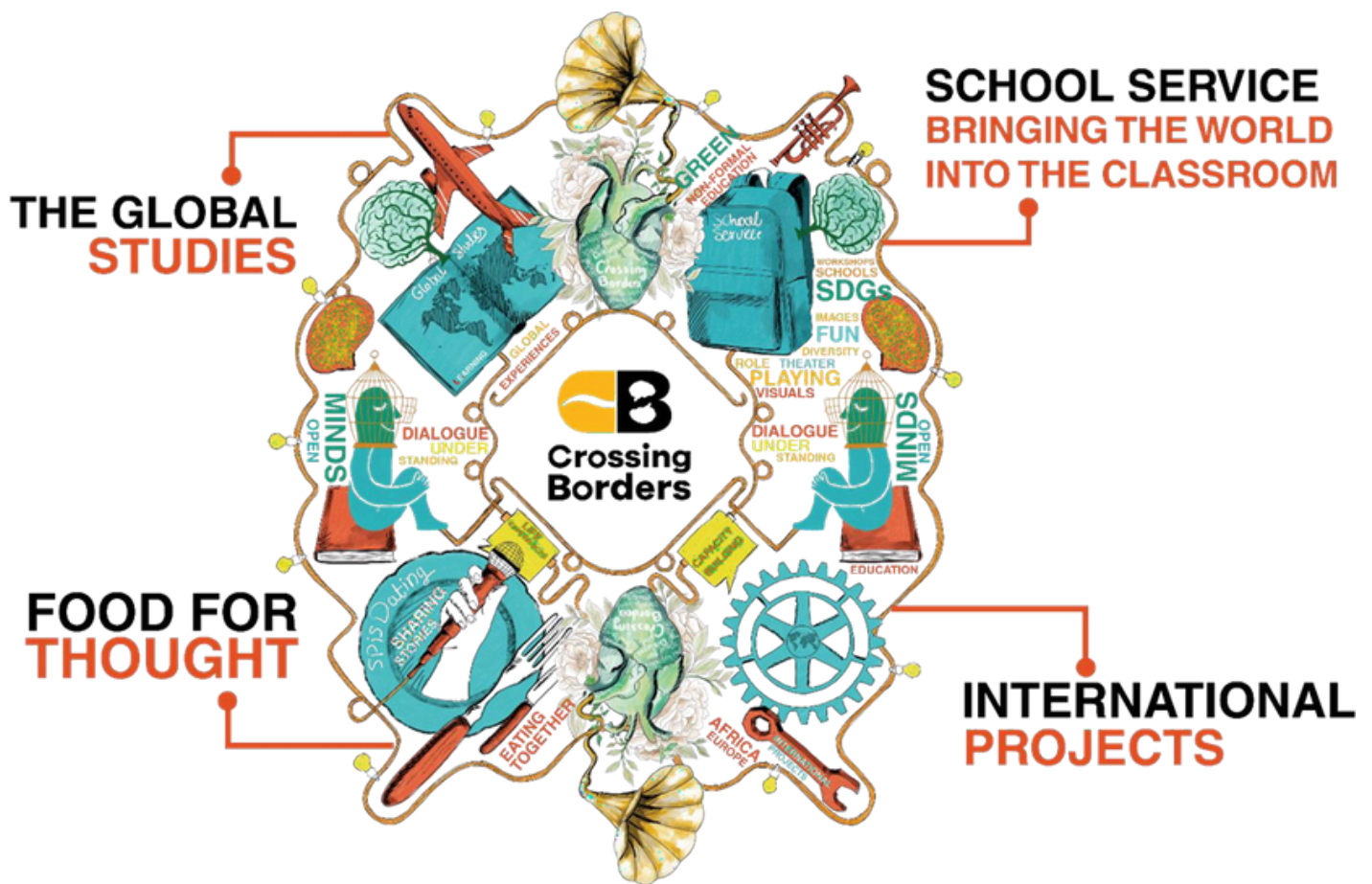


# FINANCIAL ADMINISTRATION



2025

# Table of Contents

1. Introduction .....	3
2. Organisation .....	3
3. The methodology .....	3
A. CB Internal relations and daily working .....	4
i. CB as an organisation .....	4
Mission .....	4
Vision .....	4
CB values .....	4
ii. CB management structure and its functioning.....	5
iii. Key diagrams summarising CB 's work .....	6
a. CB management chart .....	6
b. CB areas of operation .....	7
c. CB main activities .....	7
d. CB main sources of funding – 2024.....	8
B. Internal financial procedures (CB's own financial resources) .....	9
1. Financial responsibilities .....	9
2. Key financial instruments and processes .....	10
3. Guidelines on expenditures, purchases and reimbursements .....	12
C. External partnerships and funding guidelines .....	13
a. Special note on main CB Donors 2024 .....	13
i. Partnerships within Erasmus Plus (EU+) .....	14
ii. Partnerships within Civil Society in Development (CISU) .....	16
b. Ensuring the quality of external relations .....	18
i. Monitoring project progress: Logical Framework Matrix (Approach) .....	19
ii. Financial monitoring of projects .....	19
c. Guidance on CB financial management, control and expenditures in partnerships.....	19
D. General observations and advice .....	22
a. Communication with partners and other external actors .....	22
b. Termination of partnerships .....	22
c. Documentation and storage.....	22
d. Corruption and ways of handling it .....	23
Conclusion .....	23

# 1. Introduction

The purpose of this manual is to create guidelines for Crossing Borders (CB) administrative and financial management systems. It aims to comply with the organisation's financial structures and procedures to ensure efficient and transparent financial management. The manual is, therefore, a tool for managing and implementing internal controls and guidelines on how the organisation develops and applies these measures in its financial policies and practices, both internally and in relation to its partners.

