

••• WageIndicator Foundation

MANUAL FINANCE AND OPERATIONS

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About WageIndicator Foundation

The independent non-profit WageIndicator Foundation aims for transparency of the labour market by sharing and comparing income data through its network of national websites. The WageIndicator websites feature wages and earnings of workers, employees, and small entrepreneurs as well incomes of big shots in the civil service, CEO's, politicians, actors, super stars and other celebrities.

WageIndicator has operations in more than 200 countries worldwide. See for the full list www.wageindicator.org.

WageIndicator Foundation was established in the Netherlands in 2003. The Foundation is based in Amsterdam. In 2022 it has regional offices in Addis Ababa, Bratislava, Buenos Aires, Cape Town/Maputo, Jakarta, and Moscow. Its headquarters and postal address are in Amsterdam.

THE STATUS OF THE MANUAL FINANCE AND OPERATIONS

This Financial & Organisational Procedures, Manual Finance and Operations sets out to provide clear and unambiguous rules, guidelines, principles, and values on the operations of the WageIndicator, and thereby providing transparency and direction for all parties with whom the WageIndicator is engaged or will be engaged. Hence this Manual Finance and Operations is available either online through access codes for all contract partners, funding agencies, and upon request for other organisations and individuals with whom the WageIndicator is engaged or in communication. The latest version, plus older versions are always online at: WageIndicator.net (button: Management). WageIndicator.net is password protected. Ask for a password at office@wageindicat.org.

This document is binding for contract partners, and covers all topics, and areas that are relevant to a wellfunctioning of all WageIndicator operations as listed in the next content page.

In the remainder of this document, it will be referred to as the '*Manual Finance and Operations*'

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TABLE OF CONTENT

1. Contract

2. Payments

2.1 Payment Conditions

2.2 Invoices by contracting parties

2.3 Hour sheets

3. Smartsheet

4. Eligible Costs

4.1 Staff Costs

4.2 Offline Activities

4.3 Suppliers

4.4 Personal/Individual Costs

4.5 Non-eligible costs

5. Financial and Narrative reports

5.1 Financial Reporting

5.2 Verification of Expenses / Audit Report

5.3 Narrative Reporting

6. Sanction and Anti-Fraud Policy

6.1 General

6.2 Cases where sanctions are needed

6.3 Measures in case of non-compliance with contractual conditions

6.4 Measures in case of serious non- or underperformance

6.5 Measures in case of suspected or reported fraud and/or corruption

6.6 Responsibilities

Appendix 1 - Crucial Web Links & Communication

Appendix 2 - Downloadable Documents

1. CONTRACTS

With all WageIndicator partners, whether individuals (associates / freelancers / interns), organizations/companies, contracts are agreed. Contracts can either refer to work for the WageIndicator itself or for projects that have been granted to the WageIndicator.

Contracts stipulate at least the following issues:

1.1 Mention of the parties involved with the following details:

1.1.1 their full names

1.1.2 town and country of residence

1.1.3 Email address and contact number

1.1.4 if applicable reference names for the remainder of the contract.

1.2 Duration of the contract with beginning and end dates.

1.3 The contract naturally ends per contract date or in consultation between the WageIndicator and the contracting party on completion of the assignment for which an (extension) date will be agreed.

1.4 Maximum contract amount, and type of remuneration. This can be:

1.4.1 Lump sum, in which case clear and measurable deliverables are mentioned.

1.4.2 Hourly rate in combination of total hours to work in combination with duly signed hour sheets. These hourly rates are to be agreed upon, before the contract is signed (see paragraph 3).

1.5 A list of the activities to be done or deliverables; and if applicable a job description.

1.6 Work i.e. delivery obligations of all contract parties involved.

1.7 Delivery time; no delivery, less or late delivery means a breach of contract and leads to no or less payment.

1.8 Payment conditions. This can be on the basis of:

1.8.1 Invoices at the end of each term.

1.8.2 Advance payments, in which case settlement is done on the basis of financial and narrative reports, together with supporting expense documents and supporting annexes to the narrative report (see further chapter 3)

1.9 In some projects final payment regulations are applied in which final payments are done only (up to) 6 months after the project has been concluded, and approved by the funding agency.

