



AFRICAN YOUTH EMPOWERMENT AND DEVELOPMENT INITIATIVE (AYEDI)

VILLAGE SAVINGS AND LOAN ASSOCIATION

Implementation Guide

JUNE 2018

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I. INTRODUCTION

The following Village Savings and Loan Association (VSLA) methodology learning sessions have been adapted as part of the **African Youth Empowerment and Development Initiative (AYEDI)** project in Uganda. AYEDI is a four-year project (December 2013 - June 2018), which aimed to reduce the engagement of adolescent youth (15-17 years) in hazardous work. This project was implemented by the Bantwana Initiative of World Education, Inc. (WEI/Bantwana) in partnership with the Government of Uganda and Straight Talk Foundation Uganda (STF), Uganda Women's Efforts to Save Orphans (UWESO), and RECO Industries Limited.

This Training of Trainers (TOT) implementation guide was developed to train AYEDI Field Assistants (FAs) in the VSLA methodology and to further guide them in the mobilization, formation, training, and supervision of VSLA groups for youth and caregivers. Training a cadre of trainers is an important first step in the process of implementing the VSLA methodology. This manual includes sessions on methodology and content of the VSLA.

Due to the nature and composition of AYEDI community structures and beneficiaries, two types of VSLA groups were implemented through the project:

- **An adult/caregiver VSLA model**, which will be the primary focus of this manual.
- **A youth-led VSLA model (known as a Savings and Investment Club),¹** which is further explored and outlined in a separate manual.

WEI/Bantwana would like to recognize the efforts of various partners and individuals that contributed to the development of this manual. Specifically, we would like to recognize the efforts of UWESO as the lead organisation for the AYEDI project's VSLA intervention. We would also like to thank previous VSLA beneficiaries and district staff for their invaluable input into the design and development of these sessions.

¹ It should be noted that Ugandan law restricts youth under the age of 18 from borrowing.

II. FINANCIAL SERVICES

A. Background

As a result of their increasingly sophisticated methodologies and professional practice over the last twenty years, microfinance institutions, banks, and savings and credit cooperatives (SACCOs) have strongly established themselves as formal sector financial intermediaries and have been widely utilized as financial service providers.

In Uganda, in particular, it is becoming clear that while banks and other financial institutions can provide valuable services to the poor, these institutions are most successful in economically dynamic urban areas where borrowing requirements are high and the costs of reaching clients is low. Most of the people who live in rural areas and in urban slums (and particularly the very poor) receive minimal to no services at all. As a result, there is still a very large gap between the needs for financial services of the poor and the ability of banks and other financial institutions to provide these services. There is also a discrepancy between what public financial institutions offer and the services that are needed by the poor.

The goal of enhancing poor people's capacity to build their assets through savings rather than increase their risk exposure by taking out loans has created a need to provide alternative models. This includes savings services as well as insurance and credit for rural and peri-urban poor that can be delivered in a cost-effective way, accessed conveniently, established inexpensively with transparent operations, and managed locally (preferably).

Over the past 14 years, CARE International has developed and extensively tested such a model: the Village Savings and Loan Association (VSLA) methodology, which was originally piloted in Maradi, Niger in 1991. The VSLA methodology has now been replicated in many countries and by other development agencies, including Oxfam, Catholic Relief Services (CRS), Plan International, World Vision, UWESO, and others.

The AYEDI project believes that the VSLA model has the potential to reach large numbers, as it can be implemented in a variety of institutional settings—from multi-sector rural development projects to stand-alone financial projects. It can also be successfully integrated into the operations of institutions dealing with agriculture, hazardous child labour, health, child protection, and other areas. Financial services can be accessed in the form of monetary services, credit and loans, or financial advice. Associations formed using this model provide the basic building blocks on which future integration into the formal financial sector may be possible.

B. Formal and Informal Financial Service Providers

Examples of formal financial institutions in the country include:

- Central banks;
- Commercial banks;
- Credit unions/SACCOs;
- Monetary financial institutions/associations;
- Money lenders;

- Development banks;
- Insurance companies;
- Forex Bureaus; and
- Money transfer services (i.e. MTN, Airtel, UTL, Western Union, MoneyGram, etc.).

Parameters for accessing services or products include:

- Accessibility in terms of time, distance, liquidity, networks/availability;
- Profitability (profits, returns on deposits);
- Simplicity (policies, procedures, languages, and paper work);
- Ownership (shareholding, management, and policy formulation);
- Sustainability in terms of continuity;
- Cost of service (bank charges, interest, fees) and other costs of transport, photography, LCI letter, etc.;
- Safety (risk of theft, security of funds, and records);
- Time cost (processing duration, queuing, and travel time); and
- Suitability and relevance of the products to the diverse/unique needs of different categories of clients

III. THE VSLA METHODOLOGY

A. What are VSLAs?

A Village Savings and Loan Association (VSLA) is a group of 15-30 people who save together and take small loans from those savings. The activities of the VSLA run in 'cycles' of about one year each. After the cycle has concluded, the accumulated savings and profits are shared out among the members according to the amount they have saved. VSLAs are member-managed.

B. Who Will Train and Monitor the VSLAs?

AYEDI Field Assistants (FAs) will train members under the guidance of the VSLA Project Officers. In performance of their duties, Field Assistants will not manage the VSLAs on behalf of members. VSLA members will be responsible for the day-to-day management of their association. Field Assistants, however, will play the following roles:

- Provide initial and refresher trainings
- Support trained VSLAs when they would like assistance between cycles (share-outs, membership changes, modifying the constitution, elections, etc.)
- Assist in resolving conflicts

C. How Does the VSLA Training Cycle Work?

The first cycle of the VSLA is a training and supervision cycle lasting at least 36 weeks. During the first cycle, the groups will meet weekly. This may change after the first cycle, as the group deems fit.

D. How Does the VSLA Methodology Work?

Key Principles of the VSLA Methodology

- VSLA members are self-selected: members choose one another to anchor trust and ownership.
- A VSLA is autonomous and self-managing.
- All VSLA transactions are performed at meetings in front of all the members. To ensure that transactions do not take place outside of VSLA meetings, cash and passbooks are locked in a cash box.
- The cycle of savings is time-bound.
- All associations keep their own records.
- The share value (see definition below) cannot change during the cycle.

Set-Up and Structure

- Each VSLA has a membership of between 15-30 members.
- Members meet on a regular basis that they agree on (e.g. weekly).
- VSLAs are comprised of a general assembly (all members) and a management committee (elected members).
- The general assembly is the supreme body from which the management committee is elected and from which it derives its authority.
- The management committee of a VSLA consists of 5 people, including the chairperson, a secretary, two money counters, and the record keeper.
- Committee members are subject to re-election at the start of a new cycle but may be removed during the cycle at an extraordinary meeting.
- Each member has one vote in electing the management committee and developing the constitution.
- Each VSLA agrees on a set of rules or a constitution to guide its activities.
- The constitution performs two functions:
 - It provides a framework for governance, conflict resolution, and disciplinary actions.
 - It specifies how a welfare fund will be operated and the terms and conditions of saving and lending.
- All VSLA transactions are performed at meetings in front of all the members.
- To ensure that transactions do not take place outside VSLA meetings, cash and passbooks are locked in a cash box secured with three padlocks. The three keys are held by three different members, none of whom is a member of the management committee.
- Each member of the group will be assigned a rule to remember on which he/she will be questioned during meetings.
- Each member has an individual passbook:
 - Share purchases are recorded in the first half of the passbook using a rubber stamp.
 - Loans are recorded in the back of the passbook.
- Passbooks remain locked in the box between meetings. This is very important in order to prevent tampering with the records of shares purchased by the members or the alteration of loan records.
- Members must set up a **social fund** to use for small grants when members are in distress.
- Loan fund and social fund balances are noted by the record keeper in a notebook and memorized by all members at each meeting.

Savings and Loans

- Members save through the purchase of between one to five (1-5) shares every meeting. The share value is decided by the VSLA at the start of each cycle.
- VSLA members agree on an operating cycle before starting to save and lend. **The cycle should not be shorter than eight months and not longer than one year.**
- During the cycle, members of the group must meet and save weekly.
- No external funds will be injected or given to VSLA members. (In the case of such arrangements, the money given shall be used to generate an income generating activity (IGA) for the group as they may choose, but the money shall not be kept in the group's box and shall not be part of the loan fund.)

- The **loan fund** is comprised of money contributed in the form of shares, fines, and loan profits (from service charges).
- The **social fund** is comprised of money contributed to support members in unexpected circumstances. The social fund is a non-refundable fund used to cater for emergencies that members might experience, such as medical and funeral expenses; school fees; loss of livestock; child protection issues (e.g. transport for a child that has been defiled); or catastrophes like fire damage or house damage.
- Anyone needing support from the social fund or loan fund must state his/her request publically to the association; requests are disbursed only on approval of the general assembly.
- When the operating cycle ends, the association shares out the total value of its financial assets among the members.
- Once a new cycle begins, members can decide to change the share value.
- All members have the right to borrow up to a maximum of three times the value of their shares/savings.
- The monthly service charge for loans is determined by the members at the beginning of the cycle in the form of a percentage value. The service charge rate cannot be changed during the cycle.
- Loans are taken and repaid once every four weeks.
- All loans should be repaid within a maximum of 12 weeks during the first cycle. The borrower is free to pay in whatever increments she/he wishes at each loan meeting but must repay the total sum owed within the agreed-upon period.

Sharing of Funds

- At the end of every annual cycle, all outstanding loans are recovered and the loan fund is shared out.
- The loan fund (which includes profits) is divided by the total number of shares purchased by members during the cycle in order to calculate the ending share value.
- Each member then receives his or her payout according to the number of shares purchased over the course of the cycle. Using this method, no complicated calculation of profits is needed.

IV. SCHEDULE OF OPERATIONS

VSLAs will be trained by Field Assistants (FAs) with technical support from their supervisors (VSLA Project Officers) over a period of at least 36 weeks according to the schedule below.

1. Preparatory phase (1-2 weeks):

This phase provides general information to prospective VSLA members. These prospective members will then decide if they want to be trained.

