

Budget Guidance & Financial and Procurement Guidelines

(22 March 2019)



This document consists of four sections:

- (a) Budget guidance
- (b) Guidance note on preparation of budget breakdowns
- (c) SHF financial and procurement guidelines
- (d) Shared costs

Annex 2 (a) Budget Guidance

Basic Definitions and Guidance on the Project Budget Preparation Process

1. The objective of this section is to provide partners, OCHA Country Offices, HFUs and OCHA headquarters with a common framework to facilitate the appropriate preparation, review and clearance of project budgets. This guidance focuses on defining eligible and ineligible costs, direct and indirect costs (e.g. Programme Support Costs – PSC), shared costs, budget categories and the adequate break-down of budget lines.
2. This guidance applies to UN agencies including IOM and NGOs.

Rationale and Basic Principles of the Project Budget

3. A clear segregation of duties underpins the preparation, review and clearance of the project budget. This is critical to preserve the country-driven nature of CBPFs and necessary to ensure central and internal controls to reduce the risk of approving erroneous or inappropriate project budgets (e.g. miscalculations, inconsistency, and lack of transparency or admission of ineligible costs). In this regard, fund managers in the field, certifying finance officers at headquarters, and implementing partners have specific roles and responsibilities, as follows:
4. Fund managers are responsible to ensure that:
 - I. The principles of economy, efficiency, effectiveness, transparency and accountability are adhered to in the sense that the project budget inputs are commensurate with the planned activities and the expected outputs, more specifically, that the project budget is a correct, fair and reasonable reflection of the project proposal/logical framework
 - II. The cost estimates are reasonable in the specific country context so that funding will be used in the most efficient way.
5. The role of certifying finance officers in headquarters is to:
 - I. Verify the budget's factual correctness, checking coherence with the project proposal and logical framework.

- II. Flag concerns and seek clarification from fund managers on issues that may compromise compliance with UN rules and affect financial transparency and accountability.
6. The role of implementing partners in the budgeting process is to:
- I. Provide a correct and fair budget breakdown of the planned costs that are necessary to implement the activities and achieve the objectives of the project.
 - II. Use and comply with the budget template on GMS and guidance provided by OCHA for the classification and itemization of planned costs.
 - III. Provide a budget narrative (as an essential component of the budget) that clearly explains the object and the rationale of any budget line. For example, shared costs, large/expensive assets, and costs/equipment required to support the regular operation of the implementing partner, are clear cases where the provision of details will be necessary in the budget narrative.

Eligible and ineligible costs

Eligible Costs

7. The following attributes define nature of eligible costs
- Must be necessary and reasonable for the delivery of the objectives of the project.
 - Must comply with the principles of sound financial management, in particular the principles of economy, efficiency, effectiveness, transparency and accountability.
 - Must be identifiable in the accounting records and backed by original supporting evidence as incurred in accordance with the approved project proposal and period.
 - Must be included in project budget.
 - Must be incurred in accordance with approved project proposal.
 - Must be incurred within the project period.
8. These may include
- **Staff Costs**- including salaries, social security contributions, medical insurance, and hazard pay for high-risk locations) involved in the management and implementation of the project. Salaries and costs may not exceed the costs normally borne by the IP in other projects.
 - **Consultancies** included in the project implementation
 - **Support staff costs** at country level directly related to the project may be partly included.
 - **Travel and subsistence costs** directly linked to the project implementation for project staff, consultants, and other personnel that may also be eligible, provided the costs do not exceed those normally borne by the IP. Subsistence costs for government officials when they are part of monitoring missions for activities which are not considered to be part of their duties (which would be covered in their salaries) are eligible. Such costs should be supported by monitoring reports submitted and signed by government officials that participated in the monitoring and should include contact details. Partners, who are responsible for payment, should include such costs in their budget proposals to be considered for approval. Subsistence allowance paid for activities such as participation in coordination, engagement of partners and overseeing distribution of project items are not eligible. The costs do not exceed those normally borne by the IP.

- **Shared costs:** well-justified request and reasonable allocation system. Must be itemized. See also annex 2(d).
- **Financial support to beneficiaries** e.g. cash and voucher-based distribution.
- **Purchase costs** for goods and services to the project to the beneficiaries of the project, including quality control, transport, storage and distribution costs.
- **Non-expendable items (assets)** e.g. IT equipment for registration, medical equipment, water pumps and generators, etc.
- **Expenditure related to the award of contracts** e.g. costs for the tendering process.
- **Sub-implementing partner's costs-** directly attributable project implementation.
- **Others-** monitoring, reporting, and evaluation, dissemination of information, translation, and insurance, financial service costs (in particular, bank fees for transfers).

Ineligible Costs

9. Ineligible costs are broadly
 - Costs not included in approved budget;
 - Costs incurred outside approved project implementation period;
 - Expenditures over and above the approved total budget;
 - Costs that do not have supporting documentation;
 - Costs that are not covered by the SHF-budgetary guideline.
10. Other ineligible costs include
 - Debts and provisions for possible future losses or debts.
 - Interest owed by the IP to any third party.
 - Items already financed from other sources.
 - Purchases of land or buildings.
 - Currency exchange losses.
 - Cessions and rebates by the IP, contractors or staff of the IP of part of declared costs for the project.
 - Government staff salaries.
 - Hospitality expenses, provision of food/refreshments for project staff (not including water and hospitality for trainings, events and meeting directly related to project implementation).
 - Incentives, mark-ups, gifts to staff.
 - Fringe benefits such as cars provided by the organization to staff, individual full housing allowance and the like.
 - Fines and penalties.
 - Duties, charges, taxes (including VAT) recoverable by the IP.
 - Global evaluation of programmers.
 - Audit fees/system audit fees – these costs are paid directly by the fund

Insufficient supporting documents

11. Expenditures may be classified as insufficiently supported for the following among other reasons:
 - Lack of third-party documentation such as original invoice or unavailability of signed receipt acknowledgment (such as in the case of a training per diem).

- Lack of evidence of receipt of goods or performance of services. This includes goods received notes for water trucking, school feeding programme, food & NFI vouchers and beneficiary lists.
- Absence of justification for vehicle hire (especially in the presence of conflicting odometer readings or expected programmatic scope).
- Lack of boarding passes/hotel invoices to support travel claims.
- Lack of supporting documentation for supplies and suppliers evidencing the existence of goods or services (inventory, receipt, invoices and proof of payment, as the case may be).
- Lack of signature of employee on employment contract.
- Absence of signature on per diem claims and attendance sheets, or duplications / inconsistencies in the signature sheets.
- Insufficient number of authorized signatures for the amounts claimed
- Payment was made to an individual, but the supporting invoice was provided by a company / business.
- Cheques endorsed and cashed by a principal recipient-associated individual without appropriate justification.
- Lack of documentation to support expenditures (i.e. only cash register receipts or bank statement entries, no other accounting records).
- Absence of original tender documentation.
- Insufficient evidence of request for quotes or quotations received.
- Shared costs not appropriately justified (see annex 2(d) for detailed guidance).

Other Types of Costs

12. On a case-by-case basis and depending on the objectives of the fund, the fund manager retains the flexibility to consider the following costs as eligible:
 - Government staff training as a component of a project activity that contributes to the achievement of the overall project objectives.
 - Seconded qualified staff by the Government to support the project implementation i.e. health staff and teachers paid incentives
 - Visibility material of the IP directly related to projects funded by Somalia Humanitarian Fund.
 - International travel costs when directly linked to the delivery of the project objectives. When international travel costs are requested to support additional activities outside those of the project, such costs can only be considered if they are well justified and, in the proportion, attributable to the project.
 - Vehicles.
 - Depreciation costs for non-expendable/durable equipment used for the project for which the cost is not funded in the current budget or prior CBPF funding.
 - Equipment for the regular operations of the IP.
 - Recurrent costs for the IP's current operations.

Direct Costs

13. Direct costs have to be clearly linked to the project activities described in the project proposal and the logical framework. They are defined as actual costs directly related to the implementation of the project to cover the costs of goods and services delivered to beneficiaries, and the costs related to the support activities (even partial, such as a security guard or a logistician partially working for the project), required for the delivery of services and the achievement of the project objectives.

