

Bursary Project Donor Concerns

Updated by Priscilla Laws on Tuesday, September 7, 2009

Because UUCV and other Bursary Project donors want to ensure that gifts are well spent, some questions that have been asked include: (1) What are the funds that are sent directly to Mozambique used for? (2) What percentage of donor funds are sent to Mozambique to support our bursary girls and how much is spent in the U.S. to send out fund-raising appeals, keep records, and write donor reports? (3) How much is spent on partial support for donors to travel to Mozambique once every two years to review the program? Here are some answers.

(1) *What do the bursary funds we send to Mozambique pay for?* The budget report prepared by our on-site coordinator, Karen Butt, describes the support provided for the 100 girls who have finished their 2008 school year. Although CCM charges a modest 5% for overhead for its office in Quelimane and passes on direct costs of telephone as supplies to us, 100% of Karen Butt's salary and housing expenses are provided by the United Church of Canada's mission program. Some girls live in regional residences in Molumbo, Namarroi, and Nicoadala. Others walk or bike to school at nearby villages. One girl lives in Quelimane where the Christian Council of Mozambique headquarters for the Zambézia Province are located. The average expense per girl is about \$260. But, it is less for girls attending village schools, about \$350 for girls living in residences, and \$450 for an 11th grader living in Quelimane during the 2008 school year. Here is a budget report summary.

Bursary Girls Budget Report 2008

Residence Fees (R&B at 3 locations + Quelimane)	\$3,600
School books, notebooks and pencils	\$4,500
Stipends to girls for supplies (soap, hygiene, etc.)	\$3,540
Costs for CCM coordination trips (every 6 weeks)	\$3,550
Coordinator salaries at 3 residences (maes)	\$1,800
School Uniforms	\$1,560
CCM Office overhead, phone & supplies	\$2,000
Guards at Molumbo Residence (2)	\$1,200
T-shirts & skirt wraps (capulanas)	\$840
Namarroi Office Expenses	\$1,270
Emergency medical care	\$600
School fees	\$470
CCM Project Overhead 5%	\$1,250
Total	\$26,180
Avg. Cost per Girl (100 girls)	\$260

(2) *What percentage of donor funds are sent to Mozambique to support our bursary girls and what percentage is spent locally on sending out fund-raising appeals, keeping records, executing bank transfers and writing reports?* All of the time needed for campaign activities and report writing are provided on a volunteer basis by Priscilla Laws and Terry Smiley. We send out about 60 mailings each December to past and perspective donors. We estimate that the cost of envelopes, copying, mailing labels and postage total just under \$300. Since we include stamped, self-addressed return envelope to about 30 non-UUCV donors, postage the major single cost for this mailing. Transfer fees for wiring funds to Mozambique is currently \$140. So our local fundraising and wire transfer costs are less than 2% of the \$25,000 we raised in 2009.

(3) *How much is spent on partial support for traveling to Mozambique once every two years to review the program?* This has been our single biggest overhead expense. Travel from Central PA to Quelimane via South Africa and back costs about \$2500 per person. Five years ago when I visited by myself, I had my way paid to a physics conference in South Africa, and I donated the extra funds needed to travel to Quelimane. All reviewers expenses during the 5 day visits were minimal because reviews tag along on one of the trips that Karen Butt and her associate take every 6 weeks. They visit the girls, schools, village parents, and the local coordinators for the PEDRA Project funded by another agency and our Bursary Project.

I found it very tough to travel alone, so two years ago in September 2007, I took my daughter Virginia Jackson with me. We paid for half of our travel expenses and charged the other half (\$2500) to the Bursary Fund. Terri Smiley and I will be conducting a review in the fall of 2009 and personally subsidize 50% of our travel expenses. Since reviews are only conducted on alternative years, the review program will draw about \$1250 per year on average from the annual Bursary fund. This represents an addition of about 5% per year to the overhead. Reviewing the Program is essential to its viability and at the same time it is a thrilling, life altering experience for reviewers. We have a donor who is willing to subsidize the review trips. See below for details.

Conclusions

Some conclusions are that every two years we will spend about 7% on local overhead (almost all of which goes to travel supplements) and contribute about 5% to on-site overhead in Mozambique for a total of about 12%. Many very reputable non-profit organizations have 26% overhead, and we are very proud of our low overhead figure. The best news about our overhead expenses is that we have a business person from outside of the area who feels that the oversight afforded by a program review that is conducted at least every two years is extremely important. This individual also realizes that the 5% overhead that the Christian Council of Mozambique needs to charge is very reasonable. *So, this donor has agreed provide the 12% or so needed for overhead funds for the project in the next few years. This means that every penny the rest of us contribute will go directly to funds needed for each girl's schooling!*