- 1.10 Conditions and grounds for the premature termination of the agreement: All contracting parties are authorized to wholly or partly terminate this agreement with immediate effect without any notice of default and without prior judicial intervention if:
 - 1.10.1 The other party failed to comply with a demand to observe its duties arising from this agreement within a reasonable term, unless such a failure, given its special nature or minor importance, does not justify the dissolution and its implications;
 - 1.10.2 The other party applies for a moratorium or is declared bankrupt;
 - 1.10.3 The legal entity of one of the parties is dissolved;
 - 1.10.4 The control of or the decisive vote as a result thereof in one party ends up with a third party and the other party cannot be reasonably expected to collaborate with said third party;
 - 1.10.5 The termination of the contract is justified by a change of circumstances.
- 1.11 Reference to this Manual Finance and Operations as an integral part of the contract.
- 1.12 Place, date and signatures of parties involved.
- 1.13 An annex with the project proposal or a summary of the project description, if applicable.
- 1.14 Other annexes, if applicable.

The following conditions are only applicable for multi-year contracts:

- 1.15 The applicable policy rules of the funding agency or agencies, in case more than one funding agency is involved.
- 1.16 Applicable law.
- 1.17 Term of the extension of the contract, if applicable.

Other contractual terms, which are not necessarily mentioned in the contract, but through this Manual Finance and Operations form an integral part of all contracts:

- 1.2.1 Any disagreement or dispute is to be raised with the relevant person(s) involved within the organization. If this does not lead to a satisfactory conclusion the matter may be presented to the director for a binding opinion or arbitration.
 - 1.2.1.1 In no case is it permitted to advocate the dispute matter to other WageIndicator partners, that have no authority in or relationship to the matter. This specifically refers to blind-Copy mails (BCC) to an undisclosed mailing list, with the main purpose of unfounded incrimination of the other person(s) involved. This not only seriously harms all operations, and the credibility of the organizations and its management, but also contradicts the essence of this Manual Finance and Operations.
 - 1.2.1.2 In case the dispute or disagreement still persists, and the arbitration has not led to resolution, the party seeking resolution is referred to the court of The Hague, The Netherlands, unless otherwise stated in the contract.

1.2.2 Intellectual ownership and copyright of web pages, salary survey, salary checks, scripts, banners, design, text, reports, uploading systems or any other application created for and paid by WageIndicator is owned by WageIndicator, as laid down in its constitution, that the WageIndicator concept is owned by the Foundation. Concept: It is allowed however – unless stated otherwise in a particular project and the Contracts based thereon – to use applications developed for WageIndicator in other contexts, unless in direct competition with the WageIndicator concept. The competition clause is in force for one year after the contractual relationship ends. Concept:

<http://www.wageindicator.org/main/Wageindicatorfoundation>.

1.2.3 Passwords giving access to the back end of WageIndicator applications are owned by WageIndicator and shared with authorized persons. Such persons are obliged to share the specific know how developed for WageIndicator with other persons authorized by WageIndicator, to safeguard continuity of operations, within 14 days upon request of WageIndicator. Failure to comply with such a request amounts to a breach of contract and may lead to exclusion of the non-compliant contracting party from further access to the restricted back end development zone.

1.2.4 Individual contract partners, i.e., freelancers / associates, are themselves responsible to comply with any national legislation i.e., taxes, fiscal number, Chamber of Commerce registration, etc. The WageIndicator accepts no liability regarding non-compliance to legal regulations.

1.2.5 As freelancers / associates / interns do not engage in an employer-employee agreement, they are themselves responsible for the necessary insurance coverage against sickness, temporary, long-life disability or other situations impeding the execution of the agreed work, such as the need for care leave (for next of kin),

1.2.5.1 As insurances are in some countries not always readily available for the required coverage and/or at a reasonable rate, exceptions regarding illness leave can be made on a case basis. Such requests must always be made instantly when this situation occurs. The person in question should promptly and fully be able to adequately substantiate its request why she/he seeks financial assistance for leave of absence from the WageIndicator.

