A local partner’s experience with advance and liquidation vouchers

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Process – 30-day advance

- Understand your award & financial reporting requirements up-front → Align accounting record/General Ledger (GL) & design the reports as per agreement and per donor requirement
  - E.g. include detail per expenditure line, per activity, submission of GL,
  - Monthly reporting should align to requirements for auditor reporting requirements
- Timelines
  - Close finances – between 7th – 10th
  - Submit vouchers – before 15th of month (defined in Award)
- Submit 2 vouchers
  - Standard Form 1034 (public voucher) & liquidation report – to show expenditure
  - Standard Form 1034 (public voucher) & advance request – to request an advance
- Recordkeeping for compliance and audit readiness
  - All supporting documents for expenses kept in file (paper) at office
  - Can be made available based on request:
    - General Ledger print out (upon request)
    - Electronic copy of supporting documentation (scanned)
Public voucher 1034 (liquidation)

- Use ACCPAC* to record all expenses
  - Timesheets due by 2\textsuperscript{nd} of month
  - Close finances – between 7\textsuperscript{th} – 10\textsuperscript{th}
  - Compile report of expenses generated
- Submit liquidation voucher monthly,
  - Before 15\textsuperscript{th} of month
  - one month in arrears
- Red Text Boxes indicate key data fields

\*ACCPAC is FPD’s general accounting system
• Liquidation report

• Support to public voucher 1034 (1-line expense report)

• Use ACCPAC to generate report as per agreement requirements
  • Budget line items as per approved budget
  • Approved budget
  • Total expenditure prior to report
  • Current expenditure
    • =liquidation voucher
  • Total accumulated expenditure
  • Balance

• Red text box highlights total expenditure as per voucher
Public voucher 1034 (advance)

- Develop & review monthly expenditure report
- Using expenditure reports, look at past three-month average expenditure & current cash on-hand → make projections for advance
  - Consult with program managers (implementers) on any extraordinary upcoming activities and budget implications
- NB: USAID would query any amount that seems significantly higher than average. Communicate with AOR
- Red text boxes indicate key data fields
**Advance request**

- Support to public voucher 1034 (1-line advance request)

- Use expenditure report to generate projections
  - Budget line items as per approved budget
  - Projected expenditures for requested budget

- Red text box highlights total expenditure as per voucher
Tips

• Understand financial reporting requirements up-front.
• Align accounting record/General Ledger/system to requirements
• Design the reports as per agreement and per donor funding
  – May include supporting documentation (E.g. per expenditure line, per activity, submission of GL…)
  – Monthly reporting should align to requirements for auditor reporting requirements
• Monitor expenditure against budget on a monthly basis at an internal financial management meeting (implementers & finance team)
• Consult programme managers review expenditure and discuss upcoming activities & cost implications
• Keep all supporting documents as per grant requirements
Thank you!
Questions?