2. Intensive phase (12 weeks):

This phase starts off with four visits in the first week and then continues with six visits over the next 10 weeks.

3. Development phase (12 weeks):

This phase includes three visits during loan meetings only.

4. Maturity phase (12 weeks):

This phase includes two visits - one for light supervision and one to help the VSLA prepare for share-out and graduation.

The FA may increase the frequency of visits in the intensive phase and may also prolong it if additional time is needed to help the VSLA reach a position where it can confidently manage share purchase without assistance. The frequency of visits in the development phase need not be increased, because they all fall on loan disbursement and repayment meetings.

Table 1: VSLA Training and Supervision Schedule

VSLA training and supervision schedule																																								
Preparatory			Intensive Phase										Development Phase										Maturity Phase																	
A	B	C	1	2	3	4	5	6	7	8	9	10	11	12	PC	13	14	15	16	17	18	19	20	21	22	23	24	PC	25	26	27	28	29	30	31	32	33	34	35	7
1-2 Weeks			1 week																																					
Legend																																								
A	Orientation of local leaders and government officials. <u>Attended by Supervisor</u>		Supervision meetings: no training module										4	Training: First savings meeting. <u>Attended by Supervisor</u>																										
B	Introduction of VSL methodology to the community		1	Training: Groups, leadership and elections										5	Training: First loan meeting																									
C	First meeting with potential and newly formed VSLAs		2	Training: Social fund, share-purchase and credit policies										6	Training: First loan repayment																									
PC	Phase change. <u>Attended by Supervisor</u>		3	Training: Development of group constitution										7	Training: Action audit/share-out and graduation. <u>Attended by Supervisor</u>																									

Note: The red circles indicate the supervisor's attendance at:

- The first savings meeting,
- The two phase changes, and
- The action audit/share-out.

V. PREPARATORY MEETINGS

The preparatory phase has three purposes:

1. To obtain permission by local authorities and leaders to work in a particular area and to enlist their support in organizing a public meeting to outline how the AYEDI project and VSLA methodology work
2. To describe to a public gathering how the AYEDI project and VSLA methodology work and how people may get more information
3. To provide a detailed description of how a VSLA works, including what people have to do to participate and what the Field Assistant promises to do

The table below outlines the content of these meetings and the order in which they take place.

Table 2: Preparatory Meetings (FO = Field Officer/Field Assistant)

Type of meeting	<u>Meeting A</u> <i>Supervisor and FO orient local leaders and government officials</i>	<u>Meeting B</u> <i>FO introduces VSL to the community</i>	<u>Meeting C</u> <i>First meeting of FO with newly formed groups</i>
Content	<ul style="list-style-type: none"> • Introduction of the Implementing Organisation. • Target group to be served • Services offered. • Role of local leaders and administrators. 	<ul style="list-style-type: none"> • How the methodology works. • How interested individuals can form new VSLAs 	<ul style="list-style-type: none"> • Step-by-step description of how VSL works • Qualities of good members • VSLA and FO obligations • Training schedule • Date and place for first Training
Comments	This may take more than one meeting and may involve Regional, District and Locational/Ward officials before reaching communities	Open meeting. Anyone can attend. Usually at a public place like a market, school, church, mosque etc.	Attended only by people who are committed to joining a VSLA and who show this by having formed themselves into a group

Meeting A: Orientation of Local Leaders and Government Officials

The project should inform government administrators and line ministries at different levels about its goals and anticipating programming. Usually this will start at the district level (or its equivalent) and continue downwards from there to the targeted local community. This may take more than one meeting. Most importantly, community-level administrators and traditional leaders should be contacted to help arrange a public meeting and contact influential community leaders.

Led by the supervisor with support from the Field Assistant, the following talking points are covered in this meeting:

Introduction: The supervisor introduces him/herself, the project and the implementing organisation, and the Field Assistant (FA).

- **Project purpose and goals:** The supervisor reviews the purpose and goals. The project's purpose and goals are to build the capacity of community groups to be able to mobilize savings, use these savings to start a loan fund, and to create a social fund for relief of members experiencing emergencies. It is explained that VSLAs will:
 - Provide the opportunity to save and borrow flexibly as needed by members and to make attractive profits on their savings. Very poor people will find that VSLAs meet most of their needs for savings and credit, because there are no high minimum deposit requirements, hidden charges, complicated procedures, or difficulty in accessing loans.
 - Provide the opportunity to assist members in the case of death, disease, or natural disaster; local moneylenders may not be willing to provide this service to the poorest members of the community.
 - Help members build self-respect, self-reliance, and self-confidence.
 - Provide a platform for discussing child protection, especially hazardous child labour issues.
- **History of the project and of similar projects worldwide:** The supervisor reviews the history of VSLAs. There are more than three million poor people successfully managing VSLAs throughout the world. More than 90% of VSLAs succeed and remain together for several years or more.
- **VSLA management:** The supervisor reviews the VSLA management structure. A VSLA is taught to manage its own activities over a cycle of nine months to one year. A Field Assistant will attend most of the group's meetings to train and assist them during this first period. After the first cycle, the group should manage its own affairs.
- **VSLA principles:** The FA reviews the VSLA principles, as listed below.
 - Reliability
 - Integrity
 - Establishment of a sustainable service that enjoys community support and has an important economic impact
 - Female empowerment (Women, in particular, are encouraged to participate.)
- **Government and community leader roles:** The supervisor solicits the following from the government and community leaders:
 - Permission for the FA to work in the area
 - Support to mobilize the community to attend a public meeting during which the VSLA methodology will be explained, and community groups will be invited to participate
 - Technical support to improve the quality of the association
 - Linkages to other government agencies and enterprises
- **Feedback:** The supervisor should take questions and ask for feedback.
- **Public meeting arrangements:** The FA ensures that someone influential in the community is made responsible for arranging a public meeting and a date is set at which the FA can meet with the community. Mobilization of the public should target between 50-100 potential VSLA members as well as local leaders (such as religious leaders and prominent local business people) who can spread the word to other communities. The place and date of the public meeting should be agreed upon at this point so that the FA can schedule to participate.

Meeting B: Introduction of VSLA Methodology to the Community

This meeting should be a large, open gathering that is announced well in advance through the help of local leaders. There will be many questions. The goal of this meeting is to generate interest so that many potential members come to the meeting.

Led by **the Field Assistant (FA)**, the following talking points are covered in this meeting:

- **Introduction and purpose:** The Field Assistant introduces the VSLA goals and purpose to community members: to create community-managed savings and loan groups that belong to members. The VSLA will help members to address and to respond to the welfare needs of children at the household and community levels. The promotion of VSLAs is not a government programme.
- **VSLA structure and methodology:** The Field Assistant introduces the VSLA structure and methodology.
 - All of the funds used to provide loans to members come from the members' own efforts. The programme does not provide any money to VSLAs for lending to its members.
 - The size of the group must be not less than 15 members and not more than 30.
 - The members of the proposed group choose where and when the meetings are to be held.
 - Groups will be given a metal box (free of charge) that locks and contains all of the materials needed to run a VSLA. This box can only be opened during weekly meetings.
 - VSLA members will be taught to save regularly; to take loans from those savings; and to share out the savings and profits each cycle, according to each person's contribution.
- **The FA's role:** The FA explains that she/he is only there to train group members in the system. The FA will carry on this role for about a year in the locality. During that time, he/she will:
 - Identify a number of local people who will be trained to carry on the work and
 - Supervise the VSLAs to make sure that the quality of the VSLAs remains high. However, members will manage their own activities of the VSLA. The FA should never:
 - Handle the group's money;
 - Write in the group's records;
 - Take the cash box away;
 - Ask for a loan; or
 - Ask for a gift.
- **Training and supervision:** The FA explains that this training and supervision will take approximately nine months. After this period, the VSLA is independent and continues to operate without any further support. However, the FA will continue to be available for advice and technical support.
- **Next steps:** The FA informs the group that she/he will return to the community (at an agreed-upon time) to gauge interest in participation for the VSLA and will then

make training arrangements. The date should be set before this meeting closes. Those who are interested must form groups of 15-30 members before the next meeting. The FA stresses the following before closing the meeting:

- Members must know and trust each other.
- Leaders are not elected until after training begins.

Meeting C: First Meeting with Potential and Newly Formed VSLAs

This meeting is only attended by people who are interested in participating in the VSLA and who have already gathered in groups of 15-30 people that know and trust each other. The goal of this meeting is to describe the basic features of a VSLA.

Led by **the Field Assistant (FA)**, the following talking points are covered in this meeting:

- **Introduction:** The FA explains that a VSLA is created so that people can save, borrow, and start a social/insurance fund.
- **Basic features of the VSLA:** The FA explains the following features.
 - Members are self-selected, and the VSLA is managed by its members.
 - Every group has a written constitution and clear rules.
 - Members must attend all meetings, and each must buy at least one share each meeting.
 - There are fines that all members are subject to for tardiness and/or missing meetings.
 - Some rules, such as the amount of savings required or the service charge on loans, are decided by the members.
 - Every group has a management committee that is democratically elected and changed every year.
 - A group allows all members to buy between one to five shares each week. The price of a share is set by the members.
 - The money collected from the purchase of shares is used to provide small loans to members, which are repaid over a period of not more than three months.
 - All borrowers have to pay a service charge on their loans, at a percentage rate decided by the members.
 - There is a social fund from which members can receive small grants or interest-free funds for emergencies.
 - All of the group's cash is kept in a box with three locks. The keys are kept by three different members of the group who are not part of the management committee.
 - The box can only be opened in meetings, so all transactions are done in front of all of the members. The box and its contents will be supplied by the Project Officers (free of charge) to the trained groups.
 - Record keeping is based on simple passbooks and the memorization of important information, such as the current amount of cash in the box and who owes money to the fund.
 - Each member has a passbook in which his/her savings and loans are recorded.

