

# Group Verification Test

Date:

Name of Group	Name of Village Agent	Name of Field Officer

## PART 1: Group Quality Assessment Check

The Field Officer observes a Saving Group meeting in which members are depositing savings and repaying loans and scores the group. Each of the 15 questions should be scored from 0-3:

2.5 - 3.0 Good to excellent quality

2.0 - 2.4 Acceptable quality but some improvement needed

1.5 - 1.9 Poor quality

< 1.5 Unacceptable quality

Issue		Points (...../3)	Observations
1	Did at least 90% of the members attend the meeting?		
2	Were the keys held by three members who were not on the committee?		
3	Did the Secretary present the beginning balances of Loan fund and Social Fund?		
4	Were the savings procedures orderly and complete?		
5	Were passbook savings records complete and accurate?		
6	Were the lending procedures orderly and consistent?		
7	Were passbook loan records complete and accurate?		
8	Did the group and the management committee follow standard procedures?		
9	Did the Secretary announce ending balances in Loan Fund & Social Fund?		
10	Were passbooks the primary record of transactions?		
11	Did the Chairperson lead the group effectively?		
12	Did the Secretary perform his/her role effectively?		
13	Did the Money Counters perform their roles effectively?		
14	Did the members and managers display knowledge of the constitution?		
15	Were members engaged in all aspects of the meeting?		
TOTAL SCORE			
MINIMUM SCORE TO PASS: 34 POINTS			

## PART 2: Check group meets criteria

- The group has completed 2 full years as a savings group and undertaken at least 2 share outs.
- The group has a Constitution with the key rules in it
- The group has a system for recording shares and loans
- The share-out amount has been cross checked with the passbooks/ group ledger

- The loan due date is at least 1 month before the group share-out date and disbursed in current cycle
- Membership retention rate is >= 85%
- >=75% of members want a loan from a group in this cycle and they have a business
- Credit history is good: no more than 3 cumulative days late on previous VFU SG Linkage loan
- Good loan repayment within the group: all internal loans paid off in previous cycle

**PART 3: Do the group members know and trust one another?**

- Remind the group that for their loans to be successful, they must know each other well and trust each other.
- Select 7 ordinary members (not officials or position holders). Ask member #1, to provide the information below, about another member whom you randomly choose. To pass, there must be 15 ticks. The group which fails can re-apply next cycle.

Question:	#1	#2	#3	#4	#5	#6	#7
What is that member's name?							
What type of Income Generating Activity do they do?							
What is the name of their spouse?							

**PART 4: Secret ballot**

- 100% of members agree to apply for the loan (do a secret ballot to confirm and Secretary records in meeting minutes)

**PART 5: Borrowing Wisely Knowledge Test**

Ask members the following questions. Do not have the same people reply each time – ask different people to respond. If the member does not know she can ask a friend to help. Tick if answers are correct.

Question	✓	x	Sample Answer
What could happen if a member gets a loan and they have no business to invest in?			It could make them worse off
What is a good use of a loan?			Used to generate income
What is a poor use of a loan?			Paying off other debts, festivals and general consumption.
Who is responsible to repay the VFU loan?			The whole group
Is it compulsory for your members to borrow?			No, definitely not.
If a group member dies, will VFU write off the loan?			No, there is no insurance
What is the difference between assistance from the NGO and a loan from VisionFund?			VF offers a loan which must be paid back. It is not a grant.

All answers must be correct, or re-train

**PART 6: Does the group know how to manage the loan.**

Ask the group members all the following questions. If the members are not confidently able to answer the questions, or it appears that only some members answer, retrain the group until they are able to answer all the questions.

Did the training have to be repeated? 

Yes		No	
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Question	✓	x
How much is the loan amount?		
How much will be deducted in upfront fees? How much will be received by the group?		
How often are loan repayments to be made? When is the final payment due?		
How much is the monthly instalment?		
Who are the PIN and temporary SIM holders?		
Where and how do you make the monthly loan repayments?		
How will the funds will be disbursed?		