2.1 PAYMENT CONDITIONS

- 2.1.1 The general terms of payment are stipulated in the contracts.
- 2.1.2 Payments are in euros, unless otherwise agreed, to either a bank account in local currency or any other currency. Any exchange loss is for the account of the recipient. In the latter case, the recipient is expected to be able to make an informed decision to change to a bank account with a more favourable currency exchange regime.
- 2.1.3 Payments are done on the basis of:
 - 2.1.3.1 Invoices, which are to be submitted quarterly at the end of each term, unless otherwise agreed. In general, monthly invoices are discouraged, because of higher administrative costs for both parties.
 - 2.1.3.2 Financial/narrative report and supporting expense documentation to be submitted by mail.
 - 2.1.3.3 The availability of a completed bank information form in the case of advance payments and subsequent verification through a financial/narrative report.
- 2.1.4 The receipt of each advance payment needs to be confirmed by sending a scan of the bank statement, indicating the date of receipt, the amount in euro's and, if applicable, the equivalent value in the currency of the bank account, if different from euro's.
- 2.1.5 Term of payment in the invoice is to be minimal 2 weeks; in practice WageIndicator strives to pay within 1 week.
- 2.1.6 Term of payment of next Advance payment is maximum 3 weeks, if the review of the reporting is found to be in order and/or if no critical issues are pending that warrant the requirement of additional information.

2.2 INVOICES BY CONTRACTING PARTIES

All invoices are to be sent within 2 weeks after the end of each term and need to contain at least the following information:

- 2.2.1 Name and full address of the sender
- 2.2.2 Email address and contact number
- 2.2.3 Consecutive invoice numbering (each invoice number is unique!)
- 2.2.4 Invoice date
- 2.2.5 Reference to a specific project code
- 2.2.6 Short description of the work done and to which period the work refers
- 2.2.7 Basis of payment as agreed in the contract (lump sum or on hourly basis, including hours worked and hourly rate)
- 2.2.8 Term of payment
- 2.2.9 VAT; if no VAT is applicable, please mention so in the invoice!
- 2.2.10 All necessary bank details of international transfers, if applicable, including SWIFT/BIC and in Europe IBAN
- 2.2.11 Any legal required information (identity / tax / fiscal number / Chamber of Commerce number). When self employed a personal id and tax id/fiscal number.
- 2.2.12 In case hourly rating is agreed in the contract, hour sheets, provided by the WageIndicator, are to be submitted, dated and signed, along with the invoice.

2.3 HOUR SHEETS

If hour sheets have been agreed in the contract, then you need to keep track of your hours in the format that has been developed by WageIndicator.

There are 2 variations:

2.3.1 Full circle hour sheets: This is a requirement for employees of an organization, in case hour sheets have been agreed. It is to include all working hours on a daily basis, divided into:

- hours for the WageIndicator Project/s
- hours for all other work for the organization
- leave (holiday, illness).

The latter hours are divided per ratio over the first two types of working hours. Hence, total hours should be equal to the hours of the employment contract. In addition, the staff member is required to briefly describe the work/activities done. These hour sheets are to be dated and co-signed by the staff member, and his/her supervisor. Information of these hour sheets are to be copied in the financial report in the appropriate sections and scanned signed copies to be submitted together with the financial report and are therefore a requirement for further payments.

2.3.1.1 In case the employee has worked more hours i.e., overtime, these are, in general, not paid from the WageIndicator staff budget line, unless otherwise agreed by WageIndicator and the employer. In view of adhering to Decent Work conditions, overtime of more than 25%, especially on a structural basis is strongly discouraged, and only payable upon agreement between the WageIndicator and the supervisor/employer.

2.3.1.2 No overspending on the staff budget line is permitted, without prior consultation of, and agreement by the WageIndicator.

2.3.2 Non-Full Circle Hour Sheets: If stipulated in the contract, this is a requirement for independent freelancers. Only the hours worked for the WageIndicator Project are to be filled in, and to be dated and signed by the freelancer.

2.3.2.1 The payable hours should be within the contractually agreed budget. Overtime is not payable, unless after prior consultation of, and agreement by WageIndicator. In view of adhering to Decent Work conditions, overtime of more than 25%, especially on a structural basis is strongly discouraged.



3 SMARTSHEET

Smartsheet is used by the WageIndicator as a management information system. It contains information on contracts, bi-monthly or quarterly targets, payments and projects. Each team member has its own Smartsheet, and is used to upload and file contracts, invoices, and any other documents, so they are always accessible for team members. In Smartsheet there is also a general section, containing various policy documents, formats, and other related documents. Each Smartsheet is also shared with the General Director, the internal audit committee, as well as the external auditor, and in relevant cases with the team coordinator.

For any queries or information on Smartsheet, please contact the Director Operations at finance@wageindicator.org.

All team members will have pre-defined targets mentioned in their Smartsheet. It is mandatory to complete the target completion sheet for quarterly review and payment.