14. Direct costs include

- **Staff and related personnel costs**, including consultants and other personnel.
- **Supplies, commodities, materials.**
- **Equipment.**
- **Contractual services.**
- **Travel costs**, including transportation, fuel, and daily subsistence allowances for staff, consultants and other personnel linked to the project.
- **Transfers and grants to counterparts.**
- **General operating costs**, security expenses, office stationary/supplies, utilities (telecommunications, internet, water, electricity, office rent).
- **Other direct costs** e.g. monitoring, evaluation and reporting.

Indirect Costs

15. Indirect costs are also called Programme Support Costs (PSC).

- PSC are all costs that are incurred by the IP regardless of scope and level of its activities and which cannot be traced unequivocally to specific activities. Examples – corporate costs (headquarters costs, legal services, general procurement, recruitment, etc.) not related to a particular project.
- PSC is maximum 7 per cent of the approved direct expenditures.
- PSC of sub-IPs associated to the implementation of a specific project should be covered by the overall maximum 7 per cent of the actual project expenditures.
- Indirect costs do not have to be itemization in the project budget.

Shared Costs

16. Sharing costs between different donors and projects under a country programme of an IP is an acceptable practice for CBPFs. The IP may share certain Country Office costs to different uses and projects, for example staff, office rent, utilities and rented vehicles.

17. The following guidance shall be observed when including shared costs in the project budget:

- Shared costs must be directly linked to project.
- Itemized in budget, following standard accounting practice and based on a well-justified, reasonable and fair allocation system, to be clearly explained in the budget narrative of the project and to be assessed and approved by the OCHA/HFU in the OCHA Country Office.
- The IP should at any time be able to demonstrate how the costs were derived and explain in the project proposal/logical framework how the calculation has been made (e.g. pro-rata, averages).
- For staff-related costs, if a position is cost-shared, the percentage of the monthly cost corresponding to the time that the person will dedicate to the project shall be budgeted. It is not acceptable to have portions of a unit for staff costs, only percentages are acceptable.
- Non-staff shared costs should be shared on the basis of an equitable cost allocation system. Accordingly, the percentages in the budget are to be assessed and approved by the OCHA/HFU in the OCHA Country Office.

Itemization of Budget Lines

18. A project budget must be credible and in line with sound financial management principles. It should describe what the project proposes to do in financial terms and values. The budget review process will ensure that budgeted costs are correct, fair and a reasonable reflection of what is needed to carry out the project. Concerns in relation to compliance with UN rules and regulations and financial accountability must be addressed before projects will be approved.
19. The project budget is classified in seven categories:
1. Staff and other personnel costs
 2. Supplies, commodities, materials (project inputs)
 3. Equipment
 4. Contractual Services
 5. Travel
 6. Transfer and Grants to counterparts
 7. General Operating and Other Direct costs

In addition, not more than 7 per cent project support cost (PSC).

1. Staff and Other Personnel Costs

These are costs and entitlements of national and international staff involved in the management and implementation of the project contracted directly by the hiring organization.

a. Direct staff cost

These are salaries and entitlements for staff working directly on the project e.g. (Programme personnel like health officers, WASH engineers etc.)

b. Support Staff

These are salaries and entitlements of staff engaged in management, support and administrative activities e.g. (Country Director, Executive, Grants Officer, Finance Coordinator, Human Resource Manager, Logistics Officer)

Budget itemization of personnel costs

- Each position should be in a separate budget line and roles and responsibilities clearly stated. Note the maximum budget line is 20, more positions should be lumped up in one budget line and a breakdown provided in excel and their roles and responsibilities clearly stated.
- The unit quantity should be a whole number.
- Salary should cut across the whole project period.
- The amounts and percentages indicated in the remark section to be consistent with the budget
- No overlaps and insert “**D**” for direct staff and “**S**” for support staff
- Cost shared positions, budget the portion of their monthly costs that will be dedicated to SHF
- No overlaps or duplication of roles and responsibilities
- Acronyms must be spelled out

- Positions under budget description should be as per the Organogram or TOR.
- Staff and personnel costs should be consistent with the mandatory staff lists provided by the partner. Partners should report any changes in staffing through submission of updated staff lists and requests for approval. Changes should not affect total amounts for the staff and personnel budget category.

2. Supplies Commodities and Materials

These are costs related to the project activities;

- Procurement of consumables or supplies for project implementation i.e. medical supplies, learning materials, nutrition supplies, food supplies, NFI, tools, tents, furniture, kits)
- Construction/ Rehabilitation Works; construction of temporary learning spaces, rehabilitation of boreholes, Construction of toilets
- Cash for work or Unconditional cash transfers
- Food vouchers
- Transportation of supplies through road or air transportation.
- Warehouse rent used for storage of supplies procured for project implementation
- Training conducted to project staff and community members or beneficiaries for the project i.e. community health workers, hygiene promoters, caregivers, teachers
- Communication materials used to raise awareness and project visibility
- Incentives for seconded staff by the ministry or government to support the project i.e. teachers, nurses, auxiliary nurses. These are staff not in the organization payroll

Budget Itemization of supply commodities

- Number of participants, beneficiaries who will benefit from the supplies or trainings or construction should be provided in the remark section
- The unit quantity, unit cost and duration should be clearly presented in the budget (tonnes, liters, kgs, trips, days, months, boxes)
- Unit cost should be in two decimal points only
- **Option 1** -Water distribution for the project to be clearly presented in the budget; Total number of liters of water to be provided as unit quantity e.g. (total number of beneficiaries x number of liters per beneficiary) and unit cost (should be within the standard market rate and to be confirmed by the cluster) and duration. **Option 2** - water supply can be presented as unit quantity per truck (liters) and unit cost (as per standard market rate confirmed by cluster) and duration.
- A detailed breakdown to be provided for all procured supplies in a bill of quantity/budget breakdown.
- Freight and transport costs to be clearly broken down -weight of the supplies (kg, tonnage), size of the truck and number of trips or duration to be provided.
- Standard kits (pep kit, Interagency Emergency Health Kits) above USD 4000, the contents and cost for each item to be provided in a detailed breakdown and kits below USD4000 items to be provided however a detailed breakdown of the costs not to be provided
- In the case of construction works above \$4000, only the known labor costs and essential materials shall be budgeted and itemized (unit, number of units and unit cost). The description should explain how the costs have been estimated on the basis of a standard prototype of

construction (e.g. latrine, health post, shelter), type of materials (e.g. wood, prefabricated, concrete), and the formula or rationale used to make the calculation (e.g. per square foot or square meter, based on previous experience etc.).

- Costs for facilitators, venue, refreshments and stationeries are consistent for all funded projects
- Costs should be within the standard market rate for warehouse, water per liter, water per truck, water per barrel etc.
- Food and cash memo to be fully signed and stamped attached
- The total in the budget should be consistent to the BOQ/budget breakdown
- Spell out all acronyms

3. Equipment

Procurement of tools for the benefit of the project implementation;

- IT equipment- Laptop, desktop
- Medical Equipment- Fridge, Delivery Beds, Stethoscope, Weighing scale, ECG
- Water Equipment- Water pump, Generators

Budget Itemization of Equipment

- Technical specification for items to be provided- IT, ECG equipment to be provided in the BOQ or GMS
- The unit quantity, unit cost and duration to be clearly highlighted in GMS

4. Contractual Services

These are works or services contracted under the project.

- Drilling of borehole
- Construction of Schools
- Contract for consulting services

Budget Itemization of contractual services

- Contract between organization and the service to be provided
- A detailed breakdown of the cost to be provided
- The description field must be used to provide details of the nature of the contract and its intended outputs, showing how these are relevant to, and necessary for, project implementation. The description may refer to the project log frame or activity plan as appropriate in order to clarify the rationale and justification for the contract.