- The passbooks are locked in the box between meetings to prevent anyone changing the entries.
- The members decide on the duration for operating the VSLA before they share out their profits. This is called a “cycle” and should not be less than nine months, nor longer than 12 months.
- At the end of each cycle, all loans are repaid, and all savings and profits are distributed to members according to the number of shares each member has purchased throughout the cycle.
- There should be only one member from the same household in a VSLA. It is better if members from the same household join different VSLAs.
- The VSLA will act as a platform for members to discuss community child protection concerns, especially children’s engagement in hazardous work.
- **Training and supervision:** The training and supervision period is 36 weeks (one full cycle). After this period, the VSLA continues to operate independently without any external support. During the training period, the VSLA will meet weekly, and the FA will visit a total of 15 times. Once the VSLA becomes independent, the FA will only attend meetings if requested by the members. During this period, the FA will mentor active community members to play supervisory roles.
- **VSLA training modules:** The FA explains that there are seven training modules and describes the contents of the modules:
 1. Members, Leadership, and Elections
 2. Social Fund, Share Purchase, and Credit Policies
 3. Development of the Group Constitution
 4. First Savings Meeting
 5. First Loan Meeting
 6. First Loan Repayment
 7. Action Audit/Share-Out and Graduation
- **Qualities of a VSLA member:** The FA reviews the qualities of a good VSLA member and suggests that anyone who is not able to meet these standards should not join. Good members will:
 - Know each other and be from a similar economic background;
 - Not live too far from where the meetings will be held;
 - Have a reputation for honesty and reliability;
 - Be able to attend all meetings;
 - Attend all meetings on time;
 - Follow all rules;
 - Have good interpersonal skills;
 - Be able to buy at least one share each week;
 - Be able to repay loans on time; and
 - Have interest in the wellbeing and protection of children.
- **Next steps:** The FA and the new groups will arrange a time and place for the first training.

IMPORTANT: The FA should never train more than one VSLA at the same time and place. All VSLAs should be trained individually.

VI. TRAINING MODULES 1 – 7







The VSLA training is led by the Field Assistant and is meant to equip members with the skills, knowledge, and tools that they need to successfully establish and run their VSLAS.

There are seven (7) training modules:

1. Members, Leadership, and Elections
2. Social Fund, Share Purchase, and Credit Policies
3. Development of the Group Constitution
4. First Savings Meeting
5. First Loan Meeting
6. First Loan Repayment
7. Action Audit/Share-Out and Graduation

The table below lays out the content of these modules and the order in which they take place. The Field Assistant (FA) will facilitate the following training modules.

Table 3: Training Schedule

<i>Module 1 Groups, Leadership and Elections</i>	<i>Module 2 Social Fund, Share-purchase and Credit Policies</i>	<i>Module 3 Development of Group Constitution</i>	<i>Module 4 First Savings Meeting</i>	<i>Module 5 First Loan Meeting</i>	<i>Module 6 First Loan Repayment</i>	<i>Module 7 Action-audit / Share-out and graduation</i>
<ul style="list-style-type: none"> • Individual self-selection • Role of General Assembly • Roles of leaders • Preparation for elections • Elections 	Policies and rules related to: <ul style="list-style-type: none"> • The Social Fund • Share-purchase • Credit • Loan repayment 	<ul style="list-style-type: none"> • Group governance • Combining Module 2 policies and rules with governance decisions into single constitution 	<ul style="list-style-type: none"> • Supervision of first meeting in which cash is handled • Contribution to Social Fund, • Share-purchase 	<ul style="list-style-type: none"> • Supervision of first loan disbursements 	<ul style="list-style-type: none"> • Supervision of first loan repayments 	<ul style="list-style-type: none"> • Distribution of the Loan Fund at the end of the cycle
     						
Week 1				Week 4	Week 8	End of cycle

Module 1: Groups, Leadership, and Elections

Step 1: Review purpose

- The purpose of the first training session is to give the group a name and to elect leaders who will be the VSLA’s managers for a period of one year. The FA explains that elections are held at the beginning of each new cycle.

Step 2: Review procedures.

- The group chooses a name for the VSLA and the FA gives the group a number.
- The FA explains:
 - All members have the same rights;
 - The management committee is elected by the members, who can also dismiss members of this committee for poor performance; and
 - The management committee serves for one year, after which a new committee is elected.

Step 3: Review qualities needed for good members and good leaders.

- The FA reviews the qualities of a good member (see Meeting C notes) and suggests that anyone who does not meet these criteria should reconsider his/her membership before the next meeting.
- The FA reviews the qualities needed for each position and the responsibilities of each position using the tables below.

1. Qualities and Responsibilities of the Group Chairperson

Qualities	Responsibilities
<ul style="list-style-type: none"> • Respected • Confident and calm when speaking in front of others • Treats everyone equally • Listens to others and asks for opinions • Organized • Always on time 	<ul style="list-style-type: none"> • Calls the meetings to order, announces the agenda, and leads discussions • Ensures that the meetings follow proper procedure and that the constitution is followed and respected • Maintains discipline and charges fines, as needed • Facilitates discussions and ensures that everyone’s views are heard • Resolves conflicts • Represents the group to outsiders and non-members, including local government officials

II. Qualities and Responsibilities of the Group Record Keeper

Qualities	Responsibilities
<ul style="list-style-type: none"> • Good with numbers • Writes neatly • Has a reputation for trustworthiness • Always on time • Willing to work extra hours to train with the FA, if needed 	<ul style="list-style-type: none"> • Ensures that all transactions for the social fund, share purchases, and lending take place according to procedure and that all rules are followed • Makes all passbook entries for shares and loans • Reads the social fund and loan fund cash balances out loud at every meeting

III. Qualities and Responsibilities of the Group Box Keeper

Qualities	Responsibilities
<ul style="list-style-type: none"> • Trustworthy • From a household that has a good reputation (No one in that household should be considered unreliable) 	<ul style="list-style-type: none"> • Keeps the group box safe in between meetings • Ensures that she/he is accompanied to/from meetings as necessary • Brings the box to the meetings on time

IV. Qualities and Responsibilities of the Group Money Counters

Qualities	Responsibilities
<ul style="list-style-type: none"> • Able to count quickly and accurately • Trustworthy • Calm and organized • Always on time 	<ul style="list-style-type: none"> • Counts all amounts paid to or taken from the VSLA • Informs the record keeper of the correct amount to be recorded in the passbook

Step 4: Conduct an election.

- ▶ The FA organizes the election of the management committee, starting with the chairperson, using the standard procedures shown in **Annex I: Election Procedures**.

Module 2: Social Fund, Share Purchase, and Credit Policies

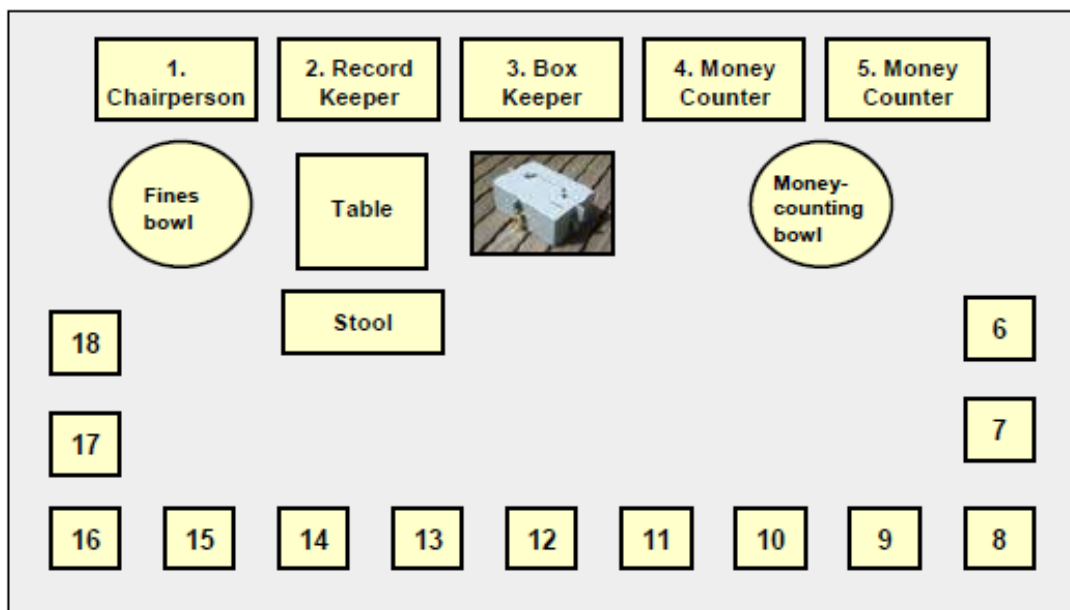
Step 1: Review purpose.

- The FA explains that the purpose of the session is to develop a set of rules concerning how the members of the group will save by buying shares, how they will take out loans and pay them back, and how they will offer insurance to their members through a social fund.

Step 2: Establish seating arrangements

- The diagram below shows how members should be seated in a meeting. This diagram shows a VSLA with 18 members. The number can be bigger or smaller.
- This seating arrangement is very important for two reasons:
 - It allows all members to clearly see what is happening.
 - It ensures that all members transact in order.
- The FA starts the meeting by seating the members according to this arrangement.

Figure 1: Layout of Meeting Place (Group with 18 Members)



Step 3: Establish the social fund.

- The FA guides members on how to create a social fund to provide grants to members who encounter serious issues. Grants are often used to help with:
 - Medical and funeral expenses;
 - Child protection issues (i.e. transport for a child that has been defiled);
 - Catastrophes (i.e. fire damage or house damage);
 - Loss of livestock; or
 - School requirements.

- The group then decides what the required amount for regular contributions to the social fund should be. Once the members have decided on the contribution amount, the FA guides members on how this fund should be managed.
 - The social fund is kept separately from the loan fund, in its own bag.
 - The social fund is used for grants, not loans.
 - The constitution lists the payouts for death of a member and his or her relatives. However, the group can also decide to make payments for other types of losses, as agreed upon by all members.

Step 4: Explain the share-purchase rules.

- The FA explains that members save in a VSLA by buying shares. At each meeting, each member has the opportunity to purchase one to five (1 to 5) shares. The FA asks members what the value of each share should be.
 - The FA explains that the amount is too big if the poorest member will have trouble regularly saving at least one share.
 - The FA explains that the amount is too small if more affluent members feel that five shares will not be enough during a lean season of the year.

Step 5: Explain lending procedures.

