

# **COVID-19:**

**TIPS FOR ONLINE MANAGEMENT  
OF FINANCIAL RESOURCES FOR  
LGBTI ORGANISATIONS**

**ILGA-EUROPE  
FINANCE & ADMIN TEAM**



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# CONTENTS

**02** About this document

**04** Online flow of documents

**07** Digital tracking of income and expenditure

**08** Managing payments

**09** Managing cashflow and fixed assets

**10** Digitally managing human resources

**12** Managing changes in your project

# ABOUT THIS DOCUMENT

Covid-19 is having far-reaching consequences for LGBTI communities and organisations around the world. While you may currently be focussed on understanding what the immediate future looks like for your organisation and your activities, don't forget to dedicate some time to thinking through how you are going to continue operating your finances and administration during this turbulent time.

Some risks for organisations include losing money (spending a budget line twice because of a lack of coordination), unauthorised payments, loss of financial documents, receiving (and paying) fake invoices, difficulties reporting to funders, and difficulties in obtaining instalments from funders.

ILGA-Europe has gathered some tips on how to stay on top of the practical side of keeping your organisation running during the pandemic.

# MANAGING MONEY DIGITALLY

Money matters. What matters even more is the proper management of money. A global crisis like the Covid-19 pandemic demonstrates even more the importance of robust financial systems thanks to which an organisation can continue to operate despite external changes. Isolation measures in place in most countries will require a shift to digital culture in your organisation, and it must be done with people involved in finance and operations.

In most cases, you and your accountant currently don't have physical access to your office, financial documents and computer systems. Digitalising and revamping your administration might be an unexpected outcome of these difficult times.



# ONLINE FLOW OF DOCUMENTS

While in self-isolation, you won't be able to physically process documentation. What are the alternatives to physical printing, stamping, annotating and filing of paper documentation?

## **CLOUD-BASED STORAGE**

Without access to physical files, consider moving your documentation to online cloud-based storage that gives just the same, if not better, possibilities to file according to projects, funders, accounting codes – you name it. If you want to limit the hassle, use systems that allow for shared editing of documents and making annotations like “funded by...” or “paid”. Our recommendations for free, cloud-based storage include:

### **The Box**

Similar to Google Drive and Dropbox, but considerably safer. Offers the option to work collaboratively and store documents.

### **Google Drive**

Google Docs for document and Google Sheets for spreadsheet editing works well, but concerns about security have been raised. Consider using two-factor authentication (here's how to set it up). More information on security for Google Drive can be found here and here.

For sensitive collaborative work, consider using open-source, encrypted collaborative editing such as CryptPad or Riseup Pads.

**Remember:** when using any of these tools, don't forget all the usual digital security precautions (password protection, VPNs, knowing where and for how long you decide to store sensitive information, etc.) and secure communications. Check out ILGA-Europe's list of digital security tools for tips on what's hot and what's not.



# ONLINE FLOW OF DOCUMENTS

- **Without access to a scanner, use your phone** to scan any physical documents you have at home to create pdf files, for example using Genius Scan (for [Android](#) and [iOS](#)).
- **Remember that the majority of regular internal control procedures can be done digitally** and/or without physical contact. The last thing you want right now is for money or documentation to go missing, and you can avoid these problems by striving to transform the below control processes from physical to digital ones. Think your processes through so you don't have to spend weeks after the crisis printing and signing everything again.
- **Keep using your regular financial and administrative forms**, just think about how to adapt them for use in a digital (non-paper) format. Loose invoices or receipts floating around your cloud or mailbox will just make things more confusing.
- **Maintain a system where more than one person checks and processes a document** before it's paid (segregation of duties), just make them digital! Covid-19 does not mean that managers start paying themselves or signing their own contracts...
- **Limit your cash operations as much as possible** and use bank transfers. Move your checks and balances into digital format. For example, maintain regular cash reconciliations, reviewing bank accounts etc. online. That way you'll pick up early if there's something wrong!



# ONLINE FLOW OF DOCUMENTS

- **Try to translate (as far as possible) approval systems into digital ones.** For example, if financial documents were previously physically signed off by the project manager and the director, try to implement a digital system that allows for the same two approvals so that you maintain those high levels of internal control even during this crisis.