5. Travel

Travel costs of staff, consultant and other project personnel. This includes

- Daily subsistence

- Local flights
- Hazard pay,
- Travel entitlements
- Fuel and vehicle rental for staff

Budget Itemization of contractual services

- Itemize international and national travel and position of the traveler.
- Project staff, consultant and other personnel travel- details of the number of days, DSA, national and international flight costs (round/single trip), accommodation cost, vehicle rental transfers, SPU security service charges
- The costs for travel and *per diem* should be within the market rates

6. Transfers and Grants to Counterparts

Entities receiving sub-grants could be NGOs

Budget Itemization of Transfer and grants to counterparts

- Each cost should be presented in each budget line and the costs well presented
- The name of the organization receiving the fund should be indicated in each and every budget line description
- A detailed breakdown of the costs to be provided in BOQ for supplies, travel, operational costs etc.
- All acronyms to be spelled out
- The total budget under category 6 should be consistent to that in the cover page
- The budget guidance is applied same as all categories

7. General Operating Costs

They are costs directly linked to the project implementation. The cost includes; office running costs, office rent, utilities, security services costs, bank charges, office stationeries, communication costs for the project implementation.

Budget Itemization of general operating costs

- Where cost sharing arrangements are in place and the cost of any budgeted item is not fully charged to the project (i.e. where the item is paid for partially by the SHF and partially from other funding sources), it is preferable that the item is budgeted throughout the full project period. Where a different period is used for the budget calculation a clear explanation / justification should be provided in the description field. This applies equally to staff costs and other non-staff costs such as rentals, utilities etc.
- The offices should be indicated in the budget description.
- Shared costs should be clearly broken down for more than one office in a BOQ and it should be spread through the whole project period.
- For office supplies, the quantities and unit costs should be reasonable.

- Under general operating costs, the budget should not be presented as a lump sum apart from bank fees.
- Provide the percentage for transfer charges in the remark section for hawala.
- The total budget in the BOQ should be consistent to the budget.

Project Support Cost (PSC) is charged as a maximum of 7 per cent of the approved direct project budget or incurred cost by the implementing partner.

Annex 2 (b) Guidance note on preparation of budget breakdowns

1. Staff and Other Personnel (Please itemize costs of staff, consultants and other personnel recruited by implementing partner for project implementation)

Education Project Officer: The Education Project Officer role includes: Project monitoring and supervision, assisting field teams in achieving the project deliverable. He is responsible for the day to day activities of the project and tracking of the project indicators. He is to prepare the project field reports and submit to the Programs Coordinator. The Education Project Officer is to receive all community concerns and ensures there is full accountability to the project beneficiaries. He is to dedicate 100% of his time to the project. He ensures the runs according the agreed work plan.

| Budget line Description | D/S Direc/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|---------------------------|-------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|-------|
| Education project officer | D | 1 | 800 | 6 | Months | 100% | 4,800 |

Finance Officer: The finance officer will be responsible for all financial and procurement matters of the project. He will ensure the preparation timely submission of project financial reports to the donor. The will guide the project on all issues with regards to project finances as part of his role in project budget tracking. He shall dedicate 30% of his time to the project.

| Budget line Description | D/S Direc/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|-------------------------|-------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|-------|
| Finance Officer | S | 1 | 1,500 | 6 | Months | 30% | 2,700 |

2. Supplies, commodities and materials(consumables to be purchased under the project, including associated transportation, freight, storage and distribution costs; Construction works, and trainings)

A) CONSTRUCTION AND REHABILITATION

Sample 1 (Temporary learning spaces)

Budget Tool

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|---|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|-----------|
| Construction of Temporary Learning Spaces | D | 10 | 2,502.20 | 1 | Lumpsum | 100% | 25,022.00 |

Budget Narrative

This is the cost of constructing 10 temporary classrooms for the six schools (2 classrooms per school) at the unit cost of \$2,502.20 per class room. The overall cost is \$ 25,022.00. This will improve access to education by enrolling children out of school and retaining those in school. SHF will cover 100% of the cost. BOQ attached

BOQ

| 2.1. Construction of temporary classrooms (TLS) | | | | | | |
|---|---------------|-----------|-------|-------|--------------------|-----------------|
| Description | Unit quantity | Unit Cost | Units | Units | CHF contribution % | Total |
| Cleaning the construction site (7x6) | 42 | 1.2 | m | m | 100% | 50.4 |
| Fixing Wooden posts (80X40X4000) mm into ground 35cm deep with cement sand and gravel at the space of 1.2m and height of 4m | 18 | 8 | pcs | pcs | 100% | 144 |
| Complete Roof ,King post truss(80x40)mm, Purlin (25x50)mm Guage 30 CGI iron sheet for roof and walling (800x2400)mm | 98 | 18 | m2 | m2 | 100% | 1764 |
| Door made of fabricate CGI Framed wooden(900x2000)mm completed in all aspect locks hinge. | 1 | 12 | pcs | pcs | 100% | 12 |
| Windows made of Fabricated CGI and wooden (1000x800)mm completed in all aspects | 2 | 12 | pcs | pcs | 100% | 24 |
| Provide 15cm thick plain concrete around perimeter of the class both inside and outside to hold the structure firm on ground. | 40 | 10 | m | m | 100% | 400 |
| Painting all CGI with red oxide paint with SCI and Donor logos | 98 | 1.1 | m2 | m2 | 100% | 107.8 |
| Grand Total of one learning space | | | | | | 2,502.20 |

Sample 2 (Rehabilitation of boreholes)**Budget**

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|--|-----------------------|---------------|-----------|----------|---|-----------------------------------|-----------|
| Rehabilitation of two strategic boreholes as exit strategy | D | 1 | 22,605 | 1 | lumpsum | 100% | 22,605.00 |

Budget Narrative

As per the need assessment conducted in the target areas, 2 Boreholes strategic water sources were identified for rehabilitation as exist strategy after trucking, (01 in Owdwayne and one in Laasqorey District). The allocated cost will cater the most urgent needs as per the recent technical assessment. Further details see BOQs annexed. The total cost for rehabilitation is \$ 22,605.00

BOQ

| 2.2 Rehabilitation of 2 Boreholes (Odweyne and Habarshiro) | | | | | |
|--|--|------|----------|-----------------|------------------|
| A. Odweyne District Borehole Rehabilitation | | | | | |
| S.# | Descriptions of work/activities | Unit | Quantity | Unit Cost (USD) | Total Cost (USD) |
| 1 | Supply and Install Solar Panels of Mono Crystalline Type No. 32 PCs which is 300W in a 72 cell VOC 44.5V VMP 35.8V | 32 | PCs | \$300.00 | \$9,600.00 |
| 2 | Case Water Proof for Solar pump inverter Inverter 22KW Controller/ pump Inverter Input DC & AC Output 380VAC 3Phase 50Hz.; | 1 | PCs | \$30.00 | \$30.00 |
| 3 | PV Disconnect Switch 440VDC/40A | 1 | PCs | \$60.00 | \$60.00 |
| 4 | Well Probe Sensor and Water Tank sensor. | 2 | PCs | \$30.00 | \$60.00 |
| 5 | Electrode cable | 150 | M | \$5.00 | \$750.00 |
| 6 | Cable joint | 1 | PCs | \$50.00 | \$50.00 |
| 7 | Combiner fuse box & small accessory; DC Combiner Fuse box; DC circuit breaker; Manual transfer switch-generator & PV Array. | 1 | LMS | \$50.00 | \$50.00 |
| 8 | Cable 16mm x 4 core PVC insulated 120 M | 120 | M | \$6.00 | \$720.00 |
| 9 | Supply and Install the Solar Support mounting structure steel frame with Gentel sloping of 2m Elevation with the guidance of technical team ,welding, framework, man powering, painting, laboring for all the No. 32 PCs of the Solar Pannels and fixing in to the ground floor. | 32 | PCs | \$4.00 | \$128.00 |
| 10 | Earthrod c/w clamp | 1 | PCs | \$65.00 | \$65.00 |
| 11 | 25mm PVC pipe | 16 | PCs | \$30.00 | \$480.00 |
| 12 | Installation, internal wiring sundries, sensors. | 1 | LMS | \$300.00 | \$300.00 |
| 13 | Material Transportation to the destination | 1 | LMS | \$200.00 | \$200.00 |
| Sub-Total for Odweyne Borehole | | | | | \$12,493 |
| C.Habarshiro borehole rehabilitation | | | | | |
| Abstract of Quantities and cost (BOQ) for Habarshiro borehole rehabilitation | | | | | |
| S.No. | Description of activities/work | Unit | Quantity | Unit Cost (USD) | Total Cost (USD) |
| 1.1 | Providing and fixing Installation of new generator set of 30 kva with 3 cylinders, made by Perkins (30KVA, UK, PERKINS) and complete with all its fittings and all aspects, Perkins 1103A-33G, 3 cylinder, 3.3ltr, DSE3110 Key/Auto Start Module, DSE4620 AMF Module as option., | No. | 1 | 9,800.00 | 9,800.00 |