- The FA explains procedures for lending, as follows:
 - While members can save every week, they can only borrow once every four weeks.
 - Borrowing once every four weeks:
 - Keeps most meetings short;
 - Keeps record keeping simple (loans in every meeting make records very complicated); and
 - Allows the loan fund to build, so that members can borrow useful amounts.
- The FA asks the group to decide the purposes for which loans will be given in the VSLA.
 - Emphasize that members should not take out loans that they cannot repay easily.
- The FA explains that the amount borrowed by any member cannot be more than three times his/her savings and that this is the best way to ensure that everyone has fair access to loans and that loans are not too risky.
- The FA asks the group to decide for how long members should be allowed to take out loans.
 - The **maximum loan duration should not be more than three (3) months.**
- The FA explains that **when members take out loans, they have to pay a service charge every four (4) weeks** until the loan is fully repaid. This is a fee paid to the group for being able to borrow, but this ends up back in members' pockets at the annual share-out. The group should then decide how much the service charge should be.
- The FA guides members on how to set up the service charge. Explain that:
 - A service charge that is very low may tempt members to borrow more than they can easily repay. For this reason, it should not be less than 5%;

- A service charge that is too high will discourage members from borrowing and will make the VSLA less useful. For this reason, it should not be more than 10%; and
- A service charge of 10% is easy to calculate (a loan of 1,000 UGX attracts a monthly service charge of 100 UGX at each loan meeting).
- Once the group has decided on the service charge rate, the FA writes the service charge amount down and explains that the monthly service charge is a percentage that is:
 - Based on the loan amount;
 - Paid every four (4) weeks; and
 - The same amount each month until the loan is fully repaid.

Step 6: Explain safety procedures for group funds.

- The FA explains that VSLA programmes must use lockable boxes. The reason for using three locks is to keep members' money and records safe and to make sure that transactions cannot take place privately between meetings. The FA also explains the following procedures:
 - Members who do not keep the association's secrets and who release them to the public should be discontinued from the group.
 - Each group shall be registered with the local council of its village and, if possible, with the sub-county and the district Community Development Officer, as well.
 - The identity of the box keeper shall be disclosed only to the Field Assistant and VSLA Project Officers (POs) and not everyone, unless otherwise noted. This shall ensure that no outsider can know who keeps the box.
 - Box keepers shall always avoid carrying boxes in their hands and should carry them covered (e.g. in a box or sack).
 - Members should meet at a secure place and not in an open public place, like a market area. However members are also encouraged not to meet in people's houses.
 - The VSLA Project Officer should then hand over the group kit (see below picture and **Annex 3: The Kit**).



Module 3: Development of the Group Constitution

Step 1: Review and complete the constitution form.

- Before going to this session, the FA reviews **Annex 2: The Constitution** and makes a copy of the blank constitution form. The FA will take a copy of the constitution to the meeting.
- The blank constitution form in Annex 2 allows the FA to record group decisions in the template of a constitution. Part of it is already fixed, because experience has shown that some things should be common to all VSLAs. Decisions that the group needs to make for itself are shown as underlined blank spaces.
- The FA explains that the rules developed in the previous meeting will also be included in the constitution, but that this meeting will concentrate on the rules that will help the group govern itself, including the decisions already made about the social fund, share purchase, and loans.
- The FA reviews the blank form, item-by-item, and helps the members reach an agreement on each clause. The FA helps members to fill in the blank spaces. The FA should never think that she/he knows what the group will decide and fill out the form before going to the meeting.
- Once the form is filled, all the members will then sign the constitution to demonstrate their concurrence.
- The VSLA should not rush these discussions or feel pressured to complete this in one meeting. Experience has shown that sometimes this session can take two (or even three) meetings to finish.

Module 4: First Savings Meeting

Step 1: Review purpose of the meeting.

- The FA informs members that this meeting will be the first chance that they have to buy shares and that she/he will guide them through the steps.

Step 2: Review the kit, the criteria for the box keepers and key holders, and their duties.

- ▶ The FA informs members that the safety of the kit will be the responsibility of the box keeper and that she/he must carry it to every meeting of the group.
- ▶ The FA informs members that although they have already appointed their management committee, it is necessary to also appoint three other people as key holders. These people will keep the keys so that the box can only be opened in meetings. They can be identified by discussion among group members. The following criteria for selecting these key holders is important:
 - They must not be members of the management committee.
 - They should not be members of the same family.
 - They should be members who can be relied upon to attend all meetings and will always be on time.

Step 3: Review how to manage a savings meeting.

- ▶ At this point, the management committee will be learning only how to conduct a savings meeting. The FA explains again that the first loan meeting will not occur for another three weeks.
- ▶ The FA uses the table below to facilitate the first savings meeting and refers to **Annex 5: Use of Passbooks** to demonstrate to the group the share-purchase system and how to maintain savings records in the members' passbooks. This should be studied by the FA before the meeting.

Procedures for First Savings Meeting

MEETING STEP	FIRST SAVINGS MEETING PROCEDURES
1. Meeting opening	<ul style="list-style-type: none"> • The chairperson calls the meeting to order. • The record keeper performs a roll call. • The key holders open the box, which remains in front of the box keeper. • The fines bowl is placed in front of the chairperson, so that fines can be collected during the meeting, as necessary. • The record keeper calls each member to the front. The members are given their number cards and are informed that they must always bring the number cards with them to all meetings. • The record keeper writes each member's name and number on a passbook but does not give the passbook to the member.
2. Social fund	<ul style="list-style-type: none"> • The chairperson announces that contributions will be made to the social fund. • The record keeper calls each member, by number, to give his/her social fund contribution to the money counters. • When the member comes forward, the member gives his/her social fund contribution to the money counters and is given his/her passbook. • The money counters confirm that each member has given the right contribution and places the contributions in the money-counting bowl. • The money counters count the total amount in the money-counting bowl and announce this amount to the members. • The record keeper says that everyone should remember this amount for the next meeting. • The record keeper records this amount in the notebook. • The social fund money is then placed in its draw-string bag and put back in the cash box.

<p>3. Share purchase/savings</p>	<ul style="list-style-type: none"> • The chairperson announces that members will now buy shares. • The record keeper calls each member to the front by number. • Each member comes to the front and buys between one to five shares, giving the money to the money counters and the member's passbook to the record keeper. • The money counters count the money, place it in the money-counting bowl, and announce the number of shares that have been purchased by the member. • The record keeper stamps the correct number of shares into the passbook and crosses out any unused blocks. • The member then checks that the number of new stamps in the passbook is correct. The passbook remains with the record keeper for the rest of the meeting.
<p>4. Expenses</p>	<ul style="list-style-type: none"> • The chairperson asks the record keeper if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the chairperson instructs the money counters to remove the necessary amount from the money-counting bowl and give it to the member who is responsible for paying the agreed-upon expense.
<p>5. Calculating the loan fund balance</p>	<ul style="list-style-type: none"> • The money counters combine the money in the fines bowl and the money-counting bowl. • The money counters count the money and the record keeper announces the total to the group. • The record keeper then informs the group that this money constitutes their loan fund. • The record keeper records this amount in the notebook. • The money counters place the loan fund in its draw-string bag and put it in the cash box.
<p>6. Closing balances</p>	<ul style="list-style-type: none"> • The record keeper announces the total of the social fund once again, and the chairperson requests that all members memorize the social fund balance for the next meeting. • The record keeper announces the total of the loan fund once again, and the chairperson requests all members to memorize the balance of the loan fund for the next meeting. • The key holders are called by the chairperson to lock the box.
<p>7. Closing</p>	<ul style="list-style-type: none"> • The chairperson invites members to discuss any other subject that may be of interest. • The chairperson announces the date and time of the next meeting and reminds everyone to come with their social fund contributions and share-purchase money. • The chairperson informs the members that they will be able to request loans at the first loan meeting, which will be held in three weeks from the date of this meeting. • Once discussion is complete, the chairperson closes the meeting.

Note: For the two visits after this meeting (between Module 4 and Module 5), the FA should use **Annex 4: Field Assistants' Consolidated Guide to Meeting Procedures**.

Step 4: Review the weekly record of balances.

- Explain to the record keeper that she/he should enter the following data in his/her notebook at the end of every meeting.

Weekly Record of Balances (example)

Date	Cash in loan fund bag	Cash in social fund bag
4/1/18	144,600 UGX	24,600 UGX

Module 5: First Loan Meeting

Step 1: Review purpose.

- The FA explains that this meeting takes place three weeks after the first savings meeting (see Table 1 on page 5) and tells members that this meeting will be the first chance they have to borrow, once the social fund and share-purchase activities are completed.

Step 2: Review the procedure for the first disbursement of loans.

- The FA informs members that loans will be taken and repaid thereafter every four weeks. This is very important, and the VSLA leadership must not permit a group to disburse loans at every meeting. This is necessary to:
 - Keep most meetings short;
 - Keep record keeping simple and understandable for the members and the record keeper; and
 - Allow the loan fund to accumulate between loan meetings.
- The FA uses the table below to facilitate the first loan meeting and refers to **Annex 5: Use of Passbooks** to help the VSLA understand the loan record-keeping system. This should be studied by the FA beforehand.

Procedures for First Loan Meeting

MEETING STEP	FIRST LOAN MEETING – PROCEDURES
1. Meeting opening	<ul style="list-style-type: none"> • The chairperson calls the meeting to order. • The record keeper performs a roll call. • The key holders open the box, which remains in front of the box keeper. • The fines bowl is placed in front of the chairperson, so that fines can be collected during the meeting, as necessary.
2. Social fund	<ul style="list-style-type: none"> • The record keeper asks the group to recall the balance of the social fund from the previous meeting. • The money counters then remove the money from the social fund bag, place it in the money-counting bowl, count it, and announce the amount to the members. • The chairperson announces that contributions will be made to the social fund. • The record keeper calls each member, by number, to give his/her social fund contribution to the money counters. • When the member comes forward, the member gives his/her social fund contribution to the money counters and is given his/her passbook. • The money counters confirm that each member has given the right contribution and place it in the money-counting bowl. • The record keeper then asks if any member missed a payment to the social fund in the last meeting. If so, he/she is asked to pay it now. • The record keeper then asks if anyone needs a grant from the social fund. Members in need make their requests to the group. • If a majority of the members approve the grant, the money is provided to the member according to the constitution. • The money counters count the total amount remaining in the money-counting bowl and announce this total to the members. • The record keeper says that everyone should remember this amount for the next meeting. • The record keeper records this amount in the notebook. • The social fund money is then placed in its draw-string bag and put back in the cash box.