This manual is a living document that needs to be updated regularly. This should be done at least once a year –ideally in connection with the annual general assembly– to ensure its validity.

The responsibility for updating the manual rests with the Management and the Board Chair of the CB, in close collaboration with the CB Treasurer, Accountant and Program Coordinators.

The responsibility for ensuring accountability in the use of this manual rests with the Management and Board of Crossing Borders, supported by the individuals mentioned above.

This document, while a CB product, is free of any copyrights. This allows any organisation or partner to use it as inspiration to develop their own, copy it directly, or modify the text to fit their needs. CB partners may use this manual as they deem fit for their organisation's structure, provided that it is clearly stated that the responsibility rests with their organisation and not with CB.

## 2. Organisation

How the manual is organised:

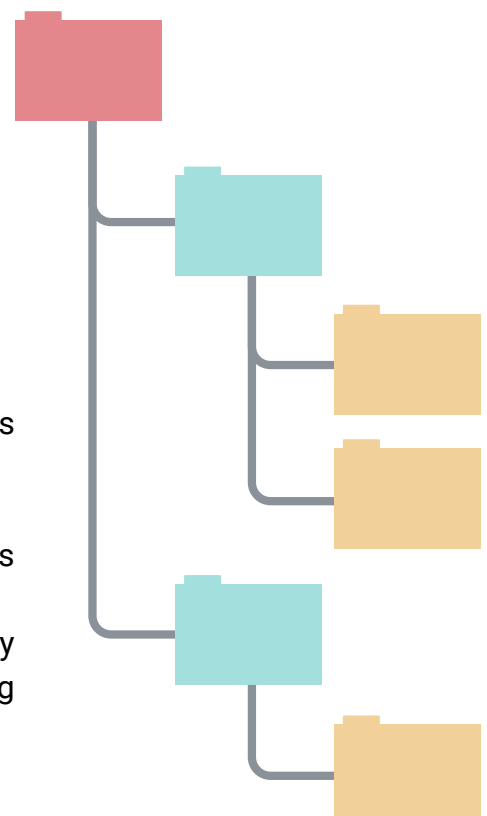
The manual consists of the following sections and is structured as follows:

- A. Internal organisation and daily control, operations and procedures
- B. Internal financial rules (CB's own financial resources)
- C. Rules for external financial resources (working with partners and funding partners):
- D. Other general conditions/observations

## 3. The Methodology

For greater practicality, the above sections are ordered as follows.

- Each section begins with a brief definition to clarify its intended meaning.
- It then continues with general guidelines, including key considerations to uphold the manual's integrity in supporting internal controls.

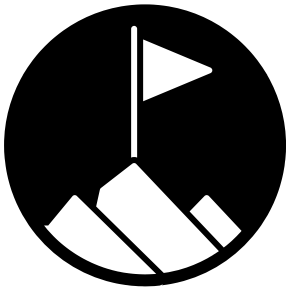


## A. CB INTERNAL RELATIONS AND DAILY WORKING

### i. CB as an Organisation

**Crossing Borders** is a non-profit civil society organisation whose mission is to educate and empower young people to become active global citizens. Across cultures and professions, CB provides conducive platforms for young people to cross-fertilize their ideas and form global associations, networks, and communities worldwide. In a learning environment where all participants are encouraged to grow and learn from one another, CB enables youth to share their best ideas, insights, and practices.

#### Mission



Our mission is to educate global citizens and raise awareness of educators on global issues with the aim of contributing to building a peaceful and sustainable world. This is done by providing capacity building and space for youth and educators to take action and create spaces for dialogue.

#### Vision

We believe in a world where young people see themselves and are seen by society as active global citizens whose human, civic and socio-political rights are integrated and mainstreamed in the development policies of their societies.



#### CB Values

**Diversity, Equity and Inclusion (DEI)** are reflected in everything Crossing Borders is, does, and stands for, including its partnerships. You will find diversity among the staff, volunteers, Board and Advisory Board of CB. We are from all over the world with different backgrounds, different nationalities, different ages, genders and professions. Furthermore, we promote diversity through the way we facilitate learning – encouraging teamwork in a participatory, non-formal approach that places learners at the center of the process.



**Authenticity** is the key to creating spaces for dialogue that foster mutual understanding and collaboration. Crossing Borders does not speak on behalf of others – we create the safe spaces for them to speak for themselves and to make their voices heard and to take part in a meaningful dialogue process. The aim is to educate, especially the younger generation, so they can contribute to building the world they wish to live in and deserve.

## ii. CB Management Structure and its Functioning

CB is managed under a three-tier structure comprising – the Executive Board, the Secretariat, and CB Advisory Board. These three components work together to support CB in achieving its goals as stipulated in its statutes which are approved by the General Assembly, composed of CB members.