| | | | | | |
|-----|---|-----|---|--------|--------------------|
| | Frequency 50hz/60 hz, Phase - 3 phase, prime power -30kva/24kw, standby power-33kva/26kw | | | | |
| 1.2 | Transportation of the Generator from spare part (Selling point) to Borehole site. In this case Bosaso to Habarshiro and fixation | No. | 1 | 312.00 | 312.00 |
| | Sub-Total for Habarshiro borehole rehabilitation | | | | \$10,112 |
| | Total Cost for Boreholes including Fuel distribution | | | | \$22,605.00 |

B) PROCUREMENT OF SUPPLIES

Sample 3 (Cash for work tools)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days, Lump sum) | Total Cost % charged to SHF | Total |
|---------------------|--------------------|---------------|-----------|----------|------------------------------------|-----------------------------|-----------|
| Cash for work tools | D | 1 | 15,250.00 | 1 | Lumpsum | 100% | 15,250.00 |

Budget Narrative

500 Laborer will be provided with tools. (Axe Wheelbarrow, big axe Shovel, forks hand gloves) to rehabilitated community assets infrastructure in 5 target villages -BOQ attached

| 2.3 | Cash for work Tools | | | | |
|-----|---------------------------------|--------|----------|----------------|--------------------|
| | Descriptions of work/activities | Units | Quantity | Unit Rate (\$) | Amount (\$) |
| 1 | Wheal barrow | pieces | 120 | \$31 | \$3,730.00 |
| 2 | Shovels | pieces | 315 | \$6 | \$1,890.00 |
| 3 | Big axe | pieces | 130 | \$8 | \$1,040.00 |
| 4 | Fork | pieces | 260 | \$4 | \$1,040.00 |
| 5 | Axe | pieces | 410 | \$8 | \$3,280.00 |
| 6 | Hand gloves | pieces | 610 | \$7 | \$4,270.00 |
| | Grand Total | | | | \$15,250.00 |

Sample 4(Cash relief)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|--|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|-----------|
| Cash relief incentive payment(200HH for 3 months) | D | 200 | 85 | 3 | Lumpsum | 100% | 51,000.00 |

Budget Narrative

200 HHs of Unconditional cash transfer will be supported for the most vulnerable groups of the community including widows, women head HH, families with disabilities or with severe prolonged illness and isolated families without external support. The supporting period will be 3 month and the rate is 85%

of Minimum Expenditure Basket (MEB) which corresponding 85 USD. 100% of the 85% of the MEB will be charged to SHF.

BOQ

| 2.4 | Cash relief incentive Payments | | | | | |
|--------------------|---|----------|------|----------------|-----------------|--------------------|
| | Descriptions of work/activities | Quantity | Unit | Unit Rate (\$) | Duration Months | Amount (\$) |
| 1 | Cash relief incentive Payments (200hh*3month*85USD) | 200 | HH | \$85.00 | 3 | \$51,000.00 |
| Grand Total | | | | | | \$51,000.00 |

Sample 4(Medical and non-medical supplies)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|----------------------------------|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|-----------|
| Medical and non-medical supplies | D | 1 | 36,885.08 | 1 | Lumpsum | 100% | 36,885.08 |

Budget Narrative

Drugs and other medical supplies will be purchased for use in 3 static health facilities in Mahadaay, Balcad and Hawadley and the 2 mobile clinics to deliver emergency life-saving health services to drought affected population in Middle Shebelle. See the BoQ of the items to be purchased.

| 2.5 Medical and Non-medical supplies | Exchange Rate Usd = Kes. 102.48 | | | | | |
|---|---------------------------------|----------|------------------|-------------|--------------------------------|--|
| Description | Units | Quantity | Unit Price (Kes) | Total (Kes) | Total in USD Consumption/Month | TOTAL 9 MONTHS for (Balcad, Mahadaay and Hawadley) |
| Albendazole 400mg, chewable | 400gm | 10 | 1,755.00 | 17,550.00 | 171.25 | 1,541.28 |
| Aluminium hydroxide | packs | 10 | 236.00 | 2,360.00 | 23.03 | 207.26 |
| Amoxicilin | 250gm | 10 | 1,737.00 | 17,370.00 | 169.50 | 1,525.47 |
| Artemether 20mg + Lumefantrine 120mg, >35kg | packs | 20 | 124.00 | 2,480.00 | 24.20 | 217.80 |
| Artemether 20mg + Lumefantrine 120mg, 15-24kg | packs | 20 | 174.00 | 3,480.00 | 33.96 | 305.62 |
| Artemether 20mg + Lumefantrine 120mg, 25-34kg | packs | 20 | 244.00 | 4,880.00 | 47.62 | 428.57 |

| Artemether 20mg + Lumefantrine 120mg, 5-14kg | packs | 30 | 275.00 | 8,250.00 | 80.50 | 724.53 |
|--|-------|--|------------------|-------------------|-----------------|------------------|
| Benzyl Benzoate 25%, 1L, application | 1l | 60 | 269.00 | 16,140.00 | 157.49 | 1,417.45 |
| Chlorhexidine Gluconate, 1L | 1l | 9 | 325.00 | 2,925.00 | 28.54 | 256.88 |
| Dextrose 5% | packs | 40 | 50.00 | 2,000.00 | 19.52 | 175.64 |
| Doxycycline | packs | 8 | 1,755.00 | 14,040.00 | 137.00 | 1,233.02 |
| Ferro sulphate | packs | 4 | 877.00 | 3,508.00 | 34.23 | 308.08 |
| Gentian Violet | packs | 3 | 339.00 | 1,017.00 | 9.92 | 89.31 |
| Grisoefulvin | packs | 4 | 222.00 | 888.00 | 8.67 | 77.99 |
| Metronidazole 200mg/5ml | 5ml | 150 | 32.00 | 4,800.00 | 46.84 | 421.55 |
| Paracetamol | boxes | 15 | 107.00 | 1,605.00 | 15.66 | 140.95 |
| Paracetamol | boxes | 6 | 375.00 | 2,250.00 | 21.96 | 197.60 |
| Prednisolone tablet | boxes | 6 | 122.00 | 732.00 | 7.14 | 64.29 |
| Quinine Sulphate | boxes | 6 | 5,850.00 | 35,100.00 | 342.51 | 3,082.55 |
| Ringer lactate | boxes | 90 | 50.00 | 4,500.00 | 43.91 | 395.20 |
| Tetracycline HCl 1% | packs | 90 | 14.00 | 1,260.00 | 12.30 | 110.66 |
| Whitefield's ointment | boxes | 40 | 24.00 | 960.00 | 9.37 | 84.31 |
| Zinc Sulphate 20mg, dispersible tablet | 20mg | 10 | 263.00 | 2,630.00 | 25.66 | 230.97 |
| Ibuprofen 400mg | 400mg | 9 | 531.00 | 4,779.00 | 46.63 | 419.70 |
| ORAL REHYDRATION SALT | packs | 12 | 6.40 | 76.80 | 0.75 | 6.74 |
| Vitamin B | packs | 12 | 110.80 | 1,329.60 | 12.97 | 116.77 |
| TOTAL A | | | | 156,910.40 | 1,531.13 | 13,780.19 |
| DESCRIPTION | Units | Quantity for Balcad, Mahadaay and Hawadley | UNIT PRICE (KES) | TOTAL (KES) | TOTAL (USD) | |
| ACETYL SALICYLIC 300mg Tabs, 1000's | 1000s | 24.00 | 286.65 | 6,879.60 | 67.13 | |
| ALUMINIM HYDROXYDE 500mg Tabs, 1000's | 1000s | 20.00 | 491.40 | 9,828.00 | 95.90 | |
| AMOXYCILLIN 250 mg Caps, 1000's | 1000s | 20.00 | 1,737.45 | 34,749.00 | 339.08 | |
| AMOXYCILLIN 125mg/5ml syrup, 100ml | 100ml | 800.00 | 45.63 | 36,504.00 | 356.21 | |
| COTRIMOXAZOLE 400+80mg Tabs, 1000's | 1000s | 24.00 | 999.83 | 23,995.92 | 234.15 | |