4 ELIGIBLE COSTS

4.1 STAFF COSTS

- 4.1.1 Staff payments are based on competitive, quality-driven rates of the country of residence or work, if this differs. Rates for short term assignment may differ from those for long term, renewable contracts.
- 4.1.2 Various staff payment structures are possible depending on the type of work agreement:
 - employee of an organisation
 - subcontractor / associate, working under the umbrella of an organisation
 - independent freelancer.
- 4.1.3 Basis of payment can be one of the following:
 - an hourly rate plus additions for overhead expenses for employees or subcontractors
 - an hourly, all-inclusive rate for a maximum amount for a given period for freelancers
 - an all-inclusive lump sum amount per period for an agreed volume of work (for all three types of workers).
- 4.1.4 The choice of the payment type are to be agreed on as part of the contract negotiations and mentioned in the signed contract. In addition, if necessary, an indication of the total number of work hours should also be mentioned, or at least whether it concerns a full-time or not full-time position / assignment.
- 4.1.5 The determination of the hourly rate for an employee of an organisation is equal to the gross salary according to the monthly salary slip, increased by any allowances and benefits as have been formally agreed. If necessary, evidence of these additions are to be submitted. In order to get the hourly rate the sum of gross salary and allowances/benefits is multiplied by 3 months, divided by 13 weeks, and further divided by the agreed working hours of the employment contract to obtain the chargeable hourly rate.

- 4.1.6 A worker is regarded as a subcontractor if the following pre-conditions are met:
- subcontractor/associate/freelancer is self-responsible for payment of all taxes, insurances, benefits, and allowances
 - subcontractor/associate/freelancer is only paid for real work hours, and does not receive holiday payment
 - a contract agreement has been drawn and signed
 - in the contract agreement the assignment is clearly defined
 - subcontractor/associate/freelancer is free to determine his/her own working hours, as long as the assignment is accomplished within the terms of the agreement
 - subcontractor/associate/freelancer is free to take on other paid or voluntary assignments without seeking permission from the organisation.
- 4.1.7 The hourly rate of the subcontractor/associate/freelancer should meet the following conditions:
- 4.1.7.1 it cannot be more than 2,5 times the hourly rate of an employee –as determined in article 4.1.6, for an employee doing comparable work under comparable terms, such as job profile, responsibilities, tasks and duties, level of experience/educational, and similar relevant criteria.
- 4.1.7.2 If the subcontractor receives a higher hourly rate, this should be laid forward to the WageIndicator for negotiation, with persuasive evidence to justify this higher rate, of which, if so agreed, an explanatory note is to be made in the contract.
- 4.1.8 The hourly rate as mentioned in article 4.1.7 is all-inclusive of payment for work, taxes, insurances, allowances, and office expenses i.e., equipment, stationery, communication, including internet, in-town travel, food expenses.
- 4.1.9 The organisation of an employee is entitled to an office overhead of maximum 10% of the total staff expenses for that respective period for use of office facilities i.e, utilities, equipment, stationery, communication, including internet facilities.
- 4.1.10 The organisation is, if so agreed also entitled to a staff overhead of maximum 10% of the total staff expenses for that respective period for administration and supervision.
- 4.1.11 A worker is regarded as a freelancer if the following pre-conditions are met:
- freelancer is directly assigned by the WageIndicator
 - normally works alone, although on ad hoc basis by also have subcontractors working on an assignment
 - also the stipulations in article 4.1.6 apply here, and where ‘subcontractor’ is mentioned, this may be replaced by ‘freelancer’.
- 4.1.12 Irrespective of the type of payment, the sum of hourly rates times working hours should be accommodated within the respective budget line. No overspending on staff budget lines is permitted without prior consultation and consent by the WageIndicator.
- 4.1.13 All-inclusive lump sum arrangements are done either by subcontractors or freelancers and as a rule agreed on for work related to
- a clearly defined deliverable products or services, such as content writing, website programming, maintenance
 - work in which it is difficult to determine more precisely the total volume of working hours, and hence to have a greater assurance that work will be done within the respective budget line.
- 4.1.14 Preferably, the level of the all-inclusive lump sum arrangements is determined by a quotation on the part of the organisation, freelancer or subcontractor or associate. In any event, the agreement made should meet article 4.1.1.
- 4.1.15 Increases in hourly rate or lump sum arrangements can only be negotiated per year respectively new annual contract term. These negotiations are to be entered prior to the beginning of the new term.

