billion: Global Food Security for the 21st Century](#) (report, January 2009)

[Read our special CRINMAIL on the food crisis, and what it means for children's rights](#)

Zambia: [Food insecurity hits schools](#) (30 September 2008)

Visit: <http://www.crin.org/resources/infoDetail.asp?ID=19515>

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