| | | | | | |
|---|-------|--------|----------|-----------|--------|
| COTRIMOXAZOLE 100+20mg Tabs, 100's | 100s | 120.00 | 81.90 | 9,828.00 | 95.90 |
| DEXAMETHASONE 0.1%+NEOMYCIN 0.5% Eye Drops, 5ml | 5ml | 200.00 | 409.50 | 81,900.00 | 799.18 |
| DOXYCYCLINE 100mg Caps, 1000's | 1000s | 24.00 | 1,755.00 | 42,120.00 | 411.01 |
| POVIDONE IODINE 10%w/v soln, 200ml | 200ml | 80.00 | 234.00 | 18,720.00 | 182.67 |
| LIDOCAINE 1% Inj, 20ml vial, 10's | 10s | 32.00 | 1,191.62 | 38,131.84 | 372.09 |
| MEBENDAZOLE 100mg breakable Tabs, 1000's | 1000s | 24.00 | 381.42 | 9,154.08 | 89.33 |
| METRONIDAZOLE 250mg Tabs, 1000's | 1000s | 32.00 | 654.53 | 20,944.96 | 204.38 |
| METRONIDAZOLE 200mg/5ml Syrup, 60ml | 60ml | 900.00 | 32.76 | 29,484.00 | 287.70 |
| NYSTATIN 100 000UI Syr, 30ml | 30ml | 200.00 | 39.78 | 7,956.00 | 77.63 |
| PARECTAMOL 100mg Tabs, 1000's | 1000s | 34.00 | 107.46 | 3,653.64 | 35.65 |
| PARECTAMOL 500mg Tabs, 1000's | 1000s | 24.00 | 375.31 | 9,007.44 | 87.89 |
| PARACETAMOL 120mg, 5ml syrup, 100ml | 100ml | 400.00 | 39.20 | 15,680.00 | 153.01 |
| PENI V 125mg/5ml syr, 100ml | 100ml | 32.00 | 43.34 | 1,386.88 | 13.53 |
| SALBUTAMOL 4mg Tabs, 100's | 100s | 60.00 | 44.50 | 2,670.00 | 26.05 |
| ALBENDAZOLE 400mg Tabs, 500's | 500s | 24.00 | 1,755.00 | 42,120.00 | 411.01 |
| ARTHEMETER+LUMEFA NTRINE 120mg, 24's (E) WHO PQ | 24s | 60.00 | 275.89 | 16,553.40 | 161.53 |
| ARTHEMETER+LUMEFA NTRINE 120mg, 12's (E) WHO PQ | 12s | 24.00 | 174.80 | 4,195.20 | 40.94 |
| ARTHEMETER+LUMEFA NTRINE 120mg, 18's (E) WHO PQ | 18s | 24.00 | 244.30 | 5,863.20 | 57.21 |
| ARTHEMETER+LUMEFA NTRINE 120mg, 6's (E) WHO PQ | 6s | 40.00 | 139.00 | 5,560.00 | 54.25 |
| BENZYL BENZOATE 25%, 1L | 1l | 20.00 | 269.10 | 5,382.00 | 52.52 |
| CHLOREXIDINE 1.5%+CETRIMIDE 15% w/v Sol, 1L | 1l | 20.00 | 325.26 | 6,505.20 | 63.48 |
| CHLOREXIDINE DIGLUCONATE 5% Sol, 1L | 1l | 20.00 | 407.16 | 8,143.20 | 79.46 |
| DEXTROSE 5% Infusion, 500ml | 500ml | 300.00 | 50.52 | 15,156.00 | 147.89 |
| SULFADOXINE 500mg+PYRIMETHAMIN E 25mg, 1000's | 1000s | 12.00 | 4,545.00 | 54,540.00 | 532.20 |
| FERROUS SULPHATE 200mg+ACID 0.4mg Tabs, 1000's | 1000s | 12.00 | 877.50 | 10,530.00 | 102.75 |

| | | | | | |
|--|-------|----------|-----------|------------|----------|
| GENTIAN VIOLET Solution, 500ml | 500ml | 36.00 | 339.30 | 12,214.80 | 119.19 |
| GRISEOFULVIN 125mg Tabs, 100's | 100s | 18.00 | 222.30 | 4,001.40 | 39.05 |
| IBUPROFEN 400mg Tabs, 1000's | 1000s | 60.00 | 531.18 | 31,870.80 | 311.00 |
| ORAL REHYDRATATION SALTS, 20.6g | 20.6g | 12000.00 | 8.19 | 98,280.00 | 959.02 |
| PREDNISOLONE 5mg Tabs, 1000's | 1000s | 8.00 | 865.80 | 6,926.40 | 67.59 |
| PROMETHAZINE 25mg Tabs, 1000's | 1000s | 8.00 | 314.00 | 2,512.00 | 24.51 |
| QUININE SULFATE 300mg Tabs, 1000's | 1000s | 42.00 | 5,850.00 | 245,700.00 | 2,397.54 |
| QUININE SULFATE 300mg Tabs, 100's | 100s | 34.00 | 585.00 | 19,890.00 | 194.09 |
| RINGER LACTATE Infusion, 500ml | 500ml | 3000.00 | 50.31 | 150,930.00 | 1,472.78 |
| TETRACYCLINE 1% Eye Ointment, 3.5gm | 3.5gm | 500.00 | 14.97 | 7,485.00 | 73.04 |
| RETINOL 200 000UI Caps, 1000's | 1000s | 24.00 | 13,104.00 | 314,496.00 | 3,068.85 |
| VITAMIN B COMPLEX Tabs, 1000's | 1000s | 8.00 | 111.15 | 889.20 | 8.68 |
| WHITFIELD'S 60+30mg/g Oint, 25gm | 25gm | 205.00 | 24.57 | 5,036.85 | 49.15 |
| ZINC SULFATE 20mg Dispersible Tabs, 100's | 100s | 50.00 | 263.00 | 13,150.00 | 128.32 |
| ALUMINIUM HYDROXYDE 500mg Tabs, 1000's | 1000s | 9.00 | 491.00 | 4,419.00 | 43.12 |
| CHLORPHENIRAMINE 4mg Tabs, 1000'S | 1000s | 8.00 | 128.70 | 1,029.60 | 10.05 |
| AMPICILLIN+CLOXACILLIN 500mg Caps? 100's | 100s | 8.00 | 1,573.00 | 12,584.00 | 122.79 |
| ERYTHROMYCIN 250mg Tabs, 1000's | 1000s | 8.00 | 3,802.00 | 30,416.00 | 296.80 |
| ERYTHROMYCIN 225mg/5ml syrup, 100ml | 100ml | 900.00 | 69.03 | 62,127.00 | 606.24 |
| MICONAZOLE 2% w/w Cream, 15gm | 15gm | 900.00 | 26.70 | 24,030.00 | 234.48 |
| FERROUS SULPHATE 200mg+ACID 0.4mg Tabs, 1000's | 1000s | 80.00 | 877.00 | 70,160.00 | 684.62 |
| HYOSCINE BUTYL 10mg Tabs, 100's | 100s | 30.00 | 450.00 | 13,500.00 | 131.73 |
| IBUPROFEN 400mg Tabs, 1000's | 1000s | 60.00 | 128.00 | 7,680.00 | 74.94 |
| PRAZIQUANTEL 600mg Tabs, 100's | 100s | 20.00 | 1,404.00 | 28,080.00 | 274.00 |
| CLOTIMAXOLE 100mg Pessaries, 6's | 6s | 120.00 | 44.00 | 5,280.00 | 51.52 |
| ARTEMETHER 80mg/ml Inj, 1ml amp, 5's | 5s | 120.00 | 670.00 | 80,400.00 | 784.54 |
| AMPICILLIN 500mg Inj, vial, 100's | 5s | 24.00 | 3,196.00 | 76,704.00 | 748.48 |
| CEFTRIAZONE 500mg Inj(IV), vial | 500gm | 150.00 | 1,141.00 | 171,150.00 | 1,670.08 |

