# Instructions for Completing the Detailed Budget Template

**DECEMBER 2019**     **GENEVA, SWITZERLAND**

The Global Fund

This resource is being updated for the 2023-2025 Allocation Period.

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This resource is being updated for the 2023-2025 Allocation Period.

# 1.  Introduction

1.    These instructions provide guidance for the development and review of a Global Fund grant budget (and budget revisions when applicable) using the detailed budget template.

2.    These instructions serve the following stakeholders: the Principal Recipients (PRs),  Country Coordinating Mechanisms (CCMs)[1], Local Fund Agents (LFAs), the Technical Review Panel (TRP), the Global Fund Secretariat, agents and technical assistance providers, and any other Global Fund assurance providers.

3.    Implementers will support the dissemination of these instructions to relevant personnel.

4.    Local Fund Agents and any Global Fund assurance providers should use these instructions to inform their work on the budget review, and as a complement to other Global Fund tools and guidelines.

5.    This document should be consulted in conjunction with the following Global Fund documents:
   i.    The Guidelines for Grant Budgeting.
   ii.    The Modular Framework Handbook.
   iii.    The Operational Policy Manual, which provides the operational framework for managing Global Fund grants.
   iv.    The Guidelines for Annual Audit of Global Fund Grants.
   v.    The Principal Recipient Progress Update/Disbursement Request (PU/DR) Guidelines.
   vi.    Guidelines on Country Dialogue, Funding Request development, and Grant Making.
   vii.    Pertinent clauses of the relevant grant agreement governing the grant.

**General Guidance**

6.    The detailed budget template is compatible with MS Excel 2010 or later versions only. Some drop-downs and formulae might not work in MS Excel 2007 or earlier versions. Hence, users with earlier MS versions are requested to upgrade to MS Excel 2010 or later versions before working on this file.

7.    The form will be extracted from the Grant Operating System (GOS) in Excel, with prepopulated data, and made available to the applicants and Principal Recipients.

8.    Users are requested to use care in using the template, and not tamper with the formulae. Budgets that were subject to tampering **will be rejected** and users will be requested to resubmit the information in a new template. When copying/pasting data, users should ensure they do not overwrite any of the formula fields. Applicants should not overwrite pick-list values, the only acceptable options are those provided in the dropdown lists.

9.    The budget template is available in English, which is the official Global Fund working language. In addition to English, the template is available in French and Spanish.

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[1] May be a Regional Coordinating Mechanism (RCM), a Regional Organization (RO) or other application coordinating mechanisms. Refer to CCM Policy Including Principles and Requirements for more information.

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10.   Applicants and Principal Recipients are encouraged to review and check the calculations to make sure the budget is adding up correctly, before submitting their budget template to the Global Fund.

11.   The level of detail included in the detailed budget template shall differ depending on the stage of the application; i.e. whether the application is at funding request or grant making stage. As part of the simplification and differentiated approach of the funding request processes, initial "best estimate" budgets by intervention are   the minimum requirements for the submission of the funding request. The budget should be further refined and detailed when the application is recommended to proceed to grant making. The instructions will flag those instances where differentiated levels of information are required between these two stages (please look for the icon at the beginning of this paragraph).

12.   The instructions are structured as per the different tabs of the template (i.e. index, set up, financial, etc.).

# 2.   Index

13.   The Index tab provides some general information on the budget template and a reference table of the different tabs contained in the budget template, a brief description of each tab and whether the data is to be manually inputted by the applicant or if it is pre-populated. This tab is for information purposes only.

# 3.   Set up

14.   The Setup tab of the budget template includes general information about the program, including, the implementation period dates, the implementers and the quarterly setup of the budget. The information is organized in three sections:

   i. Grant information;
   ii. Reporting set-up; and
   iii. Budget Template set-up.

15.   The table thereafter provides a detailed overview of the information expected to be inputted in the Setup tab:

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| A. Setup Tab | |
|---|---|
| **Language** | The detailed budget template will be sent in English.<br>Users can change the language to French or Spanish.<br>Note that the language cannot be changed once the user has started filling the detailed budget tab. |
| **Grant Information** | |
| **Country/Applicant** | This field will be pre-populated when sent from the Global Fund. |
| **Application/Grant Name** | This field will be pre-populated when sent from the Global Fund.<br><br>It will refer to the temporary name of the application at the Funding Request stage.<br><br>Once the request is recommended for funding, this field will refer to the name of the grant that will be based on the ISO code of the country or the multi-country applicant, the disease component and the selected implementer. |
| **Fiscal Cycle Start Date** | This refers to the start date (day and month) of the 12-month period the applicant/Principal Recipient uses for accounting purposes and preparing financial statements. |
| **Fiscal Cycle End Date** | This refers to the end date (day and month) of the 12-month period the applicant/Principal Recipient uses for accounting purposes and preparing financial statements.<br><br>The Fiscal Year End Date should be 12 months after the Fiscal Year Start Date. |
| **Implementation Period Start Date**<br><br>**(IP Start Date)** | This field refers to the start date of the Implementation Period, which will generally follow the end date of the previous Implementation Period in case the applicant had an existing Global Fund grant, or the end date of the extension for the previous Implementation Period.<br><br>The date will be pre-populated in the budget template made available during the Funding Request stage. In case of a need to change the date, this can be made directly in the template.<br><br>This date should be consistent across all grant documents (Performance Framework and Health Products Management Tool).<br><br>**The start date can only be the first day of the month**. |
| **Implementation Period End Date**<br><br>**(IP End Date)** | This field refers to the proposed end date of the Implementation Period, which should correspond to the end date of the allocation utilization period.<br><br>The date will be pre-populated in the budget template made available during the Funding Request stage. In case of a need to change the date, this can be made directly in the template.<br><br>This date should be consistent across all grant documents (Performance Framework and Health Products Management Tool).<br><br>**The end date can only be the last day of the month.** |