4.2 OFFLINE ACTIVITIES

- 4.2.1 If agreed in the budget accompanying the contract, costs for off-line activities are eligible for reimbursement. Off-line activities refer to face-to-face activities, such as meetings, workshops, seminars, training sessions, conferences and involve at least 4 participants.
- 4.2.2 Of each off-line activity an attendance list should be prepared, and signed by each participant. Without the attendance list, expenses of that activity cannot be reimbursed. The format is in the appendixes.
- 4.2.2.1 In general, for all activity expenses a fair-price policy is applicable: in general funds are provided by funding programmes that aim to fight poverty, and therefore it is not defensible towards the funder to organize expensive meetings.
- 4.2.2.2 For each off-line activity a budget should be drafted, using the format in the Appendixes. In the following cases, prior consultation and approval of the WageIndicator is needed.
- 4.2.3 There are six types of expenses eligible for reimbursement:
- 4.2.3.1 Preparatory expenses for invitations, communication, and transportation.
- 4.2.3.2 Normal fixed expenses for venue hire, documentation, stationary, and similar;
- 4.2.3.3 Special fixed expenses for banners, presentation, interpretation and similar; these always require prior consent by the WageIndicator. As a rule these three types of expenses should not be more than 25% of total costs.
- 4.2.3.4 Per participant expenses: accommodation, transport, tea/coffee and lunch breaks, dinners, stationery, and similar under the following additional conditions:
- in general, there is a preference for smaller, more interactive, and participants' involved activities with no more than 25 participants (excluding conferences)
 - coordinator and any other organizing staff stay in the same accommodation as all other participants
 - transport expenses should be preferably a fixed rate for all participants, and topped up for out-of-town expenses on the basis of public transport fares; reimbursement of taxi fares should, in general, be done conservatively, depending on practice in the respective country and only when necessary and no other options are available
 - there is a preference for dinners together, to be paid by the activity coordinator from the activity budget, and no dinner allowance. As a rule, these expenses should not be more than 50% of total meeting costs.
- 4.2.3.5 Staff expenses for coordination, administration, facilitators/moderators, resource persons, reporter. As a rule, these expenses should not be more than 20% of total meeting costs with the following additional conditions:
- a coordination, administration and/or reporting fee may only be claimed by the contractor if these are not already part of the staff payment arrangements
 - only external facilitators/moderators may receive a fair fee
 - resource persons receive an allowance that is reasonable in relation to the assignment and general practice in that context (country, organization, track record).
- 4.2.3.6 Necessary miscellaneous expenses; in total less than 5% of all expenses.
- 4.2.4 Any deviations from this division require prior consultation and approval by the WageIndicator.
- 4.2.5 Budgets for conferences and other meetings, involving more than 25 participants should be drafted in consultation by the WageIndicator, and require prior approval.

4.3 SUPPLIERS

Under this heading expenses of third party suppliers are referred to, such as including:

- ✓ Data analyses
- ✓ Offline Survey – Interviews in the field
- ✓ Design services, such as for Campaign and Promotion material
- ✓ Translation
- ✓ Web / SEO services
- ✓ Marketing services, such as media partners, banners
- ✓ Ad hoc subcontractors for a specific short term assignment
- ✓ Subscription

All these expenses are to be supported for accounting purposes with specified invoices, indicating per item: type of units, number of units, unit price, and total for the item. In case of cash payment both the specification and payment receipt/slip are to be supplied.

4.4 PERSONAL/INDIVIDUAL COSTS

4.4.1 TRAVEL EXPENSES

If travel expenses have been included in the budget, these are only refundable other the conditions mentioned in the next articles. In case no travel budget has been agreed upon, travels need prior consultation of and approval by the WageIndicator. All travel expenses are to meet the following requirements:

- 4.4.1.1 Only strictly necessary work-related travels are eligible, which does not include travelling between home and work.
- 4.4.1.2 Submission of scanned or original invoices, receipts and/or vouchers.
- 4.4.1.3 Transportation costs can include expenses for bus, train, flight, taxi, by (own) car, visa, travel insurance (the latter only for international travels). The following rate indications are applicable:
 - 4.4.1.3.1 For own car travels, a kilometre rate may be charged between: euro 0,15-0,25 per kilometre depending on the local fuel price.
 - 4.4.1.3.2 Only taxi costs to and from airport, and necessary work-related taxi costs are refundable by submission of a legitimate receipt for a maximum amount of euro 25 per trip; in case a receipt is not provided, the person travelling is to fill in a WageIndicator Receipt Voucher, indicating the reason why a legitimate receipt is not available.
 - 4.4.1.3.3 For flights: Economy flight fares; and submission of one way boarding passes or all in case of round flight trips.
 - 4.4.1.3.4 For Accommodation: a reasonable priced hotel (in general 2 or 3-stars), including breakfast are refundable. Expenses for mini bar, communication/ internet, laundry or other hotel expenses are covered under allowances.