| | | | | | |
|--|------|--------|----------|---------------------|------------------|
| DIAZEPAM 5mg/ml Inj, amp of 2ml | 2ml | 6.00 | 3,483.02 | 20,898.12 | 203.92 |
| DICLOFENAC SODIUM 75mg Inj, ml amp, 5's | 5s | 120.00 | 504.00 | 60,480.00 | 590.16 |
| DEXAMETHASONE 4mg/ml inj, 1ml amp, 10's | 10s | 80.00 | 259.00 | 20,720.00 | 202.19 |
| QUININE Di-HCL 300mg/ml inj, 2ml amp, 10's | 10s | 150.00 | 468.00 | 70,200.00 | 685.01 |
| ETHANOL 95%, 2,5L | 2.5l | 32.00 | 3,344.00 | 107,008.00 | 1,044.18 |
| HDROGEN PEROXIDE 20 Vol 60% Soln, 4,5L | 4.5l | 32.00 | 325.00 | 10,400.00 | 101.48 |
| TOTAL B | | | | 2,367,789.73 | 23,104.90 |

Total Budget A and B**36,885.08****Sample 5(Training)**

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lumpsum) | Total Cost % charged to SHF | Total |
|--|--------------------|---------------|-----------|----------|-------------------------------------|-----------------------------|----------|
| Training of water management committees on operation and maintenance and DRR (30 Persons) | D | 1 | 2,984.00 | 1 | Lumpsum | 100% | 2,984.00 |

Budget Narrative

A total of 30 persons from the community water management committees, government water concerned Bodies and Village Elders will be trained on operation and maintenance/DRR/HHWT and chlorination in the target areas: \$ 2984 USD has been allocated as per the attached BOQ. The Cost include refreshment of the trainees, facilitator cost, stationery, visibility, Venue for the training and per diems of the trainees.

BOQ

| 2.4 Training of water management committees on operation and maintenance and DRR (30 Persons) for 3 days | | | | | |
|---|----------|---------|----------------|----------------|-------------|
| Descriptions of work/activities | Quantity | Unit | Number of days | Unit Rate (\$) | Amount (\$) |
| Refreshment of the training Participants (30 person @ 3 days x 5 USD) | 30 | people | 3 | \$5.00 | \$450.00 |
| facilitator cost (1 facilitator x 5 days x 2 locations) | 1 | days | 10 | \$150.00 | \$1,500.00 |
| DSA/perdiems for training participants | 30 | people | 3 | \$10.00 | \$900.00 |
| Flip chart | 12 | Pads | 1 | \$5.00 | \$60.00 |
| Marker pens- snowman@ dozen contain 12 pieces | 10 | Packets | 1 | \$5.00 | \$50.00 |

| | | | | | |
|---|---|-------------|---|--------|-------------------|
| Spiral Note Book small size @ contain 12 pieces | 3 | Dozen | 1 | \$5.00 | \$15.00 |
| Pens- Ballpoint @ dozen contain 12 pieces | 3 | Dozen | 1 | \$3.00 | \$9.00 |
| Grand Total- Trainings | | Days | | | \$2,984.00 |

Sample 6 (Transport and Freight)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lumpsum) | Total Cost % charged to SHF | Total |
|---------------------------------|--------------------|---------------|-----------|----------|-------------------------------------|-----------------------------|-----------|
| Transportation and freight cost | D | 1 | 13,529.50 | 1 | Lumpsum | 100% | 13,529.50 |

Budget Narrative

Transport of 4655 kg of drugs @ 2.9usd per kilo. This will be the costs of transporting all medical and non-medical equipment purchased in Nairobi and to be delivered to the field.

BOQ

| Cargo and flight costs | Unit cost | Qty | unit | Total |
|--|-----------|------|---------|-----------|
| Loading and off loading | 5 | 6 | persons | 30.00 |
| Flight costs-NBO-Mogadishu -2.9 usd per kilo | 2.9 | 4655 | Kilos | 13,499.50 |
| TOTAL | | | | 13,529.50 |

Sample 7 (Water and distribution)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lumpsum) | Total Cost % charged to SHF | Total |
|----------------|--------------------|---------------|-----------|----------|-------------------------------------|-----------------------------|-----------|
| Water Vouchers | D | 550 | 1.6 | 90 | Days | 100% | 79,200.00 |

Budget Narrative

The cost will support the provision of 45 liters per household (average household size estimated as 6 persons as per UNFPA census) or 7.5 liters per person per day). Each household will provide with vouchers for 45 liters/ day at a cost \$1.6 per voucher per day for a period of 90 days or three months. = \$1.6 X 550 households x 90 days

BOQ

| Description | Unit Quantity | Unit Cost | Duration month/days | Total |
|------------------------------------|---------------|-----------|---------------------|-----------|
| Water vouchers for 550 house holds | 550 | 1.6 | 90 | 79,200.00 |
| TOTAL | | | | 79,200.00 |

Sample 8 (Kits)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lumpsum) | Total Cost % charged to SHF | Total |
|-------------------------------|--------------------|---------------|-----------|----------|-------------------------------------|-----------------------------|-----------|
| Distribution of sanitary kits | D | 3000 | 27 | 1 | Lumpsum | 100% | 81,000.00 |

Budget Narrative

3000 beneficiaries to receive the kits. The kits is composed of Sanitary Cloth 4yards, Laundry Soap 6 pieces, Ladies underwear 2 pieces, 2 20 liter jericans, 100 pieces of aqua-tabs, packaging cost and transportation cost. See BOQ 2.7

BOQ

| Distribution of 3000 hygiene kits (soap for 3 month, aqua tab 3 month, 2 jericans, and sanitary kit that has 3 meter cloth, 2 pants) | | | | | |
|--|------------------|-------|----------|-------------------|-------|
| | Item description | Unit | Quantity | Unit Price in USD | Total |
| 1 | Sanitary Cloth | Yards | 4 | 1.50 | 6.00 |
| 2 | Laundry Soap | Pcs | 6 | 1.00 | 6.00 |
| 3 | Ladies underwear | Pcs | 2 | 1.00 | 2.00 |
| 4 | Jerrycans | pcs | 2 | 1.50 | 3.00 |
| 5 | Aqua tabs | pcs | 100 | 0.05 | 5.00 |
| 8 | Packaging cost | L/S | 1 | 5.00 | 5.00 |
| Total per kit | | | | | 27.0 |

C) Equipment (Non-consumables purchased under the project)**Sample 9 (Equipments)**

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lumpsum) | Total Cost % charged to SHF | Total |
|--------------------------------|--------------------|---------------|-----------|----------|-------------------------------------|-----------------------------|----------|
| Generator for medical facility | D | 1 | 3,300 | 1 | Lumpsum | 100% | 3,300.00 |

Budget Narrative

Generator procured for the running of the health facility (NorthStar Portable Generator - 15,000 Surge Watts, 13,500 Rated Watts, Electric Start, EPA and CARB-Compliant)

D) Contractual Services (Works and Services to be contracted under project)

Sample 10 (Consultancy contracts)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|--|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|----------|
| Consultancy costs for external evaluation. | D | 1 | 8550 | 1 | Lumpsum | 100% | 1,000.00 |

Budget Narrative

Independent consultant will be hired to conduct an external evaluation by the end of the project. The consult terms will be drawn by DKH and will report to DKH. The evaluation will look at whether the intended project results have been achieved.