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| **Component Name** | The component will be selected for the applicant when the budget template is shared by the Global Fund. |
| | The selection of the component will drive the pre-population of the relevant modules and interventions in the "Detailed Budget" tab. |
| **Is the country under ASP?** | This field is pre-populated and provides the information of whether the Global Fund invoked the Additional Safeguard Policy ("ASP")[2] on the country. |
| **Allocation Utilization Period Start Date** | This field is pre-populated and refers to the start date of the Allocation Utilization Period. |
| | The Allocation Utilization Period is the three-year period during which the country allocation per disease component can be utilized to implement programs. It starts the day after the previous Allocation Utilization Period ends. |
| | The start date of the Allocation Utilization Period per disease component is documented in the Allocation Letter. |
| **Allocation Utilization Period End Date** | This field refers to the end date of the Allocation Utilization Period. |
| **Reporting set-up** | |
| **Financial Period Reporting Cycle** | Applicants should manually fill the table with Start and End Dates for each corresponding Financial Reporting Period Cycle. |
| | Financial Reporting Period Cycle end date must match the end date of the Performance Framework reporting periods. |
| | For example, a grant starting January 1st might be required to report financial information for the period January 1st to June 30th (semiannual reporting) and report financial information for the period January 1st to December 31st (annual) |
| | The financial reporting scope and frequency is generally determined by the Global Fund country classification (Focused, Core, and High Impact). For more information, refer to the Principal Recipient Progress Update/Disbursement Request (PU/DR) Guidelines |
| **External Audit Period** | Applicants should manually fill the table with Start and End Dates for each corresponding External Audit Period. |
| | For further guidance, refer to the Guidelines for Annual Audit of Global Fund Grants. |

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[2] Operational Policy Manual, *Section 1.7:* OPN on Additional Safeguards Policy.

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| Budget Template set-up | |
|---|---|
| **Starting Quarter** | For implementation Period not starting on January 1st, the user will be able to specify the starting quarter in the field "Starting quarter". |
| **Quarters for budgeting** | The budget is set-up in a quarterly form and should be linked to the estimated period of payment and disbursement requirement from the Global Fund.<br><br>The quarters will be automatically derived based on the inputted Implementation Start Date. |
| **Payment Currency** | The grant currency to be used is as communicated in the Allocation Letter.<br><br>The **local currency** is pre-populated automatically according to each country applicant.<br><br>The **other currency** applicable to the grant will then automatically pre-populate (US$ or Euro) based on the grant currency.<br><br>Applicants can manually input additional currencies in the table.<br><br>The **exchange rate(s)**[3] will be pre-populated automatically, at the time of extracting the Detailed Budget from the system. However, applicants can overwrite the inputted values to adjust or update the exchange rate, while ensuring that the figure is limited to 6 digits after the decimal point, otherwise an error will be flagged. |
| **Geography/Location** | Applicants can input geographical areas which are deemed relevant to the identified implementers (countries or other geographical areas, such as states).<br><br>This is not a mandatory field except for multi-country applications. |
| **Principal Recipient** | Under the **Existing Global Fund Implementer Name** column, applicants can select the implementer's name from a drop-down menu. The information will be available from the Global Fund records if the applicant has previously managed a Global Fund grant.<br><br>If the selected implementer is new and has not previously managed Global Fund grants, the applicant can manually type their name under the **New Global Fund Implementer** column.<br><br>The **Type of the Implementer** is set as the Principal Recipient (PR) by default.<br><br>The applicant should specify the Type of Implementing Entity from a drop-down list (e.g. Government - Other, Multilateral – UNDP, etc.). |

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[3] See section 3.5.3 Application of exchange and inflation rates of the Guidelines for Grant Budgeting.