4.4.2 TRAVEL ALLOWANCES

WageIndicator has a modest allowance policy, because all working for the WageIndicator receive a good and competitive reward for their work, and allowances or per diems are mostly regarded as additional income. There are two types of allowances:

- 4.4.2.1 Daily Subsistence Allowance (DSA) for travel times of more than 4 hours one way, and in case no meals are provided as part of an activity or by another organisation. It covers food (not breakfast), communication, transport for private reasons, and any other personal, travel expenses. There is a flat rate of € 30 per day.
- 4.4.2.2 Incidental Allowance for activities at which all meals are provided. It covers communication, transport for private reasons and any other personal, small expenses. There is a flat rate of € 15 per day.
- 4.4.2.3 For both types of Allowances, the DSA-travel time is calculated as the time when you arrive at the airport of departure (home) or when you leave the city area until you return there. As common practice DSA does not have to be accounted for by supporting invoices or receipts (for taxi's, food etc.). If you spend less, you may keep the change, if you spend more, this is for your own account! The allowance is to be claimed with a Receipt Voucher.

4.5 NON-ELIGIBLE COSTS

All expenses that are not related to the contract and/or project, and do not contribute to the completion of the terms of the contract are non-eligible costs. In addition, core to the WageIndicator philosophy is a lean organisational set-up with overhead of less than 10%. Under overhead is meant all office costs (rent, utilities, equipment, communication etc.).

5-Star hotels, Business Class flights, high per diem allowances, diners in luxurious restaurants, (expensive) gifts and similar cannot be justified towards the WageIndicator or any of its funders. Most funds are granted other the heading of poverty alleviation and apart from a cost-conscious perspective also contradicts on moral and ethical grounds.

To summarize, expenses of this nature are for your own account!



5 FINANCIAL AND NARRATIVE REPORTS

5.1 FINANCIAL REPORTING

For all contracted parties with a reporting requirement have to submit financial and narrative reports on their project progress on a quarterly, bi-annual basis, or otherwise, as agreed in the contract.

For financial reports, tailor-made Excel-formats are available for each project and partner and annexed to the contract. The partner organisation is required to follow the following steps:

5.1.1 Collect all expense documentation together; please see chapter 3 for an overview of eligible expenses. Expense documentation can be divided into 4 groups:

5.1.1.1 Income: this is a copy/scan of the bank statement of the transfer; in case the transfer has gone to a non-EUR account, the bank statement is used to determine the exchange rate(XR) against which all expenses are converted; if it concerns a EUR-bank account, then oanda.com/currency/converter can be used to determine the exchange rate.

5.1.1.2 Staff expenses: for this you will need filled in hour sheets (see 3.1 and 2.3) and a copy of the salary slip for staff on pay-roll. The hourly rate is calculated as follows: gross monthly salary, including employer's allowances and benefits x 3 months: 13 weeks: contractual working hours (usually 40, for India 48 hours); example: € 700 gross salary for 40 hours per week = $700 \times 3 : 13 : 40 = € 4,03$ hourly rate. Copy this hourly rate plus hours worked in the financial report to get the total staff payment. In addition, 10% over this total staff payment may be added as staff overhead and another 10% as office overhead. Per half year you only need to submit 1 example of a monthly salary slip.

5.1.1.3 Other staff expenses for travels, accommodation and DSA (see 3.4); these are invoices, receipt vouchers, and if applicable boarding passes.

5.1.1.4 Activity expenses: for meetings, campaign materials (see 3.2 + 3.3); these are invoices, receipt vouchers, and if applicable boarding passes, signed attendance lists, and photos of meetings.

5.1.2 Order expense documents in the sequence of the budget/expense sections in the financial report, and chronological per reporting period.

5.1.3 Copy the required information from the expense documents into the financial report.

5.1.4 Where relevant, expenses should be specified in the appropriate cells by indicating number of units x unit cost; for example, 25 drinks x € 2 = € 50,00 or 100 T-shirts x € 5 = € 500,00.

5.1.5 Write the reference numbers in the financial report on the respective expense document, so supporting document can be easily traced at any later stage.

