

REPORTING TO FUNDERS

One in a series of briefs for civil society organizations, written from a funder's perspective, and intended to stimulate inquiry, rather than provide rigid instructions.

Budgeting

Tips for preparing a budget with an emphasis on its purpose, steps, and components.

Financial Systems

Tips for establishing an accountable and transparent financial system to build financial sustainability.

Grant Proposal Writing

Tips for developing and writing a proposal, including critical elements to facilitate project success.

Monitoring & Evaluation

Tips for reviewing and assessing progress towards objectives, identifying problems and strategies, and making adjustments to plans.

Project Development

Tips for developing and implementing a project and key questions to ask in the process.

Reporting to Funders

Tips for maintaining and strengthening your relationship with funders following a grant award.

Resource Mobilization

Tips for mobilizing resources closer to home to strengthen organizational capacity and deliver benefits to the community.

PURPOSE OF REPORTING

The relationship with the funder does not end with the receipt of the grant award. Funders usually request periodic reporting depending on their own guidelines. Some funders may also request site visits. The frequency and type of reporting relationship is usually detailed in the grant agreement letter.

Funders are aware that few projects go exactly as planned. In addition to reporting on your successes, you may want to express the challenges you faced and how you overcame them. Funders are also concerned with your organization's responsiveness and honesty. Reflecting on insights gained from implementing your project can create a better understanding of the current and evolving challenges facing your community.

Funders often have a broad and global overview of similar circumstances and, through your report, can attempt to gain an understanding of the diversity of methods, strategies, and potential solutions to particular challenges at the grassroots, community level. Your report may also highlight the strengths and contributions of the concerned groups, providing funders with community-grown perspectives.

Funders also use these reports to inform their own grantmaking. Some may also use the information to justify or strengthen the support from their own stakeholders or donors.

Some funders may also request feedback on their own processes and procedures. Specific details could help the funder improve the way they work with community organizations.

TYPES OF REPORTING

There are two main types of written reports that funders may request, a narrative report and a financial report.

- 1. Narrative Report:** This is also referred to as progress, mid-term, or completion reports. This report describes the progress made towards completing activities and achieving the results articulated in your proposal. The narrative should explain how you achieved your objectives, what challenges you faced and how you overcame them, and what resulted from the grant. Funders may be interested in "outputs," such as, the number of participants attending

workshops, number of workshops, and number of people reached through your project.

They are also interested in “results” which explains what has changed in the community due to your efforts. It is often easier to express your results in numbers, but it is also important to think in terms of how the activity you implemented actually made a difference in the community. This may be done through a reflection exercise that you can have with your board, members of the community, or advisors.

You may also want to report on the lessons that you learned from the project’s implementation and how you may do things differently in the future. Increasingly, funders are eager to understand the lessons learned through your process. The narrative can also relate back to the funder’s priorities.

Some sample questions that a funder may be interested in are:

- What progress has been made towards achieving the objectives stated in your proposal?
- What was done as a result of the grant?
- Who was involved in the project design and implementation, in particular women, youth, or other marginalized groups?
- How did they benefit?
- What has changed as a result of the project?
- What are lessons learned?
- What funds were identified or partnerships formed?

A success story highlighting a particular lesson or result and profiling a beneficiary may help the funder have a better picture of your activities.

2. **Financial Report:** This is typically a statement of accounts that details how the grant funds were used. It is usually prepared by the organization’s accountant or financial staff. Depending on the funder and type of grant, an audited statement may be required or specific forms may need to be completed.

The expenses should be itemized with the unit costs and notes on the purpose. The unit cost should indicate the cost for each unit and how many units you have calculated. The expenses should clearly correspond with the activities and objectives of the proposal. You may want to show what was budgeted versus actual expenses or what was disbursed. Notes should indicate any changes that may have been made.

The currency and exchange rate should be clearly indicated. Some funders may require the currency to be converted into their own currency, for example US dollars. Items that may be included in the financial statement are:



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- Personnel (itemize all positions indicating names of senior personnel, salary, percentage of time spent)
- Consultants (itemize positions, including technical expertise)
- Workshops logistics (this may need to be itemized and detailed with conference space, meals, travel)
- Travel and transportation expenses (state purpose)
- Supplies
- Publication
- Equipment (itemize major purchases)
- Overhead (such as rent and utilities)

The report should also show the contributions from other sources by indicating the source, amount or in-kind contribution. Additional contributions and support offer evidence of sustainability, endorsement

from other funders or stakeholders, and interest from the beneficiaries or community, as well as commitment from your own organization. Some funders require a percentage of community contribution. This should be reflected in the financial narrative.

3. **Additional Materials:** Some funders appreciate additional materials, such as photos, a profile of a beneficiary whose life has been changed, or products from your project that tell your story. Others prefer a written report which provides evidence of results to their own stakeholders. Check the reporting guidelines for more information.

PREPARING FOR SITE VISITS

Funders may request to visit your project and meet with your board members, staff, and community members. Typically, they are interested in learning

about how the grant that you received has made a difference in the organization and to the beneficiaries. To prepare for such a visit, be prepared to talk about your achievements and challenges for implementation and have your financial records and administrative procedures ready to be reviewed.

Board members may want to address any strategic issues and vision for the organization. Have the funder walk around your project site and talk to different people to get a feel for the activities that

you have undertaken. If it is not possible to visit the site or activity, have beneficiaries meet the funders to recount their experience.

Ask for their feedback and any technical assistance or connections to similar projects. Request that the funder share their report so that you can use this to establish credibility with other funders. The key to reporting to funders is to develop trust through accountable practices to engage in a long-term relationship.



The Social Development Civil Society Fund (CSF) is one of the few global programs of the World Bank that provides direct grants to civil society organizations through the World Bank's Country Offices. CSF seeds and supports activities related to civic engagement that empower and enable citizens to take initiatives to influence development outcomes.

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Tips by Yumi Sera and Susan Beaudry, 2007