**7.7. Cash (“cash in envelopes”)**

1. Project staff verify beneficiaries from lists, with their identification or project ID card. can provide selected beneficiaries with a coupon/voucher that can be redeemed for cash during the cash distribution.
2. Project staff prepares [Payment Request Form](http://efom.crs.org/ecsc/wp-content/uploads/sites/2/2016/03/Finance-Form-Payment-Request.doc) for an operational advance (account code 1213) with supporting documents (list of beneficiaries and amounts due). For larger 1213 amounts or payments over a sustained period the project can chose to issue the advance in tranches.
3. [Authorizing Official(s)](http://efom.crs.org/ecsc/wp-content/uploads/sites/2/2016/03/CARO-MQ-Approval-Matrix-2015.xlsx)[[1]](#footnote-1) reviews and approves the payment request.
4. Finance staff verifies the request and ensures staff has no outstanding advance in her/his name[[2]](#footnote-2).
5. If funds issued as check to staff then CR or delegate reviews and sign the check and voucher.
6. Finance issues cash (or check) to the requesting staff who signs for receipt.
7. Finance staff books advance under the name of requesting staff.
8. Project staff distributes cash grants to selected beneficiaries as per approved [distribution sheet](http://efom.crs.org/ecsc/wp-content/uploads/sites/2/2016/03/MBRRR-Sample-Cash-Check-Distribution-Form.docx) and obtains a signature from each beneficiary on a cash distribution sheet. The sheet needs to indicate name, id number, voucher number when applicable, gender, age group, date, amount received and signature.

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| Where appropriate, local government officials or community leaders should be present at cash distributions, both for security as well as for transparency. |

1. To increase checks and balances the country program is recommended to add staff to the cash distribution team to do the verification. This could be MEAL or Finance Staff. At the bottom of each distribution sheet the advance holder and the verifying staff will sign to confirm cash was distributed as stated. Additional verification can also be done by community leaders who would sign on the distribution list if this is appropriate in the context.
2. Project staff (advance holder) prepares a liquidation request form for the value of grants distributed and submits the form plus the original distribution sheet as supporting document and possible balance cash to finance. A copy of the distribution sheet is kept with the program team.
3. Finance staff verify the documentation and book the expenses under account code 6110 (partner organization 6168), and clear the advance of the requesting staff. If there was a balance amount the staff will receive a receipt for the returned amount.
4. In order to increase accountability the CP should implement beneficiary feedback/complaint mechanisms and conduct post distribution monitoring to ensure that possible irregularities are identified and can be addressed.

See also [Flowchart 4, Direct Cash Transfer (Cash)](http://efom.crs.org/ecsc/wp-content/uploads/sites/2/2016/03/MBRRR-Ops_4-Flow-Chart-Direct-Cash-Transfer-Cash.pdf)

1. Authorizing official depends on value of PRF: <$5K level 1, $5-$25k 2 approvals of which 1 is level 2, > $25k CR [↑](#footnote-ref-1)
2. The limitation of one advance per person can be waived in emergency settings. This requires an approved waiver from the VP Overseas Finance [↑](#footnote-ref-2)