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| | **At Funding Request Stage:**<br>The applicant should identify new or confirm existing Principal Recipient(s) and key implementers, including potential sub-recipients, as early as possible. However, the budget at the funding request stage is expected to be submitted <u>only</u> broken down by the different Principal Recipients nominated under the application. The budget broken down by Sub-Recipients is <u>not</u> a requirement at this stage.<br><br>All Principal Recipients identified in the budget should also be reflected in the Performance Framework document as well.<br><br>**At Grant Making Stage:**<br>The budget template will be broken down by Principal Recipient, and consequently by grant, which will be negotiated separately.<br><br>The applicant should specify if there is a Lead Implementer (LI)[4] .<br><br>All implementers, including sub-recipients, should be confirmed at the grant making stage and clearly defined in the budget to ensure the funding request is translated into an implementation-ready grant well-positioned for signature and effective delivery of the program. |
| **Sub-Recipient(s)** | Under the **Existing Global Fund Implementer Name** column, applicants can select the implementer's name from a drop-down menu. The information will be available from the Global Fund records if the applicant has previously managed a Global Fund grant.<br><br>If the selected implementer is new and has not previously managed Global Fund grants, the applicant can manually type the name under the **New Global Fund Implementer** column.<br><br>The applicant then specifies the Type of Implementing Entity from a drop-down list (e.g. Government - Other, Multilateral – UNDP, etc.). |
| **Indirect Cost Recovery (ICR)[5]** | For grants managed by international non-government organizations and other international organizations, provisions may be included in the grant budgets to remunerate services provided by the headquarters in support of the implementation of the grant at the country level.<br><br>In certain instances, the Global Fund may authorize charging a percentage of direct costs as indirect cost recovery for local non-governmental organization.<br><br>For further guidance, see the Operational Policy Manual, Section 1.4: OPN on Support Costs/Indirect Cost Recovery (ICR) Policy for Non-Governmental Organizations and the section 7.7 Indirect and overhead costs of the Guidelines for Grant Budgeting |

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[4] Lead Implementer (LI) is the entity (organization or office) that is operationally responsible for the implementation of the grant's activities. In terms of grant revisions, the Lead Implementer supports the Principal Recipient in preparing the relevant revision documents and is notified of key steps and deliverables in the process (e.g., approvals). Note that the Lead Implementer is not reflected in the Grant agreement, and for many grants, the Principal Recipient and Lead Implementer are the same entity.

[5] See the Operational Policy Manual, Section 1.4: OPN on Support Costs/Indirect Cost Recovery (ICR) Policy for Non-Governmental Organizations

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| | These rates may only be charged to the grant based on actual cash expenditure and disbursement to sub-recipients. Therefore, they may not be charged based on accrued expenses |
| | Under the column "**Implementer eligible to ICR"**, the Principal Recipient should confirm whether the respective implementer is eligible to claim Indirect Cost Recovery ("ICR") by using the drop-down list. |
| | Under the column "**Will the procurement be done with a procurement agent"**, the Principal Recipient needs to specify from the drop-down list whether procurement will be done by the applicant (answer "No") or by a procurement agent (answer "Yes"). |
| | Under the column "**Do any agreed arrangement apply",** the Principal Recipient is expected to confirm whether any special agreement prevails with regards to the applicable ICR rates by selecting the relevant answer from the drop-down list (Yes/No). |
| | Under the column "**Health Products",** the Principal Recipient is required to indicate the ICR rates for Health Products (manual entry). |
| | Under the column "**All Other Direct Costs incurred by the PR"**, the Principal Recipient is required to indicate the ICR rates applied for Direct costs (excluding Health Products). |
| | Under **Funds managed by Sub-Recipients (SR)**, the Principal Recipient is required to indicate the rates applied on the funds managed by each sub-recipient. The Principal Recipient charge on funds managed by sub-recipients should be exclusive of the percentage-based charges applied by the sub-recipient. |
| | The cells will turn red if the Principal Recipient enter a rate that is above the maximum rates provide in the Operational Policy Manual, Section 1.4: OPN on Support Costs/Indirect Cost Recovery (ICR) Policy for Non-Governmental Organizations |
| **Third Party supplier information** | The table provides a non-exhaustive list of **Third-Party Supplier** based on Global Fund records. |
| | Applicants can manually add additional third-party supplier if they are not included in the list. If an additional Third-Party Supplier is added, the applicant will need to specify the Type of the latter. |
| | For the Third-Party Supplier to be included in the detailed budget tab, the applicant needs to specify "Yes" in the column "**To be included in detailed budget?"**. |
| | To increase the efficiency in funds management and mitigate risks, goods and services provided by certain third-party organizations which are contracted by Principal Recipients will trigger a mandatory direct disbursement by the Global Fund, on behalf of the Principal Recipient, unless otherwise agreed in writing by the Global Fund. |

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| | Refer to the section 3.7 Mandatory Direct Payments in the [Guidelines for Grant Budgeting](#) |
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# 4. Detailed Budget

16. The Detailed Budget follows the modular approach and costing dimension. For additional information, refer to the [Modular Framework Handbook](#) and the [Guidelines for Grant Budgeting](#).

17. The total budget must be within the available funding, i.e. the allocation amount as communicated by the Global Fund through the allocation letter (and agreed after the disease split exercise) plus any additional other sources of funds (Catalytic investments, portfolio optimization) approved by the Global fund.

