

Guidelines: LFA requirements in focused portfolios

February 2021

The purpose of these guidelines is to provide an overview of the requirements of LFA work in focused portfolios for all key services including links to related documents and available guidance.

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
Implementer Capacity Assessment	<ol style="list-style-type: none"> 1. M&E 2. HPM 3. Finance 4. Governance 	<p>REQUIRED for i) all new PRs who have not previously implemented a grant for the disease component; and ii) existing PRs who will be implementing new activities for which their capacity has not been previously assessed. The LFA assessment should be tailored according to the requirements of the grants, the role of the implementer, existing knowledge etc.</p>	<p>Simplified Capacity Assessment Tool User Guide</p> <p>Simplified Capacity Assessment Tool</p>	n/a
Grant Making	<ol style="list-style-type: none"> 1. Review of detailed budget 	<p>REQUIRED</p> <p>Expected outcome:</p> <ol style="list-style-type: none"> 1. Recommended budget; 2. Indication whether any “budget triggers” are present; 3. Suggested management actions or conditions, as relevant and required, for any of the budget lines or for the budget as a whole 	n/a	<p>Guide for finance related LFA Scope of Work and Deliverables for Focused Countries</p> <p>Detailed Budget Template (incl. Triggers Checklist)</p>

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		Review of health products planned to be procured, incl. quantification and costs: The LFA PSM expert reviews the PR budget's cost groups 4-7 and indicates whether any triggers are present by completing the relevant sections of the Budget Review Trigger Checklist.		
	2. Review of Performance Framework (PF)	As general practice NOT REQUIRED, but in certain circumstances LFA may be requested to review, as needed <i>(LFA requires close to final PF for review of budget)</i>	n/a	n/a
	3. Review of M&E Plan	As general practice NOT REQUIRED, but in certain circumstances LFA may be requested to review, as needed <u>Note:</u> The Country Team PHME Specialists are reviewing the PF and negotiating the indicators and M&E plan with the PR.	n/a	n/a
	4. Review of Health Products Management Template (HPMT)	NOT REQUIRED, unless explicitly requested by Country Team. Please refer to section 1- <i>Review of detailed budget</i> for information on LFA review health products planned to be procured.	n/a	n/a
	5. Review of Programmatic Gap, Funding Landscape and Co-financing documents	ONLY IF REQUIRED BY CT	n/a	n/a
	6. Review of Prioritized Above Allocation Request (PAAR)	ONLY IF REQUIRED BY CT once request is translated into grant documents during grant-making, as required	n/a	n/a

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	7. Review of Matching Fund Request	ONLY IF REQUIRED BY CT once request is translated into grant documents during grant-making, as required	n/a	n/a
	8. Review of changes to implementation arrangement map	ONLY IF REQUIRED BY CT	n/a	n/a
	9. SR anti-terrorism certification	REQUIRED	LFA Scope of Work LFA report template	n/a
PUDR <i>*LFAs are expected to follow the PUDR Guidelines to complete the sections of the PUDR that are required for focused portfolios. In order to ensure the required scope of the work is fully understood and complied with by LFAs, the latter should check with the FPMs which risk category the grant belongs to before commencing the work.</i>	PUDR Cover Sheet	REQUIRED	Progress Update and Disbursement Request Guidelines Progress Update and Disbursement Request reporting form	Guide for finance related LFA Scope of Work and Deliverables for Focused Countries Compliance review of EFR/AFR for focused portfolios (checklist)
	1A – Impact/Outcome Indicators, incl. Disaggregation	Data verification NOT REQUIRED, unless, in exceptional circumstances, data consistency checks and spot checks/DQRs are not sufficient to address serious data quality issues.		
	1B – Coverage Indicators, incl. Disaggregation			
	1C – Work Plan Tracking Measures	LFA only undertakes <u>data consistency checks</u> (desk review) checking for basic mistakes in the data sent by the PR to the Global Fund, including: <ul style="list-style-type: none"> the use of % instead of absolute value; no denominator, empty cells, etc.; that the PR has reported data for impact and outcome indicators that are due for reporting as per the Performance Framework; 		

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		<ul style="list-style-type: none"> that the PR has reported results for all modules and programmatic indicators due for reporting in the current reporting period; that the results are reported consistently with the way targets were set in the Performance Framework. Such consistency checks are not data verifications against source documents. The results of this check should be entered in the column "Verified Results". In case the result is different from the result reported by the PR, the nature of the adjustment should be explained. The LoE is estimated at maximum two days. <p>If LFA Team Leader or Finance expert have information that could be of value to the CT it would be good practice to share this.</p> <p>Spot checks/Targeted DQRs can be commissioned in case issues are identified with reported results.</p>		
	2A,B,C,D – PR Cash Reconciliation	REQUIRED		
	Commitments_Obligations	ONLY IF REQUIRED by CT		
	2E – SR Cash Reconciliation	ONLY IF REQUESTED by CT based on specific considerations related to risk, materiality etc.		
	2F – Budget Variance	REQUIRED		