<p>3. Share purchase/savings</p>	<ul style="list-style-type: none"> • The record keeper asks the members to recall the balance of the loan fund from the previous meeting. • The money counters then remove the loan fund from its bag and count it, announcing the amount to the members. • Once it is agreed upon that the amount recalled by the members and the amount counted are the same, the money is placed in the money-counting bowl. • The chairperson announces that members will now buy shares. • The record keeper calls each member to the front by number. • Each member comes to the front and buys between one to five shares, giving the money to the money counters and his/her passbook to the record keeper. • The money counters count the money, place it in the money-counting bowl and announce the number of shares that have just been purchased by the member. • The record keeper stamps the correct number of shares into the passbook and crosses out any unused blocks. • The member then checks to ensure that the number of new stamps in the passbook is correct. The passbook remains with the record keeper for the rest of the meeting. • If a member needs to make a withdrawal, he/she will ask for it, instead of buying shares. When a withdrawal is needed, the record keeper will cross out the number of shares from the member's passbook that correspond to the value of the withdrawal, and the money counters will give the money to the member from the money-counting bowl. The value of a share paid back to the member will be equal to its original purchase price.
<p>4. Expenses</p>	<ul style="list-style-type: none"> • If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the money counters, who place it in the money-counting bowl. • The chairperson asks the record keeper if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the chairperson instructs the money counters to remove the amount needed from the money-counting bowl and give it to the member who is responsible for paying the expense.
<p>5. Calculating the new loan fund balance</p>	<ul style="list-style-type: none"> • The money counters combine the money in the fines bowl and the money-counting bowl. • The money counters count the money in the money-counting bowl and the record keeper announces the total amount to the group. • The record keeper then tells the group that this is the money available for loans in this meeting.
<p>6. Loan taking</p>	<ul style="list-style-type: none"> • The chairperson invites loan requests, reminding members of the maximum loan term and loan amount (three times the member's savings). • Each member who wants a loan then makes a request out loud to the group, announcing the amount requested, the purpose of the loan, and over what period of time he/she expects to repay the loan. • The record keeper then calculates the total value of the requests and announces it. • If the total value of loans requested is more than the money that is available in the loan fund, the group must discuss adjustments to the individual loan amounts until all members are satisfied. • Once it is decided how much each borrower will receive, the record keeper calls each borrower to the front by number. • The record keeper then enters the loan number, loan amount, and service charge due in the borrower's passbook. • The record keeper instructs the money counters to give the borrower the agreed-upon loan amount from the money-counting bowl. • The borrower then counts the money and signs the passbook. • The record keeper then instructs the borrower to announce out loud the total amount due and the date it is due. • This process is repeated until all loans have been issued. • The money counters then count the money remaining in the money-counting bowl and announce the amount to the group. • The record keeper then tells the group that this money constitutes the group's loan fund. • The record keeper records this amount in the notebook. • The money counters then place the loan fund in its draw-string bag and put it in the cash box.

7. Closing balances	<ul style="list-style-type: none"> • The record keeper announces the total of the social fund once again, and the chairperson requests all members to memorize the social fund balance for the next meeting. • The record keeper announces the total of the loan fund once again, and the chairperson instructs all members to memorize the balance of the loan fund for the next meeting. • The key holders are called by the chairperson to lock the box.
8. Closing	<ul style="list-style-type: none"> • Before closing the meeting, for 10 minutes, the chairperson invites members to discuss children’s wellbeing and other topics related to hazardous child labour—especially any subject that may be of interest and/or affects children. • The chairperson announces the date and time of the next meeting. • Once discussion is complete, the chairperson closes the meeting.

Note: For the single visit between Module 5 and Module 6, the FA should use **Annex 4: Field Assistants’ Consolidated Guide to Meeting Procedures.**

Module 6: First Loan Repayment Meeting

Step 1: Review purpose.

- The FA explains that this meeting takes place four weeks after the first loan disbursement (see Table 1, page 5). Tell members that this meeting will be the first time that the VSLA will receive loan repayments and that you will guide them through the steps.

Step 2: Review the procedure for the first repayment of loans.

- The FA reminds members that loans will be taken and repaid every four weeks, even if the group meets weekly.
- The FA uses the table below to facilitate the first meeting with loan repayments and refers to **Annex 5: Use of passbooks** to help the VSLA understand the loan record-keeping system. This should be studied by the FA beforehand.

Procedures for a loan meeting with first loan repayments

MEETING STEP	LOAN MEETING WITH FIRST LOAN REPAYMENTS – PROCEDURES
1. Meeting opening	<ul style="list-style-type: none"> • The chairperson calls the meeting to order. • The record keeper performs a roll call. • The key holders open the box, which remains in front of the box keeper. • The fines bowl is placed in front of the chairperson, so that fines can be collected during the meeting, as necessary.
2. Social fund	<ul style="list-style-type: none"> • The record keeper asks the group to recall the balance of the social fund from the previous meeting. • The money counters then remove the money from the social fund bag, place it in the money-counting bowl, count it, and announce the amount to the members. • The chairperson announces that contributions will be made to the social fund. • The record keeper calls each member, by number, to give his/her social fund contribution to the money counters. • When the member comes forward, the member gives his/her social fund contribution to the money counters and is given his/her passbook. • The money counters confirm that each member has given the right contribution and place it in the money-counting bowl. • The record keeper then asks if any member missed a payment to the social fund in the last meeting. If so, he/she is asked to pay it now. • The record keeper then asks if anyone needs a grant from the social fund. Members in need make their request to the group. • If a majority of the members approve the grant, the money is provided to the member according to the constitution. • The money counters count the total amount remaining in the money-counting bowl and announce this total to the members. • The record keeper says that everyone should remember this amount for the next meeting. • The record keeper records this amount in the notebook.

	<ul style="list-style-type: none"> • The social fund money is then placed in its draw-string bag and put back in the cash box.
<p>3. Share purchase/savings</p>	<ul style="list-style-type: none"> • The record keeper asks the members to recall the balance of the loan fund from the previous meeting. • The money counters then remove the loan fund from its bag and count it, announcing the amount to the members. • Once it is agreed upon that the amount recalled by the members and the amount counted are the same, the money is placed in the money-counting bowl. • The chairperson announces that members will now buy shares. • The record keeper calls each member to the front by number. • Each member comes to the front and buys between one to five shares, giving the money to the money counters and his/her passbook to the record keeper. • The money counters count the money, place it in the money-counting bowl and announce the number of shares that have just been purchased by the member. • The record keeper stamps the correct number of shares into the passbook and crosses out any unused blocks. • The member then checks to ensure that the number of new stamps in the passbook is correct. The passbook remains with the record keeper for the rest of the meeting. • If a member needs to make a withdrawal, he/she will ask for it, instead of buying shares. When a withdrawal is needed, the record keeper will cross out the number of shares from the member's passbook that correspond to the value of the withdrawal, and the money counters will give the money to the member from the money-counting bowl. The value of a share paid back to the member will be equal to its original purchase price.
<p>4. Expenses</p>	<ul style="list-style-type: none"> • If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the money counters, who place it in the money-counting bowl. • The chairperson asks the record keeper if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the chairperson instructs the money counters to remove the amount needed from the money-counting bowl and give it to the member who is responsible for paying the expense.
<p>5. Loan repayment</p>	<ul style="list-style-type: none"> • The chairperson asks borrowers to identify themselves. • By referring to the members' passbooks, the record keeper confirms the identity of the borrowers and the amount owed by each borrower. • Each borrower is then called to the front to give his/her payment to the money counters. It must not be less than the service charge due. If it is less, then the difference is treated as a new loan that will attract interest, or it may be deducted from the member's savings. • The money counters count the payment, announce the amount, and place it in the money-counting bowl • The record keeper enters the payment amount in the member's passbook in the 'paid' box. • The record keeper then calculates the remaining balance due and enters it in the 'balance' box in the member's passbook. • If the remaining balance due is zero, the record keeper signs the passbook and announces that the loan is repaid, cancelling the loan with a diagonal red line drawn through the page. • If a balance is remaining, the record keeper then calculates the service

	<p>charge due in the next meeting and enters it in the appropriate space in the passbook. The borrower then signs in the space provided.</p>
6. Calculating the new loan fund balance	<ul style="list-style-type: none"> • The money counters combine the money in the fines bowl and in the money-counting bowl. • The money counters count the money in the money-counting bowl and the record keeper announces the amount to the group. • The record keeper then tells the group that this is the money available for loans in this meeting.
7. Loan taking	<ul style="list-style-type: none"> • The chairperson invites loan requests, reminding members of the maximum loan term and loan amount (three times the member’s savings). • Each member who wants a loan then makes a request out loud to the group, announcing the amount requested, the purpose of the loan, and over what period of time he/she expects to repay the loan. • The record keeper then calculates the total value of the requests and announces it. • If the total value of loans requested is more than the money that is available in the loan fund, the group must discuss adjustments to the individual loan amounts until all members are satisfied. • Once it is decided how much each borrower will receive, the record keeper calls each borrower to the front by number. • The record keeper then enters the loan number, loan amount, and service charge due in the borrower’s passbook. • The record keeper instructs the money counters to give the borrower the agreed-upon loan amount from the money-counting bowl. • The borrower then counts the money and signs the passbook. • The record keeper then instructs the borrower to announce out loud the total amount due and the date it is due. • This process is repeated until all loans have been issued. • The money counters then count the money remaining in the money-counting bowl and announce the amount to the group. • The record keeper then tells the group that this money constitutes the group’s loan fund. • The record keeper records this amount in the notebook. • The money counters then place the loan fund in its draw-string bag and put it in the cash box.
8. Closing balances	<ul style="list-style-type: none"> • The record keeper announces the total of the social fund once again, and the chairperson instructs all members to memorize the social fund balance for the next meeting. • The record keeper announces the total of the loan fund once again, and the chairperson instructs all members to memorize the balance of the loan fund for the next meeting. • The key holders are called by the chairperson to lock the box.
9. Closing	<ul style="list-style-type: none"> • Before closing the meeting, the chairperson invites members to discuss any other subjects that may be of interest. • The chairperson announces the date and time of the next meeting. • Once discussion is complete, the chairperson closes the meeting.

