



## Guidelines

### LFA requirements in focused portfolios

*June 2017*

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:
<b>Capacity Assessment of new implementers</b>	<ol style="list-style-type: none"> <li>1. M&amp;E</li> <li>2. HPM</li> <li>3. Finance</li> <li>4. Governance</li> </ol>	<p>REQUIRED only in case of new PR</p> <p>The LFA assessment should be tailored according to the requirements of the grants, the role of the implementer, existing knowledge etc.</p>	<p><a href="#">Simplified Capacity Assessment Tool User Guide</a></p> <p><a href="#">Simplified Capacity Assessment Tool</a></p>	n/a
<b>Grant Making</b>	<ol style="list-style-type: none"> <li>1. Review of detailed budget</li> </ol>	<p>REQUIRED</p> <p>Expected outcome:</p> <ol style="list-style-type: none"> <li>1. Recommended budget;</li> <li>2. Indication whether any “budget triggers” are present;</li> <li>3. Suggested management actions or conditions, as relevant and required, for any of the budget lines or for the budget as a whole</li> </ol> <p>Review of procurement and supply chain of health products/equipment: The LFA PSM expert reviews the PR budget’s cost groups 4-7 and</p>	n/a	<p><a href="#">Guide for finance related LFA Scope of Work and Deliverables for Focused Countries</a></p> <p><a href="#">Local Fund Agent Focused Portfolio Budget Triggers Checklist</a></p>

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
		indicates whether any triggers are present by completing the relevant sections of the Budget Review Trigger Checklist.		
	2. Review of Performance Framework	NOT REQUIRED <i>(LFA requires close to final PF for review of budget)</i>	n/a	n/a
	3. Review of M&E Plan	NOT REQUIRED <i>Note:</i> The PHME Specialists are reviewing the PF and negotiating the indicators and M&E plan with the PR.	n/a	n/a
	4. Review of List of Health Products (LoHP)	The List of Health Products (template) is not used in focused portfolios, unless decided otherwise by the Global Fund. Please refer to section 1- <i>Review of detailed budget</i> for information related to the LFA review of the procurement and supply chain of health products/equipment.	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

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
	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	<a href="#">LFA Scope of Work</a> <a href="#">LFA report template</a>	n/a
<b>PUDR</b> <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		
	1A – Impact/Outcome Indicators, incl. Disaggregation	NOT REQUIRED LFA does not provide any comments. 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. <u>Note:</u> <ol style="list-style-type: none"> <li>1. Spot checks can be commissioned in case issues are identified with reported results.</li> <li>2. Reporting on focused portfolios same as reporting on the overall GF portfolio achievements.</li> </ol>		
	1B – Coverage Indicators, incl. Disaggregation			
	1C – Work Plan Tracking Measures			
	2A,B,C,D – PR Cash Reconciliation	REQUIRED		

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
	2E – SR Cash Reconciliation	ONLY IF REQUESTED by CT based on specific considerations related to risk, materiality etc.	<a href="#">Progress Update and Disbursement Request Guidelines and template</a>	<a href="#">Guide for finance related LFA Scope of Work and Deliverables for Focused Countries</a>
	2F – Budget Variance	REQUIRED		
	3 – Product procurement & supply management	<ul style="list-style-type: none"> <li>➤ PQR = REQUIRED</li> <li>➤ 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</li> </ul>		
	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 programmatic 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		

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
		assessments/spot checks performed in the 12 months preceding the PUDR		<a href="#">Compliance review of EFR/AFR for focused portfolios (checklist)</a>
	7B – LFA Expenditure/AFR	REQUIRED Analytical review of expenditures versus budget - No verification of expenditures ( <i>except for expenditures related to health products that are part of the PQR and need to be reported in the same</i> ).		
	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		
	8B – Request and Recommendation	REQUIRED		
	9A – PR Authorization	REQUIRED		
	9B – LFA Authorization	REQUIRED		
	10 - Financial Triggers	REQUIRED		
<b>Financial Assurance Plan</b>	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).	<a href="#">Guidelines for Financial Assurance Planning on Global Fund Grants</a>	<a href="#">Guide for finance related LFA Scope of Work and Deliverables for Focused Countries</a>

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
		Frequency and scope to be discussed with CT, based on grant context, materiality, risks etc.		
<b>Audit related</b>	<ol style="list-style-type: none"> <li>1. Review of audit terms of reference;</li> <li>2. Review of auditor selection;</li> <li>3. Review of the grant audit report and management letter;</li> <li>4. Presence at the audit planning and audit exit meetings with the auditors;</li> <li>5. Follow-up on audit recommendations.</li> </ol>	<p>REQUIRED</p> <p>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.</p>	<p><a href="#">Guidelines for Annual Audits of Global Fund Grant Program Financial Statements</a></p> <p><a href="#">LFA Review template of the PR/SR Audit Arrangements and Audit Reports</a></p>	<p><a href="#">Guide for finance related LFA Scope of Work and Deliverables for Focused Countries</a></p>
<b>Annual tax report</b>	n/a	NOT REQUIRED	n/a	n/a
<b>Reprogramming/extensions</b>	Review of material budget adjustments/review of re-programming/extensions	REQUIRED	n/a	<p><a href="#">Guide for finance related LFA Scope of Work and Deliverables for Focused Countries</a></p>
<b>Follow up on audit and OIG recommendations</b>	<p>Following an audit or an investigation, the LFA may be requested by the CT to help follow up on an agreed action.</p> <p>The exact scope of such LFA review is determined on a case by case basis between the LFA and the CT.</p>	ONLY IF REQUIRED by the CT	n/a	n/a

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
<b>Spot checks</b>	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.	<a href="#">Implementation verifications and spot checks</a>	n/a
<b>Review of Status of Conditions/ Management Actions</b>	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: <a href="#">Progress Update and Disbursement Request Guidelines and template</a>	n/a
<b>Stock status verification for core items</b>	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
<b>Procurement Review</b>	Assess the adequacy of the procurement systems and procedures used for health products procured through Global Fund grants to obtain assurance that procurement for Global Fund grant programs is undertaken efficiently and effectively.	NOT REQUIRED unless required by CT (to be justified)	<a href="#">LFA Procurement Review Tool</a>	n/a
<b>Targeted DQR</b>	Targeted DQR in selected countries based on risk	ONLY IF REQUIRED by the CT based on risk and program context	<a href="#">Targeted Data Quality Review (DQR) Tools</a>	n/a
<b>CCM/Partner related meetings</b>	LFA attendance of CCM meetings and/or meetings with partners	ONLY IF REQUIRED by the CT	n/a	n/a

LFA Service	Detail of LFA service	LFA Scope of Work	General guidelines applicable also to focused portfolios:	Guidance specific for focused portfolios:
<b>Support FPM/CT country visits</b>	LFA attendance of and support to CT during in-country meetings.	ONLY IF REQUIRED by the CT	n/a	n/a
<b>Grant closure</b>	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	<a href="#">LFA Manual Section E – Grant Closure</a>	n/a