5.1.6 Attach all expense documentation in the order of the reference numbers and per relevant expense/budget line with cello tape (no staples or glue!) to blank A4 in such a way that no text is hidden. This is necessary for our digital filing system in which all documents are to be scanned.

5.1.7 On the first page of each scan-batch (per staff member, per activity etc.) write: date – name of organisation – type of expenses - ref.nrs. - period].

For example: 191217 WIF Activities Exp. 3.1-3.9 jul-sep19

191130 WIF Staff Paulien Hours+Exp. jul-sep19

191217 is 17 December 2019. The year is placed first for easy document filing and searching!

5.1.8 Scan the expense documents in batches of at most 20-25 pages, and with a maximum of 5 MB together (if possible use less resolution to save on MBs).

5.1.9 Mail the completed Excel-Financial Report (FR) together with the scan-batches, and the Narrative Report (NR) to the WageIndicator!

5.1.10 Please make sure that you file the originals in an appropriate filing system (if applicable, please agree on this with your Finance Department) and the scan-documents in an appropriate directory for easy tracing at any later stage!

If you have little or no Excel-experience, please discuss with the WageIndicator the best alternatives to resolve this.

PLEASE MAKE SURE THAT YOU RESPECT THE REPORTING DEADLINES AS THESE ARE EXTREMELY IMPORTANT FOR A GOOD PROJECT FLOW AND PROGRESS

5.2 VERIFICATION OF EXPENSES / AUDIT REPORT

There are two ways to verify or substantiate the financial report; either by way of original receipts/invoices and other supporting documentation or by way of an audited financial report by an external accountant. Normally the WageIndicator opts for the first, because audit reports are costly, and secondly because they may take more time than available for timely submission of the reports to the WageIndicator and subsequently by the WageIndicator to the funding agency.

5.2.1 Verification of Expenses by submitting the original supporting documentation. The project expense documents that have been compiled in the previous chapter are to be dispatched according to the reporting deadlines in the contract and budget through DHL or a similar quality courier to the WageIndicator.

5.2.2 Audit Report are prepared by an independent, external, certified/chartered accountant in the country of the partner-organisation. Normally this is the accountant the partner organisation is already working with. The name/address of the accountant, his/her credentials are to be made available to the WageIndicator in the first two months of the project. In this time frame the partner-organisation should also discuss with its accountant the details of the project, requirements, and any obligations on the part of the partner-organisation that it should be aware of during the project implementation.

5.2.2.1 The WageIndicator has a right to object the auditor without explanation.

5.2.2.2 The WageIndicator may request for a Management Letter to the Audit Report by the auditor.

5.3 NARRATIVE REPORTING

Together with each Financial Report a Narrative Report is required. The Narrative Report is highly standardized. It amounts to answering premeditated questions in writing, using one of the formats available (Midterm (usually 6 months), Annual and Final report).

In the 3 formats for the Narrative Reports more information is provided regarding the required information.

PLEASE MAKE SURE THAT YOU RESPECT THE REPORTING DEADLINES AS THESE ARE EXTREMELY IMPORTANT FOR A GOOD PROJECT FLOW AND PROGRESS

6 SANCTION AND ANTI-FRAUD POLICY

The WageIndicator believes in good ethics, integrity, and commitment by all involved in our joint work, however reality requires to have precautions

This is a summary; for the full text of our Sanctions and Anti-Fraud policy, please see www.wageindicator.net

6.1 GENERAL

The purpose of this policy is to explicitly extract the procedures and actions to be applied when agreements are not being followed and in cases of suspected or reported fraud and/or corruption against the WageIndicator.

This policy is applicable to the WageIndicator partner organisations, consultants, and other third parties – hereafter referred to as “partner” – that are contracted by the WageIndicator foundation. The policy lists the measures that can be taken and specifies the sanctions that can be imposed.