BOQ

| Description | Unit quantity | Daily Rate (USD) | Itmes | Percentage Charged | Total (USD) |
|--|---------------|------------------|-------|--------------------|--------------|
| Consultancy costs for external evaluation- Flight,accommodation,fees,etc | 1 | 8550 | 1 | 100.00% | 8,550 |
| | | | | | |
| TOTAL (USD) | | | | | 8,550 |

Breakdown

| | | | |
|---|----|------|------|
| Consultancy fees | 10 | 500 | 5000 |
| Return flight-UNHAS-NRB-MOG-NRB | 1 | 1050 | 1050 |
| Return flight-MOG-Bweyne-MOG | 1 | 500 | 500 |
| Accommodation in Baletweyne | 7 | 50 | 350 |
| Data enumerators-5 enumerators for 6 days @50 | 32 | 50 | 1600 |
| Stationaries | 1 | 50 | 50 |
| | | | 8550 |

E) Travel (Travel costs of staff, consultants and other personnel for project implementation)

Sample 11 (Vehicle Rental)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|----------------|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|-----------|
| Vehicle Rental | D | 1 | 1800 | 9 | Months | 100% | 16,200.00 |

Budget Narrative

This will cover the cost of hiring 1 vehicle plus other associated costs such as vehicle fuel and driver. The vehicle will be used by the project staff during the field visits, meetings and trainings. The unit cost is \$ 1,800. Rates based on prevailing market rates.

Sample 12 (Travel costs)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|--------------|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|----------|
| Travel costs | D | 1 | 4,350 | 1 | Lumpsum | 100% | 4,350.00 |

Budget Narrative

The costs include travel costs for key project staff based in the field consisting staff movement between Hiran, Mogadishu and Nairobi. This includes flight costs, per diems and accommodation expenses for the SHF head of education and Education program manager for monitoring, kick off, project implementation, program review meetings and close out. It also includes travel for the education cluster coordinator for coordination meetings and trainings. It also includes travel cost for the Area representative and Area

Finance manager for kick off meetings, program review meetings and close out meetings. The total cost is \$4,350. BOQ is attached.

BOQ

| Description | From | To | Unit Cost | Time unit (Months, Days or Lump sum) | Total |
|---|-------------|-----------|------------------------|--------------------------------------|------------------------|
| Travel Costs | | | | | |
| Item Description/Position | From | To | unit cost in \$ | Trips | Total Cost in\$ |
| Travel for the Education Programme Manager Nairobi-Mogadishu & Mogadishu-Hiran for the kick off meeting, program review meetings, trainings , | Mogadishu | Nairobi | 500.00 | 2 | 1,000.00 |

| | | | | | |
|--|---------------------------------|-------------------|----------------------|-------------|-----------------|
| project monitoring and implementation as well close out of the project. | | | | | |
| Travel for the Head of Education & Education Cluster Coordinator- Nairobi-Mogadishu- Nairobi for Kick of meeting, monitoring and technical support to field | Nairobi | Mogadishu | 500.00 | 2 | 1,000.00 |
| Travel for the Area representative and Area finance Manager Mogadishu-Nairobi- Beletwedyne for Kick off meetings, program review meetings and close out of the project. | Mogadishu | Nairobi | 500.00 | 2 | 1,000.00 |
| Sub total | | | | | 3,000.00 |
| Perdiem | | | Unit cost/day | Days | |
| Perdiem for Education Program Manager for the kick off meeting, program review meetings, trainings , project monitoring and implementation as well close out of the project for 10 days(5 days per visit) | Mogadishu & Beletwedyne/Nairobi | Nairobi/Mogadishu | 45.00 | 10 | 450.00 |
| Perdiem for Head of Education and Education Cluster for the kick off meeting, program review meetings, coordination meetings, trainings , project monitoring and implementation as well close out of the project for 10 days(5 days per visit) | Nairobi | Mogadishu | 45.00 | 10 | 450.00 |
| Perdiem for Area representative & Area Finance Manager for kick off meeting and close out of the project for 10 days(5 days per visit) | Mogadishu | Nairobi | 45.00 | 10 | 450.00 |
| | | | | | |
| Sub total | | | | | 1,350.00 |
| Total | | | | | 4,350.00 |

F) Transfer and Grants to Counterparts (Transfers and sub-grants to project implementing partners)

All costs should be in a separate budget line and breakdown provided as per above guideline.

G) General Operating and other Direct Costs (General operating expenses and other direct costs for project implementation- Rent, communication, utilities, bank fees and security costs)

Sample 13 (Rent)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|-------------|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|----------|
| Office Rent | S | 1 | 4,500 | 6 | Months | 20% | 5,400.00 |

Budget Narrative

This covers office rent for the office in Hiran .The office will support the project activities. The program review meetings, kick off meetings, close out meetings and budget variance meetings will held in this office.

Sample 14(Stationery supplies)

| Description | D/S Direct/Support | Unit quantity | Unit Cost | Duration | Time unit (Months, Days or Lump sum) | Total Cost % charged to SHF | Total |
|---------------------|--------------------|---------------|-----------|----------|--------------------------------------|-----------------------------|--------|
| Office stationeries | S | 1 | 492.50 | 6 | Months | 15% | 443.25 |

Budget Narrative

The stationeries will be for the office to support the project implementation. Total office stationary charges are \$492.50. SHF will contribute 15% for 6 months with a total of \$443.25

Please note that the quantities for the supplies should be reasonable.

BOQ

| Description | Unit | Unit quantity | Unit Cost | Duration | Time unit (Lump sum) | Total Cost (USD) |
|---------------------------------|------|---------------|-----------|----------|----------------------|------------------|
| A4 Photocopying/Printing Papers | rim | 5 | 3 | 1 | Lumpsum | 15.00 |
| Box files | pcs | 10 | 3 | 1 | Lumpsum | 30.00 |
| Plastic Folders | pcs | 5 | 2 | 1 | Lumpsum | 10.00 |
| Paper Clips | pkt | 2 | 3 | 1 | Lumpsum | 6.00 |
| Stapple Pins Giant | pkt | 5 | 3 | 1 | Lumpsum | 15.00 |

| | | | | | | |
|---|-------|----|-----|---|---------|---------------|
| Glue Stick | Pcs | 5 | 0.2 | 1 | Lumpsum | 1.00 |
| Pens (50 pcs per box) | Box | 3 | 5.5 | 1 | Lumpsum | 16.50 |
| Flip chart (20 sheets per roll) | rolls | 14 | 15 | 1 | Lumpsum | 210.00 |
| Yellow Sticky notes | pkt | 18 | 0.5 | 1 | Lumpsum | 9.00 |
| Permanent Markers (12 markers per pkt) | pkt | 18 | 5 | 1 | Lumpsum | 90.00 |
| White board Markers (12 markers per pkt) | pkt | 18 | 5 | 1 | Lumpsum | 90.00 |
| TOTAL AMOUNT (USD) | | | | | | 492.50 |
| Amount charged to SHF project: 15%*6months*492.50(total office supplies cost per month). | | | | | | 443.25 |

Annex 2 (c) Prudential, financial & procurement guidelines

These guidelines set the minimum criteria. Where there are conflicts with partner's policies and procedures, the stricter requirement should be followed.

A. Purpose

These guidelines are provided to ensure that supplies, equipment, services and other resources are obtained and managed in an efficient and accountable manner and in line with best practices. They should complement partners' internal policies and procedures and provisions of the SHF grant agreement.

B. Objectives

To ensure that the use of resources by the SHF implementing partners is conducted in a fair, transparent, accountable and cost-effective manner, ensures best value for money.