Note: In all meetings from now on, the FA uses **Annex 4: Field Assistants’ Consolidated Guide to Meeting Procedures**. This should be laminated in plastic and always carried in the field.

Development and Maturity Phases

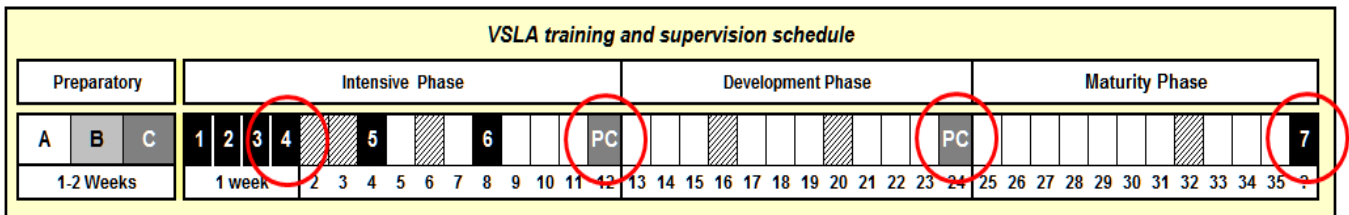
Step 1: Transition to the development phase

- The FA schedules a visit for his or her supervisor to attend a VSLA meeting at the end the intensive phase, in week 12 (circled in red in the table below). The supervisor will assess the performance of the group and will either approve the group to move on to the development phase or will recommend more training.
- Once the supervisor has visited and approved the VSLA to move on to the development phase, the FA should **visit three times in this phase**, at each loan meeting. The FA’s role in the development phase is different. The FA should observe quietly in these meetings unless the committee is making mistakes or rules are being broken.
- The FA should schedule a second visit by his or her supervisor in week 24 (circled in red in the table below), at the end of the development phase. The supervisor will assess the performance of the group and will either approve the group to move on to the maturity phase or will recommend more training.

Step 2: Transition to the maturity phase

- During the maturity phase, the FA only visits twice. The group should now be running its normal meetings smoothly. The main purpose of the FA’s visits in the maturity phase is to assist the VSLA to prepare for and to conduct its first share-out (Training Module 7, circled in red in the table below).
- The FA will attend the share-out to observe and join the celebration. In Training Module 7, the FA trains the group on share-out procedures as well as procedures to initiate the next cycle (see next page).

Figure 2: Transition to the Development and Maturity Phases



Note: MIS information (information including how much has been saved, how much has been loaned, attendance records, etc.) should also be gathered by FAs (FAs) in each of the meetings circled in red. As these are meetings attended by a supervisor, the reliability of the data collected likely increases. There is no need to collect data more frequently.

Module 7: Action Audit/Share-Out and Graduation

Step 1: Review purpose.

- The FA explains that this meeting is the final meeting in the cycle and that she/he will train the group on share-out procedures as well as procedures to initiate the next cycle.
- The meeting should also be a celebration/graduation, as it marks the end of the cycle.

Step 2: Review the procedure for the VSLA’s first share-out at the end of the cycle and preparation for the next cycle.

- The FA uses the table below to facilitate the share-out at the end of the cycle. This should be studied by the FA beforehand.

Procedures for Share-Out at the End of the Cycle

MEETING STEP	SHARE-OUT PROCEDURES
I. Share-out	<ul style="list-style-type: none"> • The social fund is counted, the amount is announced, and it is put away. It does not get shared out. • Money from loan repayment and fines for the meeting are combined with the loan fund. • If any member still owes the group money, that amount is recovered by cancelling the number of shares in his/her passbook that equals the value of the amount owed. • The money counters start counting the loan fund. • While the money counters are counting, the record keeper takes the members’ passbooks and counts the total number of shares of the group. • Once the money counters are finished, the record keeper uses a calculator to divide the total amount of the loan fund by the total number of shares purchased by the members over the course of the cycle. This determines the value of a single share. It should be written down to three decimal places (for example, 756.244 UGX). • Next, the record keeper multiplies the number of shares in each passbook by the ending value of one share. He/she then announces the number of shares and the amount for each member, rounding down to the lowest unit of currency. He/she then asks the money counters to record that amount into the member’s passbook, which is set aside. • The record keeper then cancels all of the member’s shares by drawing a large cross on each page of the passbook on which there are share stamps. • All passbooks are treated in the same way before anyone receives any money. Once the process is complete, there will be a small amount of money remaining due to rounding, but there should not be a shortfall. If there is a shortfall, the process is repeated until the amounts are correct. Any small amount remaining is put in the social fund. • All members are given their passbooks with the corresponding amount of money. It is very important that each member’s money is placed in his/her hand.

<p>2. Preparation for the next cycle</p>	<ul style="list-style-type: none"> • Any member who wishes to leave the group should be free to do so at this point. • New members can now be allowed to join, if all remaining members agree. • The continuing members now decide on the share price for the next cycle. • If the group wishes to establish seed capital to initiate the next cycle, they should now do so. All members, including new members, must contribute the same amount. It can be more than five shares, only on this one occasion. • The number of shares is recorded in the passbook of each member, in the “starting number of shares this page” box. • The money counters count the seed capital and place it in the loan fund bag in the cash box. • The chairperson announces the amount and explains that this is the balance of the loan fund to start the next cycle. • The box is now locked, and the cycle is now formally concluded. <p>The FA then explains to the group that in the first meeting of the new cycle, the group must hold elections and then revise the constitution, which new members must sign. She/he then offers to attend the next meeting to assist with elections and the constitution.</p>
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ANNEX DOCUMENTS

Annex I: Election Procedures

Step 1: The FA prepares members for the election and explains the process (see Figure 3 below). She/he brings three bags to the group meeting, each in a different colour with a matching card (i.e. red bag with red card, etc). She/he also provides one small stone for each member.

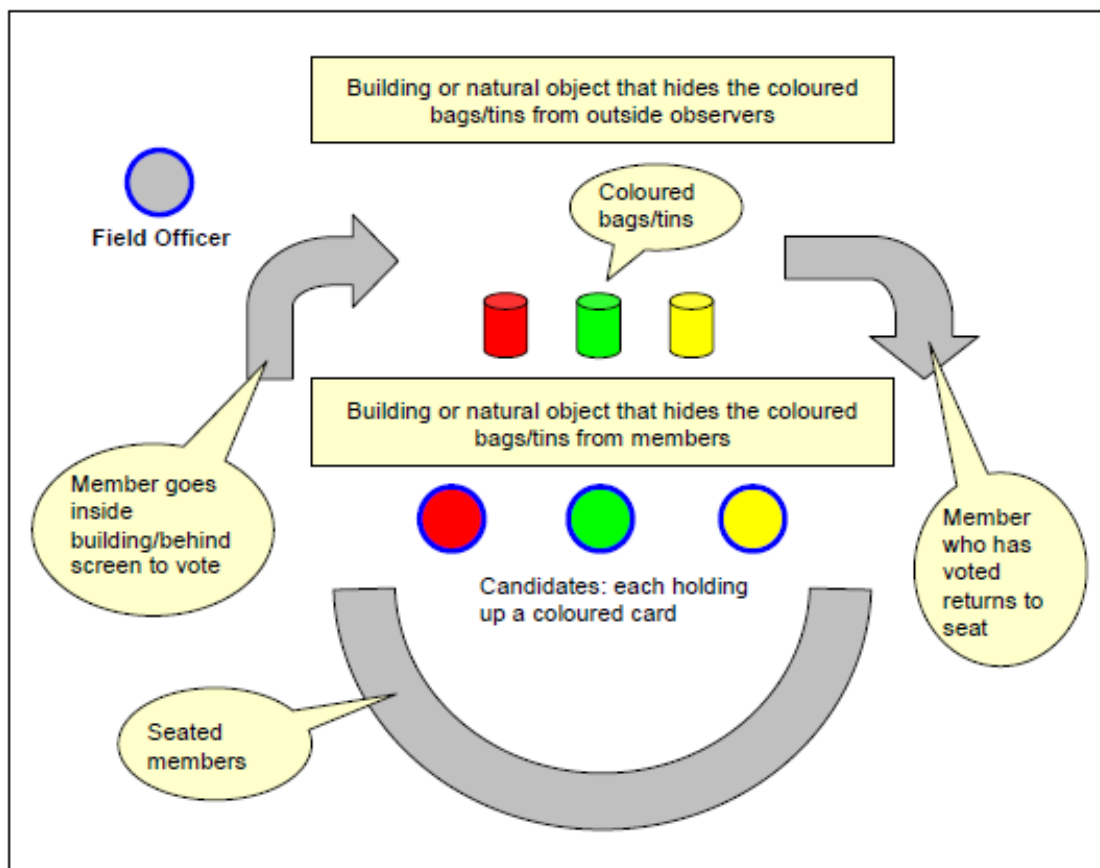
Step 2: Up to three candidates (for each position) each receive a coloured card. The coloured bags are placed behind a screen (or inside a building) some distance from the gathering and are sheltered from the view of members and passers-by.

Step 3: One by one, each member goes behind the screen (or into the building) and, hidden from the members but under the eye of the FA, deposits a stone in the bag with the color that matches the card possessed by the candidate of his/her choice.

Step 4: When all of the members have voted, the FA counts out the votes in front of the members by removing the stones from each bag. She/he ensures that no additional stones have been put in the bags: the total should equal the number of members voting.

Step 5: At the end of the elections, the FA explains that in the next cycle, a trusted member shall be the observer for the election and must agree not to vote.