18. The standard requirement at the Funding Request stage is to provide information by intervention, cost grouping and nominated Principal Recipients.

19. At the Grant Making stage, standard requirements are to budget and report by interventions and cost inputs. Variance reports should be generated at the same level of classifications.

20. As part of the Differentiation Framework, the Global Fund has revised the country classification, resulting in three categories of portfolios – Focused, Core, and High Impact. The categorization of each portfolio is updated every allocation period.

21. Focused portfolios, unless instructed otherwise by the Global Fund, can budget and report using the broad categories by intervention and cost groupings.

22. The diagram below illustrates the Global Fund required budgeting and reporting granularity based on the country's classification.



23. At the funding request stage, applicants can provide an annual budget for three years, while a quarterly breakdown is required at the Grant Making stage. However, it is understood that some applicants might find it more convenient (especially when the time between the funding request approval and anticipated Board approval is intended to be short, applicants could gain efficiency in starting with a detailed budget) to prepare a more detailed budget at the funding request stage. The detailed budget option if desired, is entirely discretionary and based on country preference.

24. Below is a detailed overview of the fields in the Detailed Budget Tab and guidance on what is expected as an input from the applicants:

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| B. Detailed Budget Tab | |
|---|---|
| **Subtotals** | These fields automatically aggregate the budgets per quarter and year to sum up the total request for the implementation period based on any filters that have been applied to the detailed budget. |
| **Start Date of Quarter** | This is automatically linked to the start date of the quarters as defined in the Setup tab. |
| **End Date of Quarter** | This is automatically linked to the end date of the quarters as defined in the Setup tab. |
| **Error Messages (if relevant)** | Error messages are automatically triggered and are linked to either an error in selecting module, the intervention or the cost input. |
| **Budget Line No.** | Applicants are required to number each line of input (starting from 1). |
| **Module** | The applicant will select the modules from the drop-down list. The drop-down list will be driven by the disease component(s) on the Setup tab. It is not possible to add modules outside of this list.<br><br>In case the application covers more than one component, the drop-down list will show all the modules available under the components selected on the Setup tab.<br><br>For multi-component funding requests, it is recommended to include modules related to each of the components in order, rather than mixing them. For example, in a joint HIV and TB funding request, include all relevant HIV modules first, followed by the TB modules or vice versa.<br><br>If the user wants to change the module after having selected an intervention, she/he will have to delete the intervention selected first, otherwise the cell turns red to signal an error. |
| **Intervention** | The choice of the module will drive the drop-down list in the Intervention column. |
| **Activity Description** | **At Funding Request Stage:**<br>The budget line's associated activity description is not required at this stage.<br><br>**At Grant Making Stage:**<br>The Principal Recipient is requested to provide a brief description of the activity expected to be conducted using the budgeted amount. |
| **Cost Input** | The applicant will select the Cost Input from the drop-down list. |

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| | For additional information on the applicable cost inputs through the costing dimension, refer to the Global Fund Guidelines for Grant Budgeting. |
|---|---|
| | **At Funding Request Stage:**<br><br>Applicants can budget at the cost grouping level at this stage. |
| | **At Grant Making Stage:**<br>Principal Recipients are requested to budget at the cost input level, except in some specific instances, and as part of a differentiated approach adopted by the Global Fund, some low risk or low investment grants, applicants may be authorized to budget the broad categories by cost groupings. |
| **Implementer** | In this column, the applicant must select the entity that will implement and manage the associated budget line from the drop-down menu that will show the list of implementers as entered on the Setup Tab.<br><br>**At Funding Request Stage:**<br>The budget at this stage is expected to be submitted <u>only</u> broken down by the different Principal Recipients nominated under the application.<br><br>**At Grant Making Stage:**<br>All implementers should be confirmed at the grant making stage and clearly defined in the budget (Lead Implementers, Principal Recipients and Sub-Recipients). |
| **Geography/ Location** | This column will populate in the drop-down menu the geographies/locations that were entered on the Setup tab. |
| **Payment modality** | In the Payment Modality, applicants shall select from the drop-down list column the appropriate Third-Party supplier for each line.<br><br>This list is directly linked to the "Third-Party Supplier" from the Setup tab. As a result, a Third-Party Supplier needs to be listed on the Setup tab, in order to appear in the drop-down list.<br><br>This field is required to facilitate recognizing the modality for third- party payments made by the Global Fund on behalf of the Principal Recipient.<br><br>The pre populated values are:<br><br>• Not Applicable – when the payment is made directly by the Principal Recipient.<br><br>• UNICEF – when the payment will be made directly to UNICEF by the Global Fund on behalf of the Principal Recipient for goods or services. |