6.2 CASES WHERE SANCTIONS ARE NEEDED

The WageIndicator will apply its Policy in the following cases:

- Partner’s non-compliance with one or more conditions as stated in the partner contract
- Serious non-or underperformance of the partner leading to a discrepancy between agreed and realised/delivered results.
- Suspected or reported fraud and/or corruption by the partner;

6.3 MEASURES IN CASE OF NON-COMPLIANCE WITH CONTRACTUAL CONDITIONS

The partner contract can mention different requirements the partner is required to meet, such as:

- Timely submission of narrative, financial and/or external audit reports according to the given deadlines;
- The agreed activities are not implemented without due notice or explanation;
- A lack of adequate communication on the implementation of the work plan, and failure to seek prior approval from the WageIndicator for deviations in the work plan;
- contracted amounts only to be used for the specific project or programme that the partner contract relates to; or

Should it become clear that despite several reminders during a project period a partner cannot or will not comply to the conditions stipulated in the partner contract, the WageIndicator can and/or will:

- temporarily or permanently suspend planned payments to the partner;
- investigate why requirements are not met and/or review the situation after a period of time;
- give the partner a last chance to comply with all conditions in the contract;
- review the situation after a period of time;
- when necessary the WageIndicator offer the partner additional capacity support in kind;
- dissolve the partner contract when the WageIndicator is not convinced that important conditions will be met after this period and;
- possibly take legal actions to recover the already transferred funds.

6.4 MEASURES IN CASE OF SERIOUS NON- OR UNDERPERFORMANCE

Measures in case of serious non- or underperformance

At the start of a project, it is clear for each party (the WageIndicator and the partner) which results are to be achieved and by whom during a specific mentioned project period. Partner contracts stipulate the need to report to the WageIndicator on the progress in achieving the results (or the lack of them) during this period. If the reports or other sources of information show significant differences between the planned and achieved results, this must be explained by the partner. Additionally, if results are achievable, but the partner is not willing or able to show these in its reports or is not willing or able to explain the lack of results and if at some point, this requires further review of the evidence provided and actions, such as:

- temporarily or permanently suspend planned payments to this partner;
- investigate if and how the performance of the partner can improve;
- review the situation after a period of time;
- if necessary and appropriate the WageIndicator will offer the partner capacity building support;
- dissolve the partner contract when not convinced important improvements will occur after this period and;
- possibly take legal actions to recover the already transferred funds.



6.5 MEASURES IN CASE OF SUSPECTED OR REPORTED FRAUD AND/OR CORRUPTION

In the event of suspected fraud or corruption by the partner, the WageIndicator will:

- temporarily or permanently suspend planned payments to the partner;
- investigate the case or ask a qualified external auditor or another party to investigate;
- request the partner to implement measures to prevent fraud or corruption in the future;
- review these measures after a period of time;
- dissolve the partner contract when the WageIndicator is not convinced that measures will have a positive effect on the situation, and;
- possibly take legal action to recover the transferred funds.

In the event of reported fraud or corruption by the partner, the WageIndicator will:

- immediately suspend all planned payments to this partner;
- immediately dissolve the partner contract, and;
- take legal actions to recover the already transferred funds

6.6 RESPONSIBILITIES

All cases of suspected fraud or corruption will be discussed and decided upon by the executive directors of the WageIndicator. The executive directors will report all cases of suspected fraud and/or corruption to the supervisory board.

Cases to be sanctioned and the sanctions that need to be applied will be decided upon by the executive directors, in which the financial manager plays an advisory role.

The Financial Manager is specifically responsible for:

- keeping a record of every situation, necessary for the full execution of this policy;
- keeping a track history of each case in the related project file, including the sanctions imposed, and any follow-up in these cases;
- reporting all sanctioned cases to the director; and
- reporting all sanctioned cases to the relevant donor organisation.

APPENDIX 1 – CRUCIAL WEB LINKS & COMMUNICATION

- WageIndicator.net – Button Management – for all general documents – (ask password at office@wageindicator.org)
- WageIndicator.org - <http://www.wageindicator.org/main/Wageindicatorfoundation>
- For all project related documents and budgets a special Google Doc is created.

There will be as much communication as needed for good progress and performance between any of the WageIndicator offices. All possible modes of communication are to be used, and the contract partners are to ensure, that they are subscribed to the required/ agreed modes of communication, including Gmail/Google Docs, Dropbox, and Zoom.



APPENDIX 2 – DOWNLOADABLE DOCUMENTS

Overview of downloadable documents:

1. WageIndicator Associate Information Form
2. Receipt voucher: to be used by all partner organizations to be eligible for refund of travel expenses, allowances, in case no legitimate receipt voucher could be supplied, and in case a subcontractor is not able to provide an invoice
3. Hour sheets on annual basis
4. Bank information
5. Attendance list for offline activities
6. Example Invoice, although partners are encouraged to design their own layout.
7. Formats for Workplan
8. Formats for Budgets
 - i. One / Multi-year
 - ii. Activity
9. Formats for Reporting
 - i. Narrative Reporting
 - ii. Financial Reporting



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