## APPROVALS RESOURCES

Our personal favourite is Adobe Acrobat's (free!) dynamic stamp for e-approvals of pdf files. This creates a unique approval stamp that is linked directly to the Windows/Mac username currently logged in to the computer, listing the name, time and date of approval. See [here](#) for full instructions on how to use it.

Adobe also allows you to upload a jpg of your signature and sign documents electronically.

With free online editors such as [Pixlr](#) you can edit a scanned document and create a believable jpg stamp or signature. Keep in mind that these are not fully secure (they keep your images); don't use them for sensitive data.

You could also use secured email addresses for approvals.



# DIGITAL TRACKING OF INCOME & EXPENDITURE

## USING SPREADSHEETS

Whether you use accounting software or not, it will no longer be easy or even possible to track payments by looking into physical files and documents. The key to your organisation financially healthy during this pandemic will be to harness the full power of spreadsheets (and other software, if you have it) to maintain control not just of your accounts, but also your budgeting and reporting.

Making full use of **Excel sheets** (or software, if you have the option to pay for it) to track income and expenditure is vital to keep financial operations of the organisation ticking over during the crisis. When separated from your team, the key will be regular updates of what money is left and in which budget.

## OTHER INCOME & EXPENDITURE RESOURCES

For a simple-to-use table for listing all your expenditures and their funding allocation, check out [this tool from Mango](#). If your organisation only has one project, keep up to date on inputting your latest expenditures in the funder's own template.

For larger organisations, you might enjoy [this handy set of templates](#) from Mango for monthly tracking at a detailed level (bear in mind that Mango will ask you to enter your name and email address for access), which includes tabs for tracking cash and bank payments, and enabling a monthly report, without any expensive software. For instructions on how to make the most of this template, please use [this guide](#).

# MANAGING PAYMENTS

## ONLINE PAYMENTS AND BANK RECONCILIATIONS

Many of us use online banking these days, or have access to pdf versions of bank statements. If you need to go to the bank to get paper copies of bank documents, try to use a “photo to pdf” tool as mentioned above in order to create a digital version of the statement to safely store somewhere during the quarantine period.

**Remember:** even without physical access to your bank statements, you should still aim to do your monthly bank reconciliations using things like your online bank account or a simple “list of payments made”, and tables such as [this one](#) (provided by the EC). An alternative simple bank reconciliation format that can be used digitally is [here](#).

## How can you deal with cash, including reconciliations, at a distance?

If someone from your organisation is keeping cash in a safe location outside of the office during this time, remember that cash management systems (physical or digital) are more important than ever to keep track of those. Check out a couple of petty cash tracking sheets below and pick the one that’s most appropriate for your organisation.

- A simple [petty cash log](#) (provided by the EC) for cash receipts and expenditures, including a separate tab for monthly cash counts.
- A [combined petty cash log with cash count](#) that allows for allocating costs to different project codes (account codes).

If you aren’t able to make cash reimbursements or advances at the moment, consider establishing a separate tracking document for costs covered by staff and volunteers with their own funds for reimbursements at a later date.

**Remember:** cash counts should be done at least monthly to ensure you stay on top of your money!



# MANAGING CASH FLOW AND FIXED ASSETS

## CASH FLOW

Given the crisis, you might forget to keep aside enough money for salaries, or forget that a big invoice from a thing you did a month ago is coming your way. With even the simplest of tables above, we recommend you update your cash flow situation at least monthly, including the amounts on all possible cash and bank account balances, status of received funds and expenditure. Because of the uncertainty of the current situation, try to delay any non-urgent payments to give yourself a buffer. The longer you leave it to do these types of regular checks, the harder it will be to back-track later to locate missing funds. And remember, cash flow projections should go hand-in-hand with your risk assessment (see page 13).

## FIXED ASSETS

If your staff are working on the computers owned by the organisation while at home, try your best to keep on top of your asset register (provided by the EC), which you will need to be able to update online, so that you know where your IT equipment is and with whom.

**Remember:** Whichever asset register format you have, it is only useful if you update it regularly. Oh, and don't forget to secure your office!