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| | - WHO - when the payment will be made directly to WHO by the Global Fund on behalf of the Principal Recipient for goods or services. |
| | - GDF - when the payment will be made directly to GDF by the Global Fund on behalf of the Principal Recipient for goods or services. |
| | - UNOPS - when the payment will be made directly to UNOPS by the Global Fund on behalf of the Principal Recipient for goods or services. |
| | - UNDP – when the payment will be made directly to UNDP by the Global Fund on behalf of the Principal Recipient for goods or services. |
| | - UNAIDS – when the payment will be made directly to UNAIDS by the Global Fund on behalf of the Principal Recipient for goods or services. |
| | - Wambo – when the payment will be made directly via the Pooled Procurement Mechanism by the Global Fund on behalf of the Principal Recipient. |
| | - IDA – when the payment will be made directly to IDA as a Procurement Agent (non-PPM) by the Global Fund on behalf of the Principal Recipient. |
| | - PFSCM – when the payment will be made directly to PFSCM as a Procurement Agent (non-PPM) by the Global Fund on behalf of the Principal Recipient. |
| | - AMP - when the payment will be made directly to AMP by the Global Fund on behalf of the Principal Recipient for goods or services. |
| | - iPlus Solutions (i+) – when the payment will be made directly to PFSCM as a Procurement Agent (non-PPM) by the Global Fund on behalf of the Principal Recipient. |
| | - Fiscal/ Fiduciary Agent - when the payment will be made directly to a fiscal/fiduciary agent by the Global Fund on behalf of the Principal Recipient |
| | - External Auditor – when the payment will be made directly to an external auditor by the Global Fund on behalf of the Principal Recipient. |

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| **Source of Funds** | In the column **Source of Funds**, the applicants need to select from a drop-down list the source of funds.<br><br>The options available are:<br><br>   o  Approved Funding – for all the activities that are funded by the country allocation and any Catalytic investments as well as any approved Portfolio Optimization.<br>   o  Potential Savings/Efficiencies<br>   o  Savings<br>   o  UQD (Unfunded Quality Demand)<br><br>**At Funding Request Stage:**<br>The applicant should budget for all the activities that will be funded by the Country Allocation and the Catalytic Investments.<br><br>**At Grant Making Stage:**<br><br>The Principal Recipient should budget for all the activities that will be funded by the by the Country Allocation and the Catalytic Investments, as well as all the PAAR activities that were approved and put in the Register of Unfunded Quality Demand. |
| **Unit of Measure** | Depending on the Cost Input selected, the relevant unit of measure will be automatically populated. |
| **Payment Currency** | The applicant shall manually enter the payment currency for each line.<br><br>**Payment currency** is the currency in which payment is made to the relevant employee, service provider and/or supplier. It can be the grant currency, the local currency or a currency other than the grant currency, used or planned to be used to settle a payment. |
| **Currency** | This column will be automatically filled in using the Grant Currency as selected in the Setup tab. |
| **Unit Cost (Payment Currency)** | In this column, applicants are encouraged to use and apply relevant benchmark prices, from historical costs or as published by the Global Fund or development partners, to the unit cost in the currency they will be using to process the payment.<br><br>The field should be linked to one of the assumptions tabs. |
| **Unit Cost (Grant Currency)** | In this column, the Unit Cost in payment currency is converted to Unit Cost in grant currency when different. This will happen automatically. There is no action required by the applicant. |

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| Quantity | Before entering the quantity, applicants need to take into account the unit of measure (and corresponding unit cost). For example, for a training the unit cost should be the average cost of training per person per day, the quantity will then be the number of participants times the number of days. |
| --- | --- |
| | **At Funding Request Stage:**<br>The applicant can provide the best estimated overall required quantity in the column dedicated to the first quarter of each year. It is not required to break down the quantity information for each quarter. |
| | **At Grant Making Stage:**<br>Principal Recipients are requested to specify the quantity required, under each budget line and for each of the quarters. |
| **Cash Outflow** | This column will calculate automatically the budget for the quarter based on the information inputted for the Unit Cost and Quantity. |
| **Y1 – Y4 Total Quantity** | This column will automatically aggregate all quantities inputted for each year for each budget line. |
| **Y1 – Y4 Total Cash Outflow** | This column will automatically aggregate the budget inputted for each year to come up with the totals for each budget line. |
| **Assumptions to support unit cost** | In this column, applicants and Principal Recipients are encouraged to briefly define the assumptions supporting the use of the unit costs included in the budget for each of the budget lines. |
| **Justifications/ Comments** | Applicants and Principal Recipients are encouraged to provide brief comments pertaining to the budget line, if they deem such comments will facilitate the budget review and provide supporting contextual information. |
| **Comments 1, 2, 3, 4 - PR** | Principal Recipients are encouraged to use these fields to provide brief comments pertaining to the budget line. |
| **Comments 1, 2, 3, 4 – LFA/FO** | Those columns are for the Local Fund Agent and Global Fund use to enter comments |

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# 5.  Summary Budget tabs

25.  There are three summary tabs which provide a snapshot of the budget grouped in pre-defined categories:

i.  Budget Summary (and its equivalent in English - Budget Summary En);
ii.  Summary by Intervention; and
iii.  Summary by Cost Input.