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	3 – Product procurement & supply management	<ul style="list-style-type: none"> ➤ PQR = REQUIRED ➤ Risk of stock outs/expiries = NOT REQUIRED, but in exceptional circumstances based on considerations of risk, materiality and type of health products procured, the FPM may request the PR to submit a stock status report and the LFA to provide an analytical review of the latter 		
	4 – Grant Management	REQUIRED <i>Note:</i> Spot checks can be commissioned in cases where checking the completion of grant management actions require more in-depth verification.		
	5 – PR/LFA Evaluation/Grant performance rating	5A - NOT REQUIRED 5B-C – REQUIRED IF relevant information is available		
	6 – LFA Findings & Recommendations	REQUIRED IF LFA has relevant information e.g. from assessments/spot checks performed in the 12 months preceding the PUDR		
	7B – LFA Expenditure/AFR	REQUIRED - verification of expenditure		
	Compliance review checklist of EFR/AFR for focused portfolios	ONLY REQUIRED for those grants which did not use the GOS pre-populated AFR/EFR template		
	8A – Cash Forecast	REQUIRED		

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	8B – Request and Recommendation	REQUIRED		
	9A – PR Authorization	REQUIRED		
	9B – LFA Authorization	REQUIRED		
	10 - Financial Triggers	REQUIRED		
Financial Assurance Plan	LFA assists CT in preparation/update of annual financial assurance plan for all active grants	REQUIRED (unless exemption was provided in compliance with the Financial Assurance guidelines). Frequency and scope to be discussed with CT, based on grant context, materiality, risks etc.	Guidelines for Financial Assurance Planning on Global Fund Grants	Guide for finance related LFA Scope of Work and Deliverables for Focused Countries
Audit related	<ol style="list-style-type: none"> 1. Review of audit terms of reference; 2. Review of auditor selection; 3. Review of the grant audit report and management letter; 4. Presence at the audit planning and audit exist meetings with the auditors; 5. Follow-up on audit recommendations. 	REQUIRED Exception: If the portfolio is part of the regional audit approach, i.e. the PR selects the auditor from the regional pool of GF pre-selected audit firms, the LFA is <u>not</u> required to review the auditor selection and ToR.	Guidelines for Annual Audits of Global Fund Grants LFA Review template of the PR/SR Audit Arrangements and Audit Reports	Guide for finance related LFA Scope of Work and Deliverables for Focused Countries Changes to Financial Management and Assurance Approach for Focused Portfolios
Annual tax report	n/a	NOT REQUIRED	n/a	n/a
Grant Revision	Review of material budget adjustments/program revisions/extensions	REQUIRED	n/a	Guide for finance related LFA Scope of Work and Deliverables for Focused Countries Changes to Financial Management and Assurance

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				Approach for Focused Portfolios
Follow up on audit and OIG recommendations	Following an audit or an investigation, the LFA may be requested by the CT to help follow up on an agreed action. The exact scope of such LFA review is determined on a case by case basis between the LFA and the CT.	ONLY IF REQUIRED by the CT	n/a	n/a
Spot checks	Targeted and risk based programmatic/financial/PSM related spot checks and implementation verifications	ONLY IF REQUIRED by the CT based on grant context, materiality, risks etc.	Implementation verifications and spot checks	n/a
Review of Status of Conditions/ Management Actions	If not completed as part of the PUDR review (section 4: Grant Management), then this review may be requested to be performed at any point during grant implementation.	ONLY IF REQUIRED by the CT	PUDR section: Grant Management: Progress Update and Disbursement Request Guidelines Progress Update and Disbursement Request reporting form	n/a
Stock status verification for core items	LFA verifies levels of stock for selected items.	ONLY IF REQUIRED by the CT based on considerations of materiality, risks, type of health products procured etc.	n/a	n/a
Procurement Review	Assess the adequacy of the procurement systems and procedures used for health products procured through Global Fund grants to obtain	NOT REQUIRED unless required by CT (to be justified)	LFA Procurement Review Tool	n/a

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	assurance that procurement for Global Fund grant programs is undertaken efficiently and effectively.			
Targeted DQR	Targeted DQR in selected countries based on risk	ONLY IF REQUIRED by the CT based on risk and program context	Targeted Data Quality Review (DQR) Tools	n/a
CCM/Partner related meetings	LFA attendance of CCM meetings and/or meetings with partners	ONLY IF REQUIRED by the CT	n/a	n/a
Support FPM/CT country visits	LFA attendance of and support to CT during in-country meetings.	ONLY IF REQUIRED by the CT	n/a	n/a
Grant closure	Review of PR transfer plan or closure plan/budget and reports. Detailed SoW specified by CT and agreed with LFA depending of context, risk etc.	ONLY IF REQUIRED by the CT	LFA Manual Section E – Grant Closure	n/a