The CB Executive Board is the policy-making organ of Crossing Borders, which is responsible for the legal and financial aspects of the organisation ensuring that it has the necessary human and financial resources to carry out its operation sustainably. The CB Board also supports the organisation achieving its objectives in a transparent, accountable and efficient manner. The CB Board is elected by the General Assembly. Following the elections, the CB Board constitutes itself with a Chair, Vice Chair and Treasurer, while the remaining individuals serve as ordinary members. The Board meets four to six times a year depending on the need for such meetings. At these meetings, the Board among others follows up on the CB finances and policies. The Board is also the CB organ that approves all the organisation's annual reports (both financial and narrative) and therefore serves as the accountable body.

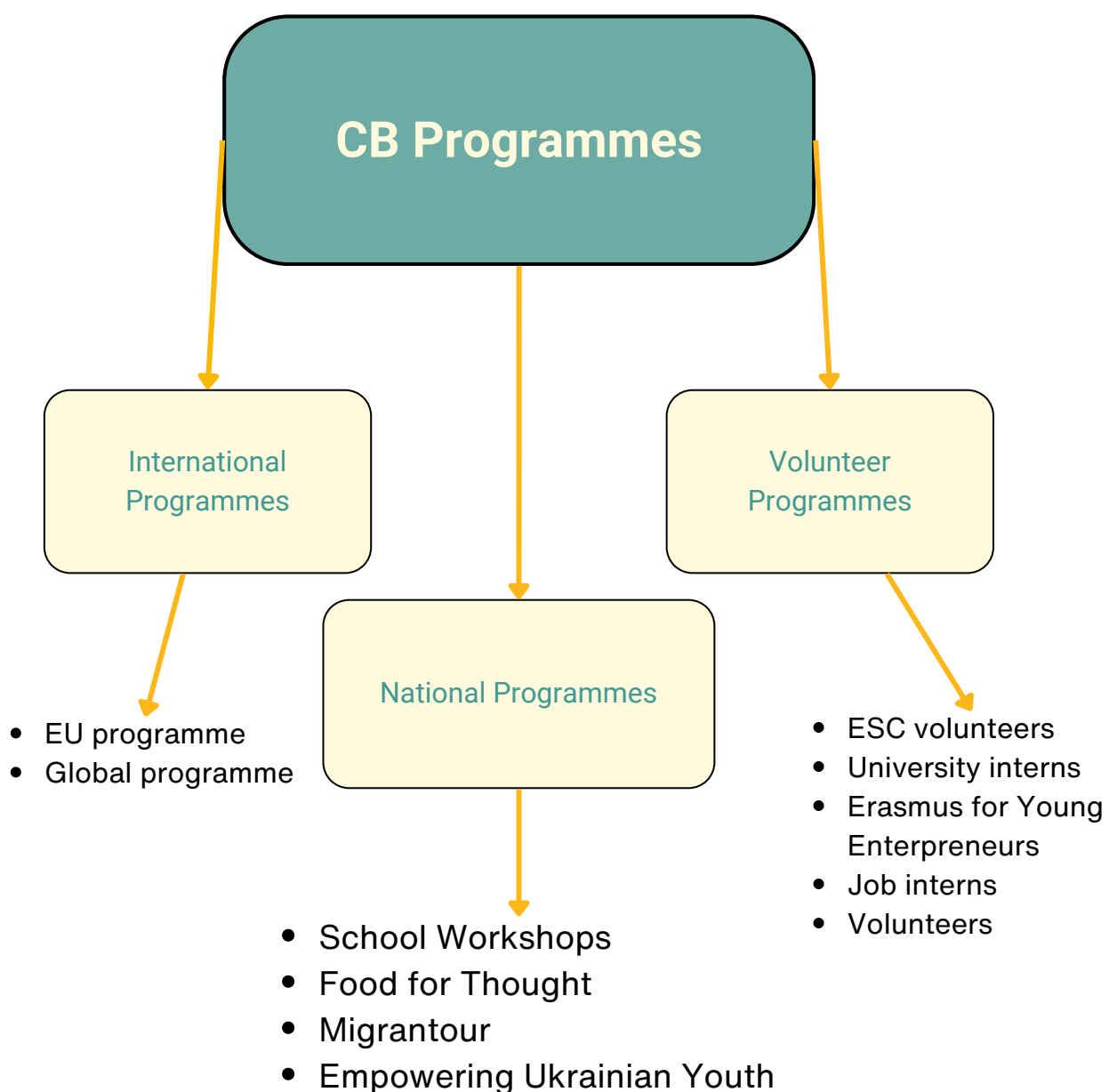
The day-to-day running of CB is managed by a Secretariat comprising the Executive Director, Program Coordinators, Administration, and Bookkeeper. Led by the Program Coordinator, each Program has a team of project coordinators, interns and volunteers. The CB Secretariat's role is to implement CB's policies and objectives as stipulated in its statutes.

The CB Secretariat's staff meet every two weeks with a set agenda, a meeting facilitator and a minute-taker. The agenda includes check-ins, staff updates, program and project updates, fundraising discussions, events planning, including "Food for Thought", along with other relevant matters. Additionally, the facilitator and minute-taker for the next meeting are selected. However, for daily legal and financial matters, the responsibility for the financial management and control is held by the management, comprising the Executive Director (ED), Program Coordinators and Accountant/Bookkeeper. The CB ED conducts staff consultations once or twice year. The consultations include the CB work environment, staff well-being, staff professional development, relationships with leadership and within teams, areas for improvement, goal setting, and development plans for the near and long-term future, among other topics.