26.  These summary tabs do not require any manual input from the applicant. All tables are automatically fed by the data in the Detailed Budget tab.

27.  The summary budget tabs are derived only in grant currency.

28.  The summary budget is the sum of the Approved Funding **minus** the Potential Savings **minus** the Savings and will represent the signed budget amount.

29.  The **Budget Summary** tab provides a snapshot of the budget grouped in 3 categories: modules, cost groupings and implementers.

30.  The Budget summary tab is always in the language of submission (English, French or Spanish) while the **Budget Summary En** is always in English.

31.  The **Budget summary En** tab by modules, cost groupings and implementers will form an integral part of the Grant Confirmation.

32.  The **Summary by Intervention** tab provides a snapshot of the budget grouped by intervention and is directly fed by figures provided in the Detailed Budget tab.

33.  The **Summary by Cost Input** tab provides a snapshot of the budget grouped by cost input. The source of the information is the Detailed Budget tab.

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# 6.  Additional Summary

34.  The "Additional Summary" tab provides a snapshot of the budget grouped in pre-defined summary tables:

- i.    Summary by source of funds
- ii.   Summary by Geography
- iii.  Summary by PR, SR and third party

35.  These summary tables do not require any manual input from the applicant. All tables are automatically fed by the data in the Detailed Budget tab.

36.  The summary budget tables are derived only in grant currency.

37.  The **summary by source of funds** provides the breakdown of the budget by the following sources of funds, as selected in the detailed budget tab:

- i.    Approved Funding
- ii.   Potential Savings/Efficiencies
- iii.  Savings
- iv.   UQD

38.  The **summary by Geography** provides the breakdown of the budget by the Geography/Location, as selected in the detailed budget tab.

39.  The **summary by PR, SR and third Party** provides the breakdown of the budget by implementer and by payment modality, as selected in the detailed budget tab.

40.  Users of the template need to ensure to refresh the tab every time they enter new information in the detailed budget tab by clicking on data → Refresh all.

# 7.  Population

41.  This tab is to be filled for grants with an HIV component.

42.  The tab is fed by the data in the Detailed Budget tab and applicants are required to manually breakdown the budget by year, by intervention and by relevant target population in the appropriate yellow cells

43.  The column "difference" will be marked as red if the budget is not properly broken down for an intervention.

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# 8. Summary ICR

44.  This tab provides an estimate calculation of the Indirect Cost Recovery (ICR) based on the maximum percentage chargeable by an eligible entity as detailed in the in the Operational Policy Manual, Section 1.6: OPN on Support Costs/Indirect Cost Recovery (ICR) Policy for Non-Governmental Organizations.

# 9. Assumptions

45.  The template does not include a prescriptive assumptions form. However, applicants are requested to complete the assumptions sheets to detail unit costs listed in the Detailed Budget Tab (i.e., justify them, provide supporting calculations, explain lump sums, etc.).
There are dedicated assumptions sheets for Human Resources, Travel Related Costs and Other costs.

46.  **Human Resources** (**HR**) include salaries and other Human Resources related costs. At the minimum the Human Resources assumptions tab should include the following:

    a.  Listing of all the positions supported by the grant funds broken down by Principal Recipient and Sub Recipients/other implementers;

    b.  Level of effort for each position for all the periods under the grant ;

    c.  Gross and net salary level for each position for all the periods under the grant. The salary level should be provided for a full-time position (i.e., 100% Level of Effort). Salaries should also be expressed in terms of the currency of payment, as required by the Guidelines for Grant Budgeting;

    d.  Furthermore, additional clarifications should be included for the incentive/performance payments to provide sufficient details with regards to the criteria under which the incentive/performance payments will be determined and paid.

47.  **Travel Related Costs** (**TRC**) include all transportation, per diem and related costs pertaining to trainings, technical assistance (TA), supervision, meetings, external professional services. For example, the assumptions for training will generally include the information on the planned number of participants, duration, quantities of organized coffee breaks, etc....

48.  The assumptions tab labelled '**Other'** is to be used for all other activities, except for the costs of health products. The Health Products Management Tool should be used to input the detailed assumptions for health products related costs.

49.  To facilitate efficiency in the review process, for each assumption or set of assumptions included within the Human Resources, Travel Related Costs or Other Tabs (i.e., Assumptions Tabs), Principal Recipients are required to reference the Detailed Budget line that the assumption relates to. In addition, the unit cost field in the detailed budget tab needs to be linked to the relevant cell in the assumption tab.

50.  The same set of assumptions or the same assumption can be used for multiple budget lines. For example, assumptions for local trainings, such as travel costs, per diems, cost/quantity of coffee breaks, etc. would generally be the same for different trainings, therefore, the assumptions need

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only to be specified once and can then be used for multiple budget lines within the Detailed Budget tab.

# 10. Free Sheets

51.    The **Free sheet-enter what you need** and **Free pivot table** tabs are free sheets made available for the applicants to provide additional information deemed important, which do not fit in the various Assumption tabs provided.