Figure 3: Diagram of Election Procedures



Annex 2: Constitution

PART I: GROUP GOVERNANCE

I. BASIC INFORMATION ON THE GROUP

- Name of the group:

- Address:

- The group was formed on:

- Date of official registration:

II. OBJECTIVE OF THE GROUP

- The purpose of the group is to be an independent, profitable provider of financial services to its members.
- The group shall be a platform for discussing issues affecting children in the community.
- All members of the group shall NOT engage children in activities that violate children's rights.
- The services that the group provides to its members in order to achieve this objective are:

III. RELATIONSHIP TO EXTERNAL SOURCES OF FINANCIAL SERVICES

- The group will not borrow from financial institutions during its first cycle of operations. If it does so in future cycles, it will follow these rules:
 - The loan to the group will not exceed the value of the previous cycle's share-out amount.
 - The group as a whole will take the loan, not individual members.
 - The group will on-lend the money to its members and will not provide information about this to the lender.
 - If the group borrows from a financial institution, members agree that their individual borrowing may never exceed five times their individual savings (without an outside loan from a financial institution, the rule remains as three times).
 - If a group borrows from a financial institution, member savings will not be used as a security deposit.

IV. WHO MAY BE A MEMBER OF THE GROUP?

- A person committed to promoting children’s rights.
- For a Family VSLA, members must be a caregiver of an adolescent youth in the AYEDI club
- Other common circumstances:

V. COMPOSITION OF THE MANAGEMENT COMMITTEE

- Chairperson (1)
- Record keeper (1)
- Box keeper (1)
- Money counter (2)

(See roles and responsibilities below.)

I. Qualities and Responsibilities of the Group Chairperson

Qualities	Responsibilities
<ul style="list-style-type: none"> • Respected • Confident and calm when speaking in front of others • Treats everyone equally • Listens to others and asks for opinions • Organized • Always on time 	<ul style="list-style-type: none"> • Calls the meetings to order, announces the agenda, and leads discussions • Ensures that the meetings follow proper procedure and that the constitution is followed and respected • Maintains discipline and charges fines, as needed • Facilitates discussions and ensures that everyone’s views are heard • Resolves conflicts • Represents the group to outsiders and non-members, including local government officials

II. Qualities and Responsibilities of the Group Record Keeper

Qualities	Responsibilities
<ul style="list-style-type: none"> • Good with numbers • Writes neatly • Has a reputation for trustworthiness • Always on time • Willing to work extra hours to train with the FA, if needed 	<ul style="list-style-type: none"> • Ensures that all transactions for the social fund, share purchases, and lending take place according to procedure and that all rules are followed • Makes all passbook entries for shares and loans • Reads the social fund and loan fund cash balances out loud at every meeting

III. Qualities and Responsibilities of the Group Box Keeper

Qualities	Responsibilities
<ul style="list-style-type: none"> • Trustworthy • From a household that has a good reputation (No one in that household should be considered unreliable) 	<ul style="list-style-type: none"> • Keeps the group box safe in between meetings • Ensures that she/he is accompanied to/from meetings as necessary • Brings the box to the meetings on time

IV. Qualities and Responsibilities of the Group Money Counters

Qualities	Responsibilities
<ul style="list-style-type: none"> • Able to count quickly and accurately • Trustworthy • Calm and organized • Always on time 	<ul style="list-style-type: none"> • Counts all amounts paid to or taken from the VSLA • Informs the record keeper of the correct amount to be recorded in the passbook

VI. ELECTION PROCEDURES

- Elections must be held at the beginning of each new cycle.
- At least two people must stand for each position.
- A member can only be re-elected to the same position only once.
- At least $\frac{3}{4}$ of all members must be present to hold an election.
- The election procedure will use a system that allows everyone's vote to be confidential.
- A candidate for any position must be proposed by another member of the VSLA.

VII. REMOVAL OF OFFICERS FROM THEIR POSITIONS BETWEEN ELECTIONS

- Any members who engage a child in child labour or promote activities that abuse children's rights will be removed automatically.
- Any member of the VSLA may, at any time, may request a vote of no confidence against a member of the management committee who fails to perform his/her responsibilities. The concerned VSLA member can raise the issue and must be supported by at least $\frac{3}{4}$ of the general assembly. When this happens, an election can be conducted in the next VSLA sitting.
- A committee member must resign if the majority ($\frac{3}{4}$) of members decide to remove him/her under the vote of no confidence procedure.

- An election is required to fill the vacant position.

VIII. MEETINGS

- To buy shares, the group will meet every week.
- Shares will be bought at every meeting, but loan/repayment transactions will be conducted only during loan meetings, held every four (4) weeks. The group will conduct a share-out at the conclusion of each cycle.
- During every sitting, members will spare time to discuss child labour issues affecting children in their community.
- In general, these discussions will be limited to 30 minutes and will include follow-up actions.

IX. MEMBERS LEAVING THE GROUP

- If a member leaves before the cycle is finished, the money that he/she has used to purchase shares will be returned to him/her, minus any loans and/or service charges he/she owes the VSLA. Members can be considered to have left the group if:
 - They miss five consecutive sittings without known reason, or
 - They openly inform the VSLA members that they want to leave the group with a sound reason (e.g. shifting permanent residence).

X. EXPULSION FROM THE GROUP

- Reasons for which a person should be expelled from the group include the following:
 - Abuse of children’s rights or failure to report such cases to a Child Protection Committee or a Community Child Labour Committee.
 - Engaging a child in child labour or supporting such activities.
 - Failure to remit weekly payments and/or failure to repay loans.

XI. FINES

The following table lists the offences that will result in fines. Members will determine fine amounts for each offence.

Offence	Amount
Failure to attend a meeting	
Late to a meeting	
Not remembering group rules	
Loss of member number card	
Forgetting key	
Disrupting the proceedings of a meeting	
Being disrespectful to a fellow member	
Not remembering decisions or balances from the preceding meeting	
Failure of a management committee member to perform his/her duties	
Abuse of children’s right/engaging a child in child labour activities/failure to report abuse of children’s rights	
(Other)	

XII. AMENDMENTS TO THE CONSTITUTION

- Any member can propose an amendment to the group's constitution.
- Before the constitution can be changed, at least $\frac{3}{4}$ of the members must agree on the proposed change.

PART 2: SERVICES OFFERED BY THE GROUP

I. SAVINGS

- Members may buy between one to five (1-5) shares in each meeting.
- The purchase price of a share will be _____ UGX (to be agreed upon by members).
- After the conclusion of the first cycle, members may contribute an equal agreed-upon amount at the start of a new cycle to speed up the growth of the loan portfolio. In this circumstance only, the number of start-up shares can be more than five shares per member, if all members agree.

II. LENDING

- The maximum amount that a member can borrow is three times the value of his/her savings.
- The maximum length of a loan term during the first cycle is 12 weeks. In subsequent cycles, the maximum length of a loan term is extended to 24 weeks.
- A member must repay a loan before he/she can take another.
- The monthly service charge to be charged every four weeks is _____ %.
- If a member dies and has an outstanding loan, it will be treated as follows:
 - _____
The highest priority for loans will be given for:
 - _____
The second highest priority for loans will be given for:
 - _____
The third highest priority for loans will be given for:

III. SOCIAL FUND

- The required member contribution to the social fund per meeting will be _____ UGX.
- The benefits for the death of a member will be:
 - _____
- The benefits for the death of a spouse will be:
 - _____
- The benefits for the death of a child will be:
 - _____
- The benefits for the death of a parent will be:
 - _____
- Other:
 - _____
- Other:
 - _____
- Other:
 - _____

We, the undersigned members of this group, confirm that we have well understood the objectives of this group and hereby commit ourselves to this constitution to promote child protection and to improve members' livelihoods.

No	Name	Signature
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
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29.		
30.		

Annex 3: The Kit

The VSLA kit consists of the following components:

1. A strong, well-made lockable metal cash box, which is able to be closed with three (3) locks
2. Three good quality padlocks, each with three keys
3. 30 passbooks
4. A rubber stamp for marking shares
5. An ink pad and a spare bottle of ink
6. A ruler
7. Two ballpoint pens: one black or blue pen and a red pen
8. A good quality calculator
9. Three (3) plastic bowls in different colours (blue, green, red), at least 30 cm in diameter and at least 15 cm in depth (One bowl is for fines, and one is for money-counting.)
10. Two fabric money bags with draw strings: one in green to be used for the social fund, and one in blue to be used for the loan fund
11. A Picfare counter book (3 quire)



Annex 4: Field Assistants' Consolidated Guide to Meeting Procedures

This guide should be copied and laminated in plastic for reference in the field and routinely used for group meetings after the completion of the initial training.

MEETING STEP	PROCEDURES
1. Meeting opening	<ul style="list-style-type: none"> • The chairperson calls the meeting to order. • The record keeper performs a roll call. • The key holders open the box, which remains in front of the box keeper. • The fines bowl is placed in front of the chairperson, so that fines can be collected during the meeting, as necessary.
2. Social fund	<ul style="list-style-type: none"> • The record keeper asks the group to recall the balance of the social fund from the previous meeting. • The money counters then remove the money from the social fund bag, place it in the money-counting bowl, count it, and announce the amount to the members. • The chairperson announces that contributions will be made to the social fund. • The record keeper calls each member, by number, to give his/her social fund contribution to the money counters. • When the member comes forward, the member gives his/her social fund contribution to the money counters and is given his/her passbook. • The money counters confirm that each member has given the right contribution and place it in the money-counting bowl. • The record keeper then asks if any member missed a payment to the social fund in the last meeting. If so, he/she is asked to pay it now. • The record keeper then asks if anyone needs a grant from the social fund. Members in need make their request to the group. • If a majority of the members approve the grant, the money is provided to the member according to the constitution. • The money counters count the total amount remaining in the money-counting bowl and announce this total to the members. • The record keeper says that everyone should remember this amount for the next meeting. • The record keeper records this amount in the notebook. • The social fund money is then placed in its draw-string bag and put back in the cash box.