The CB Advisory Board, although not directly involved in the day-to-day running of CB, supports the organisation through their networks and strategic contacts with key institutions and individuals. Through these strategic contacts, the Advisory Board plays a crucial role in advising the ED and the CB Board. The Advisory Board meets twice a year during which they receive updates and provide their advice for the growth and sustainability of the organisation. Read more about CB in the statutes (Appendix A1), the Code of Conduct (Appendix A2), and the day-to-day guidelines for the secretariat (Appendix A3 – CB Handy Book).

#### a. CB management chart

### Crossing Borders Organisational Structure



## b. CB areas of operation

### Crossing Borders in the World



- EU
- Eastern Europe & Caucasus



- Middle East



- India



- Africa

CB's work takes place in a safe office environment, in the field, and online. There are no tangible risks involved.

## c. CB main activities

CB activities fall under its core programs. In Denmark, these include School Workshops, Food for Thought, Migrantour, Empowering Ukrainian Youth, and events such as International Women's Day and Mandela Day.



### School Workshops

1. Global day
2. Workshops
3. Theme days
4. Webinars
5. Debate camps

### Publications

1. Magazines
2. SoMe updates
3. Blog posts
4. Books
5. Newsletter
6. Info materials



#### d. CB main sources of funding – 2024

CB's resources include both human resources—staff, volunteers, interns, Board and Advisory Board members—and financial resources from various sources.

The financial resources comprise:

- Public funding from EU programs, the Civil Society Fund, Globus, and the New Democracy Fund under the Danish Ministry of Foreign Affairs and Agency for Culture/Kulturstyrelsen.
- Various EU programs, including Erasmus+, CERV, Solidarity Corps, Youth Come Together, VET, and the Anna Lindh Foundation.
- Private foundations, such as Egmont Fond and SparNord.
- Self-generated income through CB's school workshops, Food for Thought, Migrantour, and membership fees.

## Crossing Borders Funding Sources







## **B. INTERNAL FINANCIAL PROCEDURES (CB'S OWN FINANCIAL RESOURCES)**

### **1. Financial responsibilities**

The overall financial responsibility at CB rests with the Executive Board and Director. Together, they shall ensure proper management and accountability for the financial policies and practices of the organisation.

Supportive staff:

- To facilitate day-to-day operations,, CB shall recruit a qualified Accountant/Bookkeeper responsible for the organisation's financial operations, including maintaining the books of accounts.
- As of June 2024, CB shall also delegate one staff member to serve as a Financial Administrator, responsible for working with the ED and Accountant/Bookkeeper to harmonise CB accounts, reconcile bank accounts monthly, and follow up on the budget.
- Together, the ED, CB Board (represented by the Treasurer), Accountant/Bookkeeper, and Financial Administrator shall form the CB Financial Committee, responsible for maintaining the organisation's financial systems.

## 2. Key financial instruments and processes

To ensure proper financial management, CB utilizes the following instruments:

- 1.1. Bank accounts, Credit Cards, MobilePay, PayPal and Stripe.
- 1.2. Internal financial management processes and events (follow-up and approval processes).
- 1.3. External financial controls through auditing.
- 1.4. Any other requirements that may arise.

These are briefly explained below.

### (2.1) Bank Account

CB shall open a bank account (or multiple accounts, if necessary) to ensure that the organisation's financial assets are securely stored and managed.

- The bank account(s) shall be opened with a bank approved by the CB Board.
- The primary signatory for bank transactions shall be the ED, along with one Program Coordinator and/or the Accountant. No single individual may execute a bank transfer without approval from a second Program Coordinator or Bookkeeper.
- Similarly, for bank reconciliations or vouchers, two signatories – the ED plus one Program Coordinator and/or the Accountant—are required.
- If a signatory changes, the bank shall be notified immediately, and the necessary updates shall be implemented.
- The bank account shall be reconciled monthly by the ED, a Program Coordinator, and the Accountant.

### (2.2) Key financial management processes and events

- To ensure accountability, CB shall implement a functional accounting system that meets the organisation's needs. As of 2019, CB utilises the E-ECONOMIC accounting system, where all CB activities are allocated to separate accounts to enable easy tracking and accountability.
- To ensure an updated and transparent financial system, CB under the responsibility of the CB Financial Committee shall implement the following measures:

- a. Quarterly budget follow-ups
- b. Monthly reconciliation of all bank accounts
- c. Annual financial reports, reviews, and auditing requirements
- d. Compliance with other external obligations and requirements, as applicable

### Notes on implementation of the above

#### a. Budget follow-ups:

- Budget follow up shall take place quarterly and will be the responsibility of the ED, Program Coordinator and CB Financial Committee.
- The general CB budgets are drafted by the Financial Committee and approved by the CB Board and annual assembly.
- Project budgets are prepared by CB and its partners and approved by the Program Coordinator and ED.

- Any budget changes must be approved by the Program Coordinator, Executive Director and Treasurer and/or Accountant
- This committee shall review the organisation's financials, including actual costs and income comparisons, ensuring the organisation maintains a healthy financial status.
- The committee shall also prepare an agenda to address other relevant aspects to be discussed during these review meetings, beyond financial matters, as needed.
- Minutes of these meetings, including specific findings and agreed-upon actions, tasks and responsibilities, shall be documented and duly communicated to the CB Board and other responsible parties.