# 11. Investment Landscape Overview

52.    This section provides an overview of the investment landscape by key categories:
- Health Commodities/Equipment and Supply Chain Costs;
- Program Management Related Costs; and
- Program Activity Related Costs.

53.    Note that these categories are a re-clustering of the current cost inputs to provide a perspective on the nature of the investments. The landscape provides a macro level analysis on the key investment areas of Global Fund programs and enable users to have a better insight into the program.

54.    This section does not provide any normative guidance or thresholds, but only acts as a tool to help provide an analytical structure.

| | |
|---|---|
| **Investment Landscape Analysis** | |
| **Budget Analysis** | Using the 80/20 principle, the table breaks down the detailed budget into 3 key priority categories: High, Medium and Low. This is done by sorting budget lines by amount from largest to smallest and classifying into three categories, as described below:<br><br>1. High: The initial largest budget activity lines which make up the first 80% of the entire budget.<br>2. Medium: The additional budget lines that represent an additional 10% of lines.<br>3. Low: The remaining budget lines which represent the remainder of 10% of lines with the smallest amounts.<br><br>Minimum Recommended Lines: To sustainably maintain and manage a detailed budget, it is important to balance-off detail and value. To facilitate this, we are proposing a recommended number of budget lines for a budget. This number is calculated with the intention of having a single budget line only for the following dimension combination.<br><br>Implementer x Module-Intervention x Cost Grouping-Cost Input<br><br>For example: If we have several activities with the following combination. We recommend that we only keep a single detailed budget line and integrate the additional breakdown in the assumptions area as required.<br><br>PR1 x Program Management-Grant Management x 11.1 Office Related Costs |
| **Overview** | This is a summary of the investment landscape of the current program. It provides an insight on the overall investments in the key areas of the grant. |
| **Breakdown of Health Commodities/Equipment.** | This is a deep-dive on the Health Commodities/Equipment and Supply Chain costs of the Program. In this section we want to compare the Procurement and Supply Chain costs vs. the Total Health Commodities and Equipment Costs. The objective is to highlight whether the PSM costs are reasonable compared to the total procurement. |
| **Program Management Related Costs vs. Program Activity Related Costs** | This section is to provide insight on the cost of the program management investment vs the program activity costs. By removing the Health Commodities/Equipment section, which already has its relative PSM costs. We can better isolate the cost of the program activities vs. the cost of program management. |

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# 12. Action Plan – Key Activities

55.   The Action Plan provides an overview of the High and Medium Priority activity lines which make up 90% of the total budget. This section helps provide the user a snapshot of the key activities that requires focused attention. Execution of these activities are key to achieve both Financial and Programmatic performance. The action plan helps the user focus on the following:

- How are these activities tied and how do they link to the Performance Framework?
- Are these the right interventions/activities to drive Health Outcomes & Financial Performance?
- Based on these key activities, are the implementation arrangements currently optimal and do they represent value for money?
- For key budget activities, do the implementers have sufficient internal controls to implement the key activities? (i.e. supply chain, for commodity-based grants, etc.)
- What could go wrong against these key activities? and what key measures can we take to avoid them? Do we foresee any bottlenecks in implementation?

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# 13. Financial Triggers

56.  The Budget Triggers tab is a requirement for grants within countries categorized as Focused under the Global Fund differentiation framework. This tab is not required for grants within the Core or High Impact portfolio unless otherwise requested by the Global Fund Country Team.

57.  The Principal Recipient needs to assess whether any of the circumstances (i.e., triggers) listed below apply to their budget and respond with a YES or NO, depending on the existence of the trigger. For any YES answer, the Principal Recipient is required to provide comments with further details, including rationale for why existence of the trigger is justified and how the compliance with the Global Fund policies will be achieved.

58.  In certain circumstances, the Principal Recipient may choose to provide additional comments even in cases of NO answer.

59.  When reviewing the budget, the Local Fund Agent is expected to verify the responses provided by the Principal Recipient and include additional comments where needed.

60.  The table below includes the listing of the Budget Triggers

| Financial Triggers - Budget | |
| --- | --- |
| 1.a | Human Resources: Budget includes salary top-ups and/or performance or task-based incentives. |
| 1.b | Human Resources: The absence of a valid transition plan for top-ups/incentives. |
| 1.c | Human Resources: Salaries budgeted in grant currency (vs. local/payment currency) for local staff. |
| 1.d | Human Resources: Material salary increases of more than 5% of average monthly salary in local currency or grant currency per person, per intervention or for the category (as compared to latest approved budget (grant agreement or IL) for the grant or as compared to the budget for the most recent grant managed by the same PR in the country). |
| 1.e | Human Resources: Salaries fall outside the range of existing national salary scale endorsed by the CCM (where applicable) or there is no CCM endorsed salary scale. |
| 1.f | Human Resources: If the HR costs are over 25% of the budget, please provide the rationale, related risks and how they will be mitigated. |
| 2.a | External Professional Services: Consulting fees are above prevailing local rates for local consultants and above UN standard rates for international consultants. |
| 2.b | External Professional Services: One budget line under this cost grouping. |
| 3.a | Travel Related Costs: No per diem policy exists for the grants with material travel related costs (USD 0.5 million or 10% of the budget, whichever is smaller). |