<p>3. Share purchase/savings</p>	<ul style="list-style-type: none"> • The record keeper asks the members to recall the balance of the loan fund from the previous meeting. • The money counters then remove the loan fund from its bag and count it, announcing the amount to the members. • Once it is agreed upon that the amount recalled by the members and the amount counted are the same, the money is placed in the money-counting bowl. • The chairperson announces that members will now buy shares. • The record keeper calls each member to the front by number. • Each member comes to the front and buys between one to five shares, giving the money to the money counters and his/her passbook to the record keeper. • The money counters count the money, place it in the money-counting bowl and announce the number of shares that have just been purchased by the member. • The record keeper stamps the correct number of shares into the passbook and crosses out any unused blocks. • The member then checks to ensure that the number of new stamps in the passbook is correct. The passbook remains with the record keeper for the rest of the meeting. • If a member needs to make a withdrawal (not encouraged), he/she will ask for it, instead of buying shares. When a withdrawal is needed, the record keeper will cross out the number of shares from the member's passbook that correspond to the value of the withdrawal, and the money counters will give the money to the member from the money-counting bowl. The value of a share paid back to the member will be equal to its original purchase price.
<p>4. Expenses</p>	<ul style="list-style-type: none"> • If any money was given for expenses in the previous meeting, the person who made the expenditure gives an account and returns any change to the money counters, who place it in the money-counting bowl. • The chairperson asks the record keeper if there will be any necessary expenses before the next meeting. If any expenses are approved by all of the members, the chairperson instructs the money counters to remove the amount needed from the money-counting bowl and give it to the member who is responsible for paying the expense.

<p>5. Loan repayment (If this is not a loan meeting, skip to step 6 and then to step 8.)</p>	<ul style="list-style-type: none"> • The chairperson asks borrowers to identify themselves. • By referring to the members' passbooks, the record keeper confirms the identity of the borrowers and the amount owed by each borrower. • Each borrower is then called to the front to give his/her payment to the money counters. It must not be less than the service charge due. If it is less, then the difference is treated as a new loan that will attract interest, or it may be deducted from the member's savings. • The money counters count the payment, announce the amount, and place it in the money-counting bowl • The record keeper enters the payment amount in the member's passbook in the 'paid' box. • The record keeper then calculates the remaining balance due and enters it in the 'balance' box in the member's passbook. • If the remaining balance due is zero, the record keeper signs the passbook and announces that the loan is repaid, cancelling the loan with a diagonal red line drawn through the page. • If a balance is remaining, the record keeper then calculates the service charge due in the next meeting and enters it in the appropriate space in the passbook. The borrower then signs in the space provided.
<p>6. Calculating the new loan fund balance</p>	<ul style="list-style-type: none"> • The money counters combine the money in the fines bowl and in the money-counting bowl. • The money counters count the money in the money-counting bowl and the record keeper announces the amount to the group. • The record keeper then tells the group that this is the money available for loans in this meeting.

<p>7. Loan taking</p>	<ul style="list-style-type: none"> • The chairperson invites loan requests, reminding members of the maximum loan term and loan amount (three times the member’s savings). • Each member who wants a loan then makes a request out loud to the group, announcing the amount requested, the purpose of the loan, and over what period of time he/she expects to repay the loan. • The record keeper then calculates the total value of the requests and announces it. • If the total value of loans requested is more than the money that is available in the loan fund, the group must discuss adjustments to the individual loan amounts until all members are satisfied. • Once it is decided how much each borrower will receive, the record keeper calls each borrower to the front by number. • The record keeper then enters the loan number, loan amount, and service charge due in the borrower’s passbook. • The record keeper instructs the money counters to give the borrower the agreed-upon loan amount from the money-counting bowl. • The borrower then counts the money and signs the passbook. • The record keeper then instructs the borrower to announce out loud the total amount due and the date it is due. • This process is repeated until all loans have been issued. • The money counters then count the money remaining in the money-counting bowl and announce the amount to the group. • The record keeper then tells the group that this money constitutes the group’s loan fund. • The record keeper records this amount in the notebook. • The money counters then place the loan fund in its draw-string bag and put it in the cash box.
<p>8. Closing balances</p>	<ul style="list-style-type: none"> • The record keeper announces the total of the social fund once again, and the chairperson instructs all members to memorize the social fund balance for the next meeting. • The record keeper announces the total of the loan fund once again, and the chairperson instructs all members to memorize the balance of the loan fund for the next meeting. • The key holders are called by the chairperson to lock the box.
<p>9. Closing</p>	<ul style="list-style-type: none"> • Before closing the meeting, the chairperson invites members to discuss any other subjects that may be of interest. • The chairperson announces the date and time of the next meeting. • Once discussion is complete, the chairperson closes the meeting.

Annex 5: Use of Passbooks

Savings

VSLA members save in the form of shares, which are stamped in the front section of their passbooks, as shown in below.

- Explanation:** The illustration to the right shows that there have been five meetings and that the member has bought eleven shares. When members make their contributions, the record keeper stamps in each passbook the number of shares purchased per meeting, and the member confirms that the amount is correct. On each line, the unused spaces are marked through with a diagonal line to prevent any fraudulent entry of shares at a later date. The value of shares purchased is $500 \text{ UGX} \times 11 = 5,500 \text{ UGX}$.

Share Price		TShs 500	
Starting number of shares this page			0
Shares Bought per Meeting			
→			
→	→		
→	→	→	
→	→	→	→
→	→	→	→
Ending number of shares this page			

Sale of Shares

- Explanation:** Two meetings later, in the seventh meeting of the cycle, the member was unable to save. To show that she did not save anything at this meeting, the row for the seventh meeting is cancelled by the record keeper with a diagonal line. In addition, the member asked to sell/withdraw three shares, thus receiving 1,500 UGX ($500 \text{ UGX} \times 3 = 1,500 \text{ UGX}$). The three shares she bought in the fifth and sixth meetings are deleted using a red pen, and the money is paid to the member. The option of selling shares allows members to access their savings, but all members must understand that they will lose future earnings from these shares when profits are distributed. Once sold, the shares cannot be replaced.

Share Price		TShs 500	
Starting number of shares this page			0
Shares Bought per Meeting			
→			
→	→		
→	→	→	
→	→	→	
→	→	→	
Ending number of shares this page			

Filled Passbook

- Explanation:** The illustration to the right shows what the passbook looks like when a page has been filled. By the 13th meeting (the book contains 13 lines per page, to cover a quarter of a year), the member had purchased a total of 28 shares. But, as we have seen, she sold three (3) shares that she had originally purchased in the fifth and sixth meetings. Therefore, at the 13th meeting, the net number of shares bought during this period is equal to 25. This figure is added to the number of shares at the beginning of the page and entered into the cell, "ending number of shares this page." In the next

Share Price		TShs 500	
Starting number of shares this page			0
Shares Bought per Meeting			
→			
→	→		
→	→	→	
→	→	→	
→	→	→	
→	→		
→	→	→	
→	→	→	→
→	→	→	→
Ending number of shares this page			25

page, this figure will be reported in the cell, "starting number of shares this page."

- This illustration demonstrates the total number of shares owned by the member at the end of the period. The result is cumulative and will be different at the end of each page.

Loans

Loans are recorded in the back of the members' passbooks. They are not shown in the form of stamps, but rather, they are written as numbers.

- ▶ **Explanation (Member Loan Record #1):** The example on the right is a member's (Monica's) first loan, as shown in the 'Loan No.' column. She borrows 30,000 UGX. No date is shown since loan meetings follow each other at intervals of four weeks. The service charge is 3,000 UGX because her group charges 10% of the loan amount every four weeks as a service charge. In this case, the loan period is 12 weeks, indicated by the word, 'end' against the 'paid' row, 12 weeks in the future. Monica signs this to show that she understands that she owes 30,000 UGX for the loan and 3,000 UGX as the service charge for the first four weeks.

Loans			
Loan No	Item	Amount	Signature
1	Loan Amount	30,000	Monica
	Service Charge	3,000	
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		

- ▶ **Explanation (Member Loan Record #2):** At the next loan meeting, four weeks later, she makes the service charge payment of 3,000 UGX but does not repay any of the principal loan. The next entry in her passbook appeared as in the illustration to the right. This shows that after paying the service charge, the member still owes 30,000 UGX (the loan amount of 30,000 UGX, plus the service charge of 3,000 UGX, minus the amount paid of 3,000 UGX). A service charge of an additional 3,000 UGX is then added to cover the next four weeks. Thus, the member is told that she owes 33,000 UGX.

Loans			
Loan No	Item	Amount	Signature
1	Loan Amount	30,000	Monica
	Service Charge	3,000	
End	Paid	3,000	Monica
	Balance	30,000	
	Service Charge	3,000	
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		

- ▶ **Explanation (Member Loan Record #3):** After another four weeks, Monica made a loan repayment of 10,000 UGX. Because, as of the conclusion of the last meeting, she owed 33,000 UGX (the principal loan of 30,000 UGX plus the accrued service charge of 3,000 UGX), she now has a balance of 23,000 UGX. The record keeper receives the 10,000 UGX and writes a loan balance of 23,000 UGX on the next line. She also adds a service charge of 3,000 UGX, which will be owed at the next loan meeting. Thus, Monica's total amount owed is 26,000 UGX.

Loans			
Loan No	Item	Amount	Signature
1	Loan Amount	30,000	Monica
	Service Charge	3,000	
End	Paid	3,000	Monica
	Balance	30,000	
	Service Charge	3,000	
End	Paid	10,000	Monica
	Balance	23,000	
	Service Charge	3,000	
End	Paid		
	Balance		
	Service Charge		
End	Paid		
	Balance		
	Service Charge		

- ▶ **Explanation (Member Loan Record #4):** The figure on the right shows that at the next meeting, Monica pays the full 26,000 UGX that she owes. The record keeper, Helen, enters 26,000 UGX in the 'paid' row and signs the entry. Once the loan is fully paid, the record keeper draws a red line through the whole loan record. This indicates that the loan has been completely repaid.

Loans			
Loan No	Item	Amount	Signature
1	Loan Amount	30,000	Monica
	Service Charge	3,000	
	Paid	3,000	Monica
	Balance	30,000	
	Service Charge	3,000	
	Paid	10,000	Monica
	Balance	23,000	
	Service Charge	3,000	
End	Paid	26,000	Helen
	Balance	0	
	Service Charge	0	
	Paid		
	Balance		
	Service Charge		
	Paid		
	Balance		
	Service Charge		
	Paid		