**b. Reconciliation of bank accounts:**

- Bank account reconciliations shall be conducted on a monthly basis to ensure proper financial flow. This responsibility shall rest with the ED, one Program Coordinator and/or other relevant bank signatories and the Accountant.
- These reconciliations shall include details on initial balances, funds received, payments made and the closing balance for the period, among other relevant information.
- Minutes of these meetings shall be signed by the ED, Program Coordinator and Accountant, and shall include key findings as well as agreed-upon actions, tasks and responsibilities. These shall be documented and duly communicated to the relevant individuals.
- The responsibility for these meetings rests with the Program Coordinator and Financial Administration Staff in consultation with the ED.
- Any procurement exceeding 10,000 kr requires obtaining at least two offers from different bidders.
- Any procurement exceeding 10,000 kr must be approved by a Program Coordinator and the Executive Director or the Accountant.

**c. Annual reports, reviews and audits:**

- All accounts shall be closed at the end of the year, after which the profit and loss statement and balance sheet shall be prepared by the Accountant, Financial Administrator and the ED.
- The accumulated documents (report) shall then be reviewed by the CB Financial Committee to check for omissions and commissions.
- The reports shall subsequently be submitted to the appointed external auditors to perform auditing of the annual accounts.
- The audited reports shall be presented to the CB board for approval. These reports shall also be made available to the organisation's members and presented at the annual assembly.

**d. Other requirements:**

- The ED and the CB financial committee shall remain vigilant regarding any financial requirements beyond listed above and shall be prepared to duly address them as they arise.

### 3. Guidelines on expenditures, purchases and reimbursements

#### Expenditure authorization

1. All financial expenditures of CB shall be authorized by the ED and /or the relevant Program Coordinator
2. To facilitate the above, the relevant Program Coordinator shall present the necessary budgets to the Financial Committee for authorization before any such expenditures are made.
3. Where priorly agreed or mandated by the Financial Committee, any other CB staff shall have the authority to approve expenditures.



#### Payments and reimbursements

stripe



- All CB payments shall be made through the bank account(s) and/or the bank's related instruments, including Credit Card, MobilePay, PayPal, Stripe or other.

- All payments shall be authorised by the ED and a Program Coordinator and/or Accountant

- It is the responsibility of the receiving party to check accuracy of payments and duly report any irregularities to CB.

- If a party (staff, Board member or other) incurs expenses on behalf of CB, such expenditures shall be reimbursed upon approval with acceptable documentation.

- Such documentation shall include receipts, bank transfer proof, declarations forms, or other acceptable forms of proof.

- Such proof of expenditure shall be submitted to the relevant Program Coordinator and/or the ED directly or, in their absence, to the Financial Administrator for record-keeping, approval, and reimbursement.

PayPal

#### Guidelines on expenditures while travelling

- Expenditure incurred by individuals (staff, Board members, or other parties) in connection with CB work while travelling shall be covered or reimbursed in accordance with the CB Per Diem Policy.

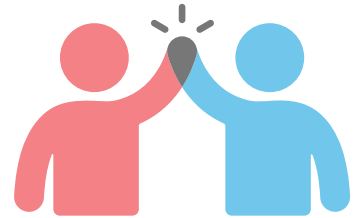
- Regarding common travel-related expenditures in CB, the following shall be considered:

- Travel tickets: The most cost-effective option (economy class)
- Subsistence allowance: As per the stipulated project budget or government rates for domestic and international travel.
- Transport costs: Includes public transportation and the use of a personal vehicle with fuel compensation, following government rates or the rates specified in the relevant budgets.
- Hotel and accommodation costs: In accordance with government rates or the specific project budget.
- Other expenses: Costs deemed essential for the success of a mission, in line with the official rates specified in the project budget.

- In cases where the above rates/amounts are insufficient, the claimant shall be reimbursed upon submission of original receipts, approved by the ED or Program Coordinator.
- Advances for the above expenditures may be granted if a request is made and approved by the ED and Program Coordinator. The recipient of such an advance shall be obligated to provide accountability for the amount received.

## C. EXTERNAL PARTNERSHIPS AND FUNDING GUIDELINES

- CB is an organisation that operates through partnerships, receives funding from external sources, and collaborates with various external actors. Therefore, it is relevant to establish specific guidelines on how CB shall manage financial aspects in these relationships.



- As a general rule, CB shall always adhere to and comply with the guidelines laid out in such partnerships, provided they complement or do not compromise CB's integrity, values, and objectives.

- To ensure compliance with CB values and Code of Conduct:

1. Before entering a partnership, CB must conduct a thorough screening of potential partners using due diligence to ensure the integrity and suitability of the partner/s in terms of security and responsibility regarding anti-corruption, anti-terrorism and other ethical aspects such as discrimination, harassments, child labor, breach of trust, abuse and/or misuse of power.
2. If partners do not have specific guidelines, CB shall introduce its own guidelines and reach an agreement with the partners/actors if these are sufficient to meet their requirements.
3. If partners have specific guidelines, CB shall review them and assess their compatibility with CB's working formats for harmonisation.
4. If the guidelines are not fully compatible with CB's internal processes, CB shall discuss this with the partner/actor to find a workable solution for that engagement.
5. In all cases, CB shall ensure that a memorandum of understanding, contract, or agreement is signed with the partner/actor as proof of the agreed-upon terms.

