

Example

Letter of Agreement

20 October 2000

5 Mandela Drive
Buffelsfontein
5029

The letter of agreement begins like most business letters, so be sure to include the date and the address of the person you're writing to.

It's important to have a letter of agreement or contract with each mentor – that way you will both be clear about what you expect from the mentor and what you've agreed to pay for their services.

Subject: Letter of Agreement – LA-5907-451-PEO

Reference: South Africa Field Support 59000.07.451

Don't worry about these long and complicated numbers. All you need to do is include the subject of the letter and your reference number to make your office administration easier.

Dear Felicia

1. Scope of Work: Under this agreement with The Futures Group International, Inc. (FUTURES), the POLICY Project, Project Amandla shall:

SCOPE OF WORK (also referred to as SOW) describes the job in more detail and lays out the roles and responsibilities of the person performing the job.

Provide assistance to organisations to help them in the administration of their small grant plan, on behalf of the POLICY Project.

Here you can describe briefly what you want from the mentor. It's a good idea to use bullets to list the tasks – this way it's easier for everybody to see what you want them to do.

You will be expected to oversee and provide guidance and support to the organisation in the following areas:

1. Assist the NGO to keep records of its activities.
2. Assist the NGO to compile regular reports of its activities.
3. Assist the NGO to keep financial records.
4. Identify areas that require further administrative development within the organisation.

State clearly how long the project will run for – and how many days the mentor needs to work for.

Time period:

The programme runs over a 10-month period, from the date the first small grant payment was made. During this period you will be required to plan 10 to 15 days of mentoring time engaging with the NGO as specified in Scope of Work.

How often do you want to hear from the mentor? Once a month? Every two months?

How many written reports do you expect from them?

Do you want to hear from the mentor in the case of an emergency? If so, let them know in this letter.

Reporting requirements:

- Furnish the POLICY Project with a bi-monthly (every two months) report recording activities and a description of your assistance to the organisation and how this has impacted on and assisted the work of the organisation.
- Maintain contact with the POLICY Project and notify the POLICY Project of concerns that are of a serious nature and cannot be left until the following report.

II. Period of Performance: A 10-month period from the date the first small grant payment was received by the NGO.

Be sure to include how much you'll pay the mentor per day.

III. Method of Payment: A sum of RXX.XX will be paid per day in South African rand for this service.

In addition, you may be reimbursed for other official costs incurred under this letter of agreement. In order to be reimbursed, you will need to keep an accurate record of the following costs:

Are you going to pay the mentor's expenses? You need to make sure that your budget is able to cover these costs in addition to the salary you're paying.

1. Mileage will be paid only for the costs of travelling to and returning from the NGO. The POLICY Project will reimburse you RXX.XX (phone the AA and find out what the rate per km is) per km and will reimburse you on receipt of the Mileage Log Sheet.

Remember that mileage costs change and tend to go up each year. To ensure that you're paying a reasonable rate, phone the AA (Automobile Association) for updated prices.

We've provided you with a telephone record to ensure that each mentor keeps accurate records of who they have phoned and when.

2. Telephone calls: The cost of telephone calls to the NGO and to the POLICY Project will be reimbursed, and payment will be made on receipt of the Telephone Record.

3. Accommodation may be paid for by the POLICY Project; however, it must be pre-approved and can only be paid for following the completion and approval of the Request for Accommodation Form.

It's important to put a ceiling on the amount of expenses you are willing to pay.

A maximum of RXX.XX (not to exceed the equivalent of US\$XX.XX) will be paid for the services and all reimbursable items under this agreement.

Payment shall be made on a bi-monthly basis, upon receipt of the required bi-monthly reports.

Write down how often mentors will be paid.

Please submit an invoice to the POLICY Project/South Africa office for payment.

IV. Technical Directions: Performance of the work hereunder shall be subject to technical directions by Ms Joyce Nhlapo, the POLICY Project/South Africa staff member.

This is the person who will help you with any administration queries.

If you have any questions, please do not hesitate to contact Ms Joyce Nhlapo at (021) 462 0380.

The POLICY Project

Project Amandla

By: Accepted:

Name: Joyce Nhlapo

Name: Felicia Gasas

Title: Project Manager
South Africa

Title: Director

Date:

It's very important to get all official documents signed by everyone involved. In this case, it would be somebody from the POLICY Project, the mentor and perhaps even the funder. Remember to include the date when the document was signed.