# DIGITALLY MANAGING HUMAN RESOURCES

During the current health crisis, don't forget to take care of one of your most precious resources: your team. Undoubtedly, the current context is impacting not only the way we work but the way that work is managed. Some funder may, unfortunately, question staff costs of a project if activities are postponed or cancelled.

## TRACKING TIME

Now more than ever it is essential to track the time worked by staff so you can be strategic about the allocation of staff time to projects.

A good practice is to **use these timesheets** (supplied by the EU) that you can adapt to the context of your organisation. If you can describe how time worked was devoted to planning for changes rather than implementing activities, it should help you prove staff time is an eligible cost.

While timesheets remain a rather technical exercise, **communication while working from home is key** to understand what your employees are doing... It helps to avoid a situation where people are doing the same things, or things that are not cohesive. Consider some free shared calendars for managing your team such as [Framagenda](#).

# DIGITALLY MANAGING HUMAN RESOURCES

## **PAYROLL OPERATIONS**

In case payroll was not done digitally before in your organisation, take the time to go through the entire process and think about the steps needed for them to be replicated in a virtual format. Ensure that timesheets or records of leave are e-approved following your usual practices.

Depending on the country, you might be required to record “time worked from home” differently than your usual hours. **Regularly check for updates from your government and/or social security authorities** on changes to processing times, late payments, etc.

Some governments allow for “temporary redundancy” schemes – you move a staff member to 50% of time worked while the government covers the other 50%. Look into that.

**Do not forget to communicate to your staff** in case there are any delays on payroll!

**Remember:** Reach out to your funder(s) sooner rather than later about allocation of staff costs and what types of digital payroll documentation will be acceptable!



# MANAGING CHANGES IN YOUR PROJECT

## KEEPING FUNDERS INFORMED

It is always important to keep your funders informed and up-to-speed with any changes to project activities and/or budget lines. In the current crisis, it is likely that you will need to make changes to your project activities and budget, and communicating about them with your funders is key. Conditions for reallocation and eligibility of costs might be quite different from one funder to another. The types of questions you should think about communicating are:

**Cash flow and grant absorption:** If activities are put on hold you might want to change the time you receive the next instalments in order to be able to absorb the grant. Or physical restrictions might mean that you cannot access the money.

**Extensions:** If activities have to be cancelled and you need time to reshape your project, you might want to make the case for an extension. Keep in mind that this might not always be possible.

**Eligibility of costs:** When asking to re-shape activities and change budget lines, it is important to ask your funder what would be considered eligible in the current context, including exceptional costs such as cancellation of non-refundable tickets.

**Reallocations:** Do not forget to ask about the conditions for budget reallocations. Funders might want the re-shaped activities to serve the same purpose of the original call, or there might be a limit on the size of the permitted reallocation.

# MANAGING CHANGES IN YOUR PROJECT

**Reporting and proof of costs:** It is important that you keep a digital record of supporting documentation to substantiate costs. With physical documentation being difficult to reach, consider uploading invoices and contracts online so you can access them any time to prepare your reporting. Ask if pictures of documents might also be accepted.

**Approval of costs:** Digital signatures are widely accepted nowadays so consider using them when approving costs and signing documents. However, get in touch with your funders first if you plan to make significant changes to the way you approve, process and prepare documents. Your funder is more likely to accept “unusual” methods if they have been consulted in advance.

## RISK ASSESSMENT

When doing your risk assessment, don't forget to include financial and administrative risks, and think about how these will affect your cash flow and ability to deliver activities. Some questions you might want to consider from the perspective of financial risks might be:

- Will you still be able to access money in the same way?
- Will your funder be able to send money according to the initial schedule?
- Will the payment schedule change due to changes to activities and deliverables?
- Will the activity be changed from an in-person to an on-line one or postponed to a later stage?
- Can all things be postponed? Remember, the autumn will be busy.
- Are the re-shaped project activities feasible with the current cash flow or should you change the instalment schedule with your funders?

**Remember:** It is better to plan for the possibility that the current situation will continue for some time. There is no harm in reaching out to your funders to explore what emergency funds might be available, or asking them on advise for alternative funding if your community has specific emerging needs relating to the crisis



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