### a. Special note on main CB Donors 2024/2025:

As part of its ethical principles, CB complies with the individual guidelines of its respective financial project partners. For this purpose, CB has adopted the following core principles for working within such partnerships. Below is a summary providing an example of how CB engages in partnerships.

## i. Partnerships within Erasmus +

Processes and key considerations:

- When CB is the project lead, we have the responsibility for managing the project and reporting to the Danish National Agency. When we are not the lead, we must follow the guidelines provided by the Lead Partner.

- The following guidelines are therefore most applicable when CB is the project lead.

Before the project begins:

- All EU projects are partnership-based (requiring at least three partners), and as a rule, one needs to develop a Partnership Agreement with partners according to the guidelines of the respective EU programs. This must be done as soon as the project is approved for funding.

- Secondly, the main project management, financial reporting and reporting tool for the EU is an online platform called Mobility /Beneficiary Tool. This is where all project documentation must be submitted both during and at the end of the project. Access to the Mobility Tool is provided by the National Agency or the relevant EU program. On CB's side, it is the appointed Project or Program Coordinator's role to manage the platform.



EU reporting is based on a list of documents following project guidelines and the EU Mobility/Beneficiary Tool template. It is necessary to become familiar with these platforms in advance and be prepared to manage projects through them from the start or during the kick-off meeting with all partners. These documents include::

- o Participant signature lists
- o Certificates of attendance
- o Meetings agendas
- o Solemn declarations
- o Time sheets
- o Formal links to organisations documents like contracts
- o Consent forms

Key Activities under the EU Programs:

Projects under the Erasmus+ commonly include the following activities/components. It is important to prepare for these in advance and understand the requirements for their implementation.

o Kick off Meeting or Transnational Project Meeting (TPM)

For this kick-off meeting, TPMs, and mobilities for trainings and exchanges, the following documentation is required:

- TP reporting requirements.
- Agenda: Use the provided template to create an agenda.
- Participants list: Prepare a participants list using the template, ensuring it is signed by all attendees and stamped/signed by the receiving organisation.
- Certificates of Attendance: Issue certificates of attendance for each participant, signed by the receiving organisation, using the template.

#### o Transnational Project Meetings (TPMs)

#### o Mobilities for Training and Exchanges

#### o Intellectual Outputs or Project Results

- These require time sheets and careful planning. Coordinate with the CB EU Coordinator, Financial Administrator, and Accountant to ensure timesheets align with the CB salary system.

#### o Project Dissemination

- All EU projects require that the local communities in the participating countries are informed about and have opportunities to engage. Ensure proper dissemination of the project you are coordinating.

#### o Project Reporting

- Interim Report – Required for projects lasting longer than two years.
- Final Report – Required for all projects.

#### o Project Evaluation

- As the lead organisation, ensure a project evaluation is conducted with partners. This can be done during a final TPM, online, or via a template that partners fill out. Choose the most suitable method.

#### o Updating the Project Information Page

- All Erasmus+ projects require that all project deliverables and key learnings are uploaded to a central information webpage. Ensure this is completed by the end of the project.

#### o Multiplier Events

- Public events held at the end of the project. Plan for these well in advance.

### **Financials guidelines:**

Although each project comes with specific guidelines regarding financial reporting under the EU+, the following guidelines will help cover most key aspects:

- Always save receipts for at least five years!
- When CB is the lead, collect all boarding passes and transport tickets for TPMs, and other mobility events from partners and save them digitally whenever possible.
- When traveling for a TPM, first, get ticket purchase approval from the CB Programme Coordinator. Then save all boarding passes, flight tickets invoices and receipts, transport tickets, food receipts, and hotel invoices/receipts.
- Store digital copies of all receipts in your project folder.
- Submit a reimbursement request to the ED and inform the EU Program Coordinator of the reimbursement date and total amount received.
- For mobilities and exchanges (ME), ensure international participants save all transport and hotel receipts and send copies back to you.

### **Exceptional costs:**

- Remember to seek approval before using European Commission (EC) funds for purposes not stated in the budget.
- Ensure all invoices related to EC expenditures are retained, as this is a requirement..
- EC funds cover only 75% of the costs, so make sure to account for the 25% CB contribution in due time.
- Changes to the EU+ budgets: It is possible to modify the budgets; please refer to the guide for details.

Funder contact: The Danish National Agency, <https://ufm.dk/en/the-ministry/organisation/theministry>.  
For more information, refer to the EU+ guidelines in Appendix C1.

## **ii. Partnerships within Civil Society in Development (CISU)**

### **Processes and things to remember:**

When a project is granted (before implementation begins)

#### **In Denmark:**

1. Sign and return the CB project contract to CISU.
2. Develop a cooperation agreement with the local partner and submit it to CISU within two months of receiving the grant letter.
3. Log in to the CISU members platform and complete the PDB form for the project.
4. Open a separate bank account for the new project.
5. Request funds from CISU to begin the project (the maximum request period is six months).
6. Transfer funds to the partner to initiate their work.
7. If the project start is delayed, notify CISU in writing.

