

Service Fee Policies



SERVICE FEE POLICIES

As a non-profit organization the challenge to cover operational cost of rendering services to our target clientele, the underprivileged is real and serious. While greatly depending on public support to fund our activities, we have integrated some minimal fees on services to supplement public support fund as a strategy to build equity and financial sustainability of the organization.

EC fee or Thanks-charged policy

- Empowerment credit (EC) will be charged a service fee also called Thanks-charge of 15% Flat per annum on the loan i.e. a rate of 1.25% per month on the initial capital.
- Payment of Thanks-charge will commence on the date of disbursement of loan.
- Thanks-charge is repaid in equal installment over an agreed period or until the loan is repaid in full
- EC type-1 ordinarily is repaid over a period of 12 months
- EC type-2 ordinarily is repaid over a period of 18 months
- EC type-3 ordinarily is repaid over a period of 24 months
- Minimum Thanks-charge per session is calculated thus; $(15\% \times \text{Loan}) / \text{no of sessions of center meetings per year}$.

Emergency fund (EF) policy

- Emergency fund is service fee free for one month
- Penalty is 2% on outstanding balance per month

Trainings fee policy

- Currently borrowers will contribute in kind and cash towards the cost of trainings as follows:
- First year borrowers will contribute food, firewood and accommodation
- Second time time borrowers will contribute food, firewood, accommodation and pay a fee of \$1.00
- Third time borrowers will contribute food, firewood, accommodation and pay a fee of \$2.00
- Fourth time borrowers will contribute food, firewood, accommodation and pay a fee of \$3.00
- Fifth time borrowers will contribute food, firewood, accommodation and pay a fee of \$4.00
- Multiple time borrowers will contribute food, firewood, accommodation and pay a fee of \$5.00
- Centers will contribute food, firewood, accommodation, transportation towards Leadership trainings

Documentation fee policy

- Currently borrowers and other stakeholders will pay a token for forms and other documentation
- Center meeting schedule cost \$.06
- Project forms cost \$.25
- Emergency fund application form cost \$.25
- other documentation and articles are charged alternative minimum production cost