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| 3.b | Travel Related Costs: The per diem policy is not in accordance with the prevailing local rates for local travel or UN/government rates (depending on the type of implementer) for international travel. |
| 3.c | Travel Related Costs: If the travel costs are over 25% of the budget, please provide the rationale, related risks and how they will be mitigated. |
| 4.a | Infrastructure: Existence of budget for large scale rehabilitation, renovation and enhancement for health infrastructure projects (USD 0.5 million or 10% of the budget, whichever is smaller) but the documented rationale/justification for the project is either absent or is not compliant with the requirements stipulated in the Guidelines for Grant Budgeting. |
| 5.a | Non-Health equipment: Existence of budget for significant investment in non-health equipment, including vehicles (USD 0.5 million or 10% of the budget, whichever is smaller), but absence of needs assessment, as required in the Guidelines for Grant Budgeting. |
| 6.a | Communication materials and publications: Existence of budgetary provisions, but absence of communication strategy or demonstration of value for money for cases where the cumulative budget for communication materials and publications is material to the budget - USD 0.5 million or 10% of the budget, whichever is smaller. |
| 7.a | Program Management Costs and Indirect and Overhead Costs: If program management costs (all cost categories) are in excess of 25% of the budget, please provide the rationale, related risks and how they will be mitigated. |
| 7.b | Program Management Costs and Indirect and Overhead Costs: Absence of cost sharing arrangements for grants, where PR manages multiple Global Fund or other donor funded projects. |
| 7.c | Program Management Costs and Indirect and Overhead Costs: Headquarters' ICR budgeted are outside the agreed percentage and not in compliance with OPN on Support Costs and Indirect Cost Recovery (ICR) Policy for Non-Governmental Organizations. |
| 7.d | Program Management Costs and Indirect and Overhead Costs: Budget includes ICR for local NGOs (GAC approval is required). |
| 7.e | Program Management Costs and Indirect and Overhead Costs: SRs are not expected to be contracted by the grant start date. |
| 8.a | Living Support: Budget includes Living Support provisions, including Cash Incentive schemes, which are both (i) represent a new intervention for the grant; AND (ii) are material to the budget (USD 0.5 million or 10% of the budget, whichever is smaller). |
| 8.b | Living Support: Budget includes Living Support provisions, including Cash Incentive schemes, which are both (i) having a history of fraud, and other findings by LFA or auditor; AND (ii) material to the budget (USD 0.5 million or 10% of the budget, whichever is smaller). |
| 9.a | Budget Assumptions: Exchange rate used in the budget differs from the rate communicated by the Treasury team for the respective TRP review window (or in case of budget revision, the exchange rate is different from the rate used in the latest approved budget via IL). |
| 9.b | Budget Assumptions: Material lump sums for activity (over USD 250K or 5% of the budget, whichever is smaller) are included in the budget without sufficient assumptions. |

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| 9.c | Budget Assumptions: For budget revisions, the net savings from foreign exchange rate changes are used. |
| 9.d | Budget Assumptions: Any other residual or emerging risks identified during the budget review. |
| **Procurement Supply Management triggers** | |
| 10 | No quantification/assumptions/calculations/needs assessment is submitted or submitted but does not reconcile with the amount presented in the budget (please report if the difference is > US$ 25,000 or 10% of the total PSM budget, whichever is higher) Total PSM budget in this context means the sum of cost groupings 4.0, 5.0, 6.0 and 7.0 |
| 11 | Over or under estimation of needs of health products: assumptions underlying the quantification of health products are not based on/do not take into account: i) grant targets set in the Performance Framework; ii) the latest available results and expected trends, where relevant; iii) past performance, implementation capacity and other contextual factors, where relevant; iv) stock on hand held by the PR/SR or implementing partners; v) orders in pipeline; and/or vi) contribution from other donors/sources. |
| 12 | The health products included in the budget and to be procured under the grant are not aligned with the Global Fund Quality Assurance policies (clinical standards in particular) and requirements for health products. https://www.theglobalfund.org/en/sourcing-management/quality-assurance/ |
| 13 | Unit costs: The total budget for Health Products (cost categories 4-7) is > US$ 100,000 and products in the following cost inputs/product categories are presented in the budget with inflated unit costs (above the PPM or other internationally recognized price references*): ARVs, ACTs, anti-TB medicines, LLINs, Viral Load and EID reagents, TB diagnostic products, GeneXpert related products, condoms and lubricants. |
| 14 | There are lump-sum costs (without breakdown, as part of the assumptions) in the budget which are > US$ 25,000 or 10% of the total PSM budget, whichever is higher. |

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