#### **In partner countries:**

- o Ask the partner to open a separate bank account for the new project.
- o Develop a project agreement with the partner.
- o Request the partner to develop a specific work plan and budget for the first funding period.
- o Work with the partner to complete the Accountability Dialogue Tool and Mango Check and to develop an LFA (Logical Framework Approach) for the project.
- o Share the CISU project and financial management requirements with the partners and ensure they understand and agree to follow them.
- o Ask the partners to identify a certified auditor (based on DANIDA guidelines) who will audit the project at the end of the implementation period.
- o Requires the partners to send a formal budget request for the first six months of implementation, including a detailed work plan and budget.



## **During the project implementation:**

### **In Denmark:**

1. Update the monitoring plan for the project and review the partner's quarterly reports.
2. Develop a plan to communicate information about the project.
3. If changes to the project (both budget and project period) are needed, remember to request prior permission from CISU.
4. If budget margin utilisation is required, request prior approval from CISU.
5. Register for and participate in the CISU workshops to exchange experiences.
6. Regularly monitor the project budget and quality.
7. If any problems or irregularities arise, report them to CISU immediately.

### **In partner countries:**

- Maintain continuous dialogue with the partner and stay engaged in implementation, even remotely.
- When reporting for the project (applies to all projects), plan and prepare for the following mandatory deliverables:
  1. Progress report for projects running for two years or more.
  2. Together with the ED and Accountant, update the organisational project accounts with notes on the CISU projects.
  3. Start compiling the final reports (both narrative and financial) well in advance – you have only a few months for compilation, auditing, CB Board review, and submission to CISU.
  4. In partner country, conduct a local project audit which will contribute to the final accounts for the project audit in Denmark.



### ***Communication with CISU***

All correspondences with CISU shall be conducted through the main grants email: [puljer@cisudk](mailto:puljer@cisudk). For urgent matters, call CISU at +45 8612 0342. More details can be found in the [CISU guidelines](#) (Appendix C2).

## **b. Ensuring the quality of external relations:**

It is highly important to maintain transparent relationships with all stakeholders, project funding partners. Additionally, the projects, activities, and engagements we undertake should effectively contribute to achieving their intended results and objectives. To support this, the following guidance will help ensure success:

## Maintain good coordination, joint learning, and monitoring & evaluation processes:

Given that CB is primarily project- and activity-based, here are some guidelines for establishing an effective system for monitoring and evaluating such projects and activities:

- Always develop plans – such as implementation plans, communication plans, monitoring and evaluation plans, and learning plans – at the start of the project.
- While project proposals usually include these plans, ensure they are updated as implementation begins.
- Your project or partnership monitoring plan should always include both an activity module (objectives, outputs, activities, indicator) and a financial module. These should be specifically designed based on the guidelines, advice and agreements between CB and its partners.
- Align the project monitoring plan with the project implementation/work to ensure they complement each other.
- Always inform partners about the project monitoring plan, including its content, timeline, and process. Keep in mind that monitoring should primarily focus on learning and documenting successes rather than identifying faults.
- Always compile a monitoring report/resume at the end of each monitoring process and present it to the relevant stakeholders.

To facilitate monitoring, here are two tools you can utilise:

### i. Monitoring project progress: Logical Framework Matrix (Approach)

Project Name:

Project Timeframe:

Overall Objective:

Target groups:

Specific objective	Main outputs	Activities
Indicators	Means of verification	Progress and required actions

This table should help you track the project indicators that are expected to contribute to the desired impact.

**Other relevant aspects:**

- Monitor the partnership’s health – How is the partnership working?
- Monitor the management processes & capacities – How is the management/staffing of the project functioning?
- Monitor the quality of the indicators – Are the indicators listed in the table above sufficient in helping us achieve the desired impact, or should they be adjusted?
- Always strive to engage with other stakeholders of the project – e.g., participants in activities, other partners, etc.
- Review the project guidelines with the partner and ensure that all necessary requirements are being followed.

**ii. Financial monitoring of projects**

<b>Granted budget</b>	<b>Status of expenditure</b>	<b>Documentation</b>	<b>Process/ guidelines for expenditure</b>	<b>Value for money</b>
Check if the budget is being utilised accurately and maintained as planned.	Ensure that the expenditures remain within the approved budget.	Verify that all expenditures are duly documented as required by the guidelines.	Confirm that proper checks and balances have been applied in making these expenditures.	Assess whether the expenditures align with the value-for-money principle.

This table should help you capture the central principles of budget maintenance, budget expenditure, checks and balances, value for money.

Additionally:

- Remember to review the project’s financial guidelines with the partner and ensure that all necessary requirements are being followed.

**c. Guidance on CB financial management, control and expenditures in partnerships:**

Partnerships also involve financial and resource expenditures managed by CB here in Denmark, which must comply with Danish legal requirements and align with CB’s financial disbursement standards. It is essential to stay updated and ensure compliance at all times.

Typical examples of these expenditures include the following:

## **For all types of projects:**

- Administration fees (7%)
- Salary-related capacity-building fees
- Monitoring, travel, hotel, local transport and per diem
- Audit-related fees
- Activities in Denmark
- Travel-related fees within Denmark
- Other fees

Guidelines for implementing these expenses are as follows::

### **i. Administration fees**

Most projects and partnerships include administration fees, typically calculated as a percentage of the project budget. These fees generally do not require specific receipts or expenditure proof, except in the final report. However, to ensure proper handling, follow these steps:

- Clarify the administration fee structure with funders or partners.
- Since the final report may serve as sufficient documentation, pay attention to how this fee should be recorded in the report.
- If there are any additional reporting requirements, ensure they are properly addressed.

