Standard Operating Procedure
for use of Mobile Money Payment System

Purpose:
Standardize procedure for paying workshop participants per diems with the use of mobile money payments.

Definitions:
Mobile Money - Is an electronic amount value issued by a Mobile Service Provider representing an entitlement equivalent to cash.

SELCOM - Is the vendor we use to make mobile money transfer payments. This vendor aggregate the services from Tigo, Airtel, Vodacom, and Zentel so that you get the services of each Mobile Service Provider by just contracting with the Aggregator.

Mobile Service Provider – Is one of the 4 major mobile service providers in Tanzania: Tigo, Airtel, Vodacom and Zentel. There are also a Mobile Service Provider Aggregator.

Payee – Is the workshop participants who receive Mobile Money for reimbursement of per diem and travel costs for attendance at project workshops and trainings.

Agent – Is a person registered with the Mobile Service Provider to pay out cash to Payee for their Mobile Money sent to the Payee mobile phone. Agents receive a commission per transaction payout from the Mobile Service Provider for providing this service. There is between 8,000 to 20,000 Agents country wide depending on the Mobile Service Provider the agent services.

Responsible Persons:

<table>
<thead>
<tr>
<th>Name</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity Manager</td>
<td>1. Prepare advance request, budgets 2. Obtain receipt payment confirmations, 3. Obtain other necessary documentation as part of expense report submission process after workshop takes place.</td>
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<tr>
<td>Accountant</td>
<td>1. Enter payment Requests, 2. Liaise with Agent, 3. Reconcile advance after submission of expense report</td>
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<tr>
<td>Sr. Project Account</td>
<td>Reviews payments to workshop participants entered in the system</td>
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<tr>
<td>Director of Finance</td>
<td>Approve payments to workshop participants</td>
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<tr>
<td>Country Director</td>
<td>Approves funds transfer to Mobile Service Provider Account</td>
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</tbody>
</table>

References:

1. Workshop Participant Payment Estimate Budget
2. Payment Request and Receipt Confirmation Form
3. Bank Fee Calculation Form
4. Pricing rate from SELCOM
Procedure:

1. Activity coordinator has to submit a complete Workshop Participant Payment Estimate Budget by at least 7 workdays before the activity has to take place.
   a. This information sheet has to be submitted to accounting along with the advance request form and scope of work.
   b. This sheet contains the following information: 1. Number of participants, 2. Calculation of total payout by participant, 3. Associated fee for transfer payment, and dates of workshop.

2. Once the accountant receives the Workshop Participant Payment Budget Estimate, the accountant has to contact mobile service provider agents in the region to inform that the activity takes place (only if necessary). This notice to the agent is important because in many cases our activities are very large and we want to make sure agents in the regions have the cash flow available to be able to pay out participants and know which days and at which time the agent should expect the participants to stop by.

3. The accountant has to provide the activity manager with the detail information of the Agents in the region so that the activity manager can share this information with the participants.

4. The accountant will issue a transfer deposit to SELCOM for the total amount of the budgeted workshop payout (and associated bank fees) as detailed in the Workshop Participant Payment Information Sheet.
   a. Payments to SELCOM will be booked to an advance account under the name of SELCOM.
   b. This advance payment will be approved by the Country Directors just like any other electronic payment. The documentation for this payment will be the Advance Request, Workshop Participant Payment Information Sheet form(s), and Scope of Work of activity.
   c. This deposit payment will be made within 7 workdays before the workshop is to take place.
   d. Initial deposit to SELCOM is made to SELCOM bank account. This deposited amount takes up to 6 hours to show up on the online account JSI has with SELCOM. Once the amount is available in the online account, disbursement can occur.

5. Once the activity begins, the accountant will begin to issue payments according to completed and submitted Payment Requests and Receipt Confirmation Form. The Payment Requests form should include participant name, amount, phone number and signatures. A statement at the bottom of the form will say “All participants by signing this sheet understand that if they provide SCMS/DELIVER project with a wrong phone number, and SCMS/DELIVER project cannot retrieve the money from the service provider, SCMS/DELIVER project is not liable for repaying the participant second payment.”
   a. This form has to be submitted at the workshop to obtain actual participant signatures.
   b. You will find that the form includes 2 areas to sign. The first signature is the request for payment and the second signature is confirmation of payment. The request for payment signature should be obtained on the first day. Once this signature is obtained, the form has to be scanned to the accountant in the Dar office. The money will be transferred to participants on the second to last day of the activity.
c. This form will detail how much per diem and if applicable, travel costs should be paid out to the workshop participant payee.
   i. In addition to payments for per diem and travel costs, there is also a bank fee that is charged to the workshop participant payee at the moment the participant goes to cash out mobile money credits at the Agent. This bank fee is different depending on the mobile service provider and you can find this rate on the Pricing Table. This rate should be included as part of the payout amount to the workshop participant payee.

d. The accountant will enter the payment request the same day in the online account we have with the specific network service provider.
   i. Once the accountant enters the payment request, the Director of Finance will approve/authorize the e-money payment transfer.
   ii. Only the Director of Finance and DCDs has user rights to approve payments using the online account. The accountant only has user rights to create a transaction but not approve a transaction.
   iii. Everyone who accesses the online system account has a unique password and user name. It is based on this information that the user rights are based on.

e. Participants will receive the money on the second to last day of the activity. The reason for this is that we will not be able to get confirmation of payment on the last day if payment is not made the day before.

f. On Last day, the activity manager will obtain a second signature on the same form that confirms receipt of payment by the participants for the payment that was made the day before.

6. Once the activity manager returns from the trip/activity, s/he has to submit the following:
   i. Original Expense report,
   ii. Original Payment Request and Receipt Confirmation Form,
   iii. Travel receipts if travel payments were made.

7. The accountant will use the submission by the activity manager above to expense the costs and clear the advance that is under the name of the mobile service provider (SELCOM). At this point there are three types of expenses:
   i. Per diem rates paid out to participants,
   ii. Travel Costs, and
   iii. Bank fees charged by SELCOM. The bank fee that is charged to the workshop participant/payee. This bank fee is already calculated when the payouts are made to the workshop participant.

8. The accountant also needs to print out the following information from the online account and attach it to the expense voucher to reconcile what is in the online account and what was paid out to further document clearance of advance:
   a. Print out of disbursement to workshop participants payee
   b. Original deposit into the online account which matches the advance amount.

9. The advance has to be cleared out by the end of the month. Any remaining money can be used to support another workshop taking place in the current month or we have to seek payback from the mobile service provider.