### **ii. Salary-related fees**

All projects include salary or staff remuneration fees, which may vary depending on the funding model. For EU+ projects, CB's main funder provides euro-based contributions that do not necessarily align with CB's salary levels. The same applies to other funders like **NORDBUK** and **Anna Lindh**. However, funders like CISU provide staff remuneration that is closer to CB's salary rates. To ensure proper allocation, follow these guidelines:

- Seek clarification from the funder on whether staff salary funds must follow their specific model, or if CB can adjust them to fit its salary models.
- If no, follow the funder's guidelines.
- If yes, recalculate the salary contributions to align with the CB salary system as follows:

a. In collaboration with the Program Coordinator and Accountant/Bookkeeper, determine how many hours the allocated funds provide for the project per month based on the Project Coordinator's time wage.

b. Adjust the employee's contract accordingly and ensure they are aware of the required time commitment to the project each month.

c. Further coordinate with the Program Coordinator, ED and Accountant/Bookkeeper to ensure that the staff's monthly working hours are not duplicated across other projects.

- Communicate this system to internal auditors and funders/partners to ensure they are aware of how it will be reported.

### **iii. Audit fees**

All project proposals typically include an audit budget. Please follow these guidelines:

- Clarify with the funders how these should be reported, or refer to the provided guidelines.
- Communicate the allocated audit amounts.

### **iv. Activities – including travel in Denmark**

All activities carried out by CB in Denmark or other locations that will be reported by CB should follow these guidelines:

- Clarify the reporting requirements for such expenditures with the funder or funding guidelines.
- Keep track of these activities and ensure that all expenditure records are gathered, entered into the CB accounting system, and duly documented and stored. This process is known as double bookkeeping.

### **v. Budget contingencies and exceptional costs**

Most CB projects attract a project contingency, exceptional costs or a budget margin. For some funders, these can be utilised without prior approval, as long as receipts are kept to demonstrate their relation to other project activities or expenditures. However, other funders require pre-approval before contingency budgets can be used.

Guidelines for managing this correctly:

- Consult funders/partners to clarify their guidelines on managing contingency budget.
- Always collect and retain receipts, expenditure proof, activity reports etc., related to these costs.

### **vi. Own financing**

Almost all CB projects require CB to contribute its own financing to the project budget. The amount depends on the donor, but it must be an own contribution in cash. To ensure compliance, always refer to the respective project guidelines.

- Clarify with the funders which types of own financing will be acceptable. For example, determine whether it can be in the form of in-kind contributions, such as voluntary work, the use of own venues, etc., or if it must be in the form of a matching financial amount placed in the project account.
- Ensure that these requirements are systematized to align with both CB's available resources and the funders' expectations.
- Gather all expenditure proof, submit it to the responsible accounting personnel for guidance and approval, and store it for the required period. This is typically five years.

## vii. Other costs

As with the above cases:

- Clarify all project-related guidelines with the funders..
- Keep track of expenditures and budgets to ensure the project remains within the contractual guidelines.
- Always collect and save all proof of expenditure, including records of CB's own expenditures, in case they are required.
- If any changes or unforeseen circumstances arise that make it difficult for CB to track budgets and projects, notify the funders or partners for guidance and necessary action.

## D. GENERAL OBSERVATIONS AND ADVICE

### Communication with partners and other external actors:

- All communication concerning partnerships is expected to be carried out in a respectful and sober tone. If any representatives fail to meet this standard, appropriate measures will be taken by the representative board.
- Open and transparent communication between the two organisations should be maintained as frequently as possible.
- In the event of disagreements, CB and its partners shall engage in negotiations to reach a mutual agreement.
- If an agreement cannot be reached despite these efforts, but both parties wish to continue the partnership and project, they shall seek mediation from a third party to facilitate a resolution.

### Termination of partnerships

Should the aforementioned efforts regarding disagreements fail to result in a resolution, the parties shall explore the possibility of terminating their partnership. In cases of irregularities such as corruption, misuse or abuse of power, and harassment, the responsible partners will be held accountable under the law and will be obliged to make up for such irregularities.

### Documentation and storage

All original project accounting documentation and all other supporting files must be stored for five years after within such partnerships. This should always be made known to all new partnerships CB enters.



### Corruption and ways of handling:

- No offer, payment, favor, or benefit of any kind that could be regarded as an illegal or corrupt practice shall be made, promised, sought, or accepted—whether directly or indirectly—as an inducement or reward in relation to activities funded under this agreement, including tendering, awarding, or executing contracts. Any such practice will result in the immediate cancellation of agreements/contracts and may lead to further civil and/or criminal action as appropriate..
- The CB Board holds the responsibility for ensuring compliance with this clause. In cases of corruption, the Board will take over such matters, conduct investigations, and implement necessary measures to resolve any irregularities.

### Conclusion:

As stated in the introduction, this manual is a living document intended for daily use. It must be reviewed and updated annually or whenever necessary. Therefore, a revision of the manual is required at least once a year to ensure its continued validity.



**Nørre Allé 7, 2200 København N, Denmark**  
**Email: [cb@crossingborders.dk](mailto:cb@crossingborders.dk)**



**+45 21 63 94 32**



**Website: [crossingborders.dk](http://crossingborders.dk)**



**Social media channels: [Facebook](#), [Instagram](#) & [LinkedIn](#)**