C. Procurement

- i. Procurement actions should be competitive, ensure fairness, transparency and best value for money. In exceptional cases, single/sole-sourcing can be considered subject to proper justifications. They should be approved by a designated signatory within the organization.
- ii. Sole/single source justifications should be used where product(s) or service(s)
 - Are unique and available from one supplier such as drugs that are patented.
 - Are compatible with only one brand of equipment from one supplier such as maintenance parts
 - Changes would compromise the continuity of the project.
 - Demonstrate a unique and innovative concept such as a product of original thinking.
 - Is a condition set by the SHF in the grant agreement.
- iii. Suppliers may be solicited formally via Requests for Quotation (RFQ), Request for Information (RFI) or Requests for Proposals (RFP). Criteria for selection must be clearly specified.
 - RFQ is generally used to obtain pricing, delivery information, terms and conditions from suppliers. In this case, requestors have a clear understanding of what they need, including requirements and specifications. An opportunity for potential suppliers to competitively cost the final chosen solution. RFQ's are best suited to products and services that are as standardized and as commoditized as possible.
 - RFI is generally used when the solution to a business problem is not immediately evident or clearly defined. The RFI is used to gather information, NOT to make a selection or an award. Purpose is conditioning, gathering information, preparing for an RFP or RFQ, developing strategy, or building a database which will all be useful in later supplier negotiations.
 - RFP is used when the Customer understands the business problem and what's needed to solve it, including specifications and procedures. Price is usually not the determining factor in the evaluation of an RFP. Factors such as quality, service, and reputation are also taken into consideration. Typically, the RFP leaves all or part of the precise structure and format of the response to the discretion of the suppliers.

- iv. Orders totalling or having a single unit price of US \$ 500 or more require a formal request. Orders totalling or having a single unit price of US \$ 499.99 or less require an informal request.
- v. Informal quotations are communicated verbally through visits telephone, or email to reduce paperwork and time. Quotations should be captured by requestor in specification sheets. Formal quotations are submitted by suppliers in their letter heads, in the format prescribed during solicitation and delivered to requestor using the specified means. A tender opening team can also be present during opening. This method ensures that all selected bidders receive identical instructions, terms and specifications. Orders above \$500 must be obtained from a minimum of 3 quotations. Bid information should be captured on a bid evaluation sheet. Orders above \$1,500 should be evaluated by a procurement committee, which selects vendors based on a pre-established scoring criteria. Members of procurement committee should sign declaration of impartiality and conflict of interest forms. Orders above \$4,000 should be subjected to an open tender process/competitive tendering process. Bundling of purchases into smaller unit to circumvent approval threshold is strictly forbidden.
- vi. All purchases should be supported by a duly approved Purchase Request Form. Purchase Orders must be assigned Purchase Order numbers.
- vii. If single/sole source is used, a Single/Sole Source Justification/Justification for non-competitive procurement form should be completed selecting appropriate sections and a detailed explanation for the selected sections should be provided. The justification needs to be certified by the designated signatory.
- viii. Procurement plans should be developed periodically. Partners using pre-qualified suppliers should request from SHF approval to use these vendors.

D. Payments

- i. All payments should be verified against purchase orders, receiving notes, supplier invoice, receipts. Any discrepancies in prices, item specifications and quantity received must be indicated on the damage/ discrepancy report and approved by the designated authority.
- ii. Bank reconciliations should be performed at least monthly. If there are any transfers to other bank accounts for operations purposes, these accounts should also be reconciled.
- iii. All payments under the category of personnel costs should not be paid in cash.
- iv. All payments above US\$500 should not be paid in cash.

E. Expenditure Supporting documents

- i. In addition to documents stated in D.i (above), costs of trainings/ workshops should be supported by participant attendance registers. Facilitators/trainers must be selected through a procurement process. In addition, supporting documents should include training reports.
- ii. Car hire expenditures should be supported using contracts & movement log sheets. Costs of transporting goods should be supported by waybills and receiving notes.

- iii. All supporting documents for paid transactions should be invalidated by use of transaction stamps. They should be clearly marked as '**PAID**' and **include the Somalia Humanitarian Fund (SHF) project code**.
- iv. Payroll expenditures should be supported by timesheets indicating percentages allocated to SHF & employment contracts.
- v. All shared costs such as rent and utilities should be supported by allocation strategy/ plan.
- vi. Human Resource files should have valid contracts, identification documents, curriculum vitae, academic and professional certificates, available on-demand in electronic form within 3 days. Recruitments should be properly documented. For each SHF project, the IP should have a dedicated "Staff List" submitted via the GMS no later than 2 months after the signature of each SHF project Grant Agreement (use the template provided by the SHF).

F. Accounting information system

Partners need to have in place simple accounting information systems that effectively record sources and application of funds. Accounting through spreadsheets is not acceptable. As a minimum, partners should have a double entry accounting system.

These guidelines set the minimum criteria. Where there are conflicts with partner's policies and procedures, the stricter requirement should be followed.

Annex 2 (d) Shared costs

A. Definition of shared costs

Shared costs are expenditures that can be allocated to more than one funding source on the basis of shared benefits. Sharing costs between different donors and projects under a country programme of an implementing partner is an acceptable practice for CBPFs. The implementing partner may share certain Country Office costs to different uses and projects, for example staff, office rent, utilities and rented vehicles. The following rules are stipulated in the Operational Handbook for OCHA Country Based Pooled Funds.

- i. All shared costs must be directly linked to project implementation.
- ii. All shared costs must be itemized in the budget, following standard accounting practice and based on a well-justified, reasonable and fair allocation system, to be clearly explained in the budget narrative of the project and assessed and approved by the HFU.
- iii. The partner should always be able to demonstrate how costs were derived and explain in the project proposal/logical framework how the calculation was made (e.g. pro-rata, averages).
- iv. If a position is cost-shared, the percentage of the monthly cost corresponding to the time that the person will dedicate to the project shall be budgeted. Portions of a unit may not be budgeted as staff costs; only percentages are acceptable.
- v. Non-staff shared costs must be shared on the basis of an equitable cost allocation system. Accordingly, the percentages in the budget are to be assessed and approved by the HFU.

Shared-costs, including staff-related costs, should be charged for the entire duration of the project. If this is not possible, the rationale of the apportionment must be explained in the budget narrative.

These guidelines are provided to ensure that supplies, equipment, services and other resources are obtained and managed in an efficient and accountable manner and in line with best practices. They should complement partners' internal policies and procedures and provisions of the SHF grant agreement.

B. Eligibility of shared costs

For shared costs to be eligible they must meet the following criteria:

- i. The apportionment method should be clearly stipulated in the budget narratives and policy & procedures manuals of the partner.
- ii. The actual shared costs expensed and reported should be based on the actual expenditure incurred by the implementer and not the budgeted amount.
- iii. Allocation should be verifiable from partner's records with evidence of the fair share principle. Fair share means that costs can be attributed to the grant based on objective and equitable basis.
- iv. Costs should be necessary and reasonable for proper and efficient accomplishment of grant and program objectives.
- v. Costs should be included in the approved budget
- vi. Costs should be expensed during the grant implementation period.

C. Allocation of direct costs

If direct identification (that is assignment of costs) is impossible or impracticable, an allocation is appropriate. The allocation may be based on related financial or non-financial data. A reasonable allocation of expenses among an organization's functions may be made on a variety of bases. Objective methods of allocating expenses are preferable to subjective methods.

Examples of bases of allocation include:

| Shared cost | Basis for allocation |
|-------------------------------------|---|
| Salaries and wages | <ul style="list-style-type: none"> Hours worked from personnel activity reports/timesheets |
| Medical and life insurance | <ul style="list-style-type: none"> Hours worked from personnel activity reports/timesheets |
| Occupancy (e.g. Rent and leases) | <ul style="list-style-type: none"> Square feet Project budgets |
| Property insurance | <ul style="list-style-type: none"> Square feet Cost of property per project |
| Professional liability insurance | Number of staff with professional degrees |
| Maintenance services (if allowable) | <ul style="list-style-type: none"> Square feet Actual charges Number of personnel Hours worked from personnel activity reports/timesheets |
| Grant administration | <ul style="list-style-type: none"> Project values/budgets Actual costs Percentage of salary charged directly |

Note: Only budgeted costs should be allocated, otherwise, they will be treated as ineligible.

Partners may apply other bases as long as they are reasonable, equitable and can be justified.

D. Examples of simple methods of allocation

a. Timesheets/personnel activity reports

The time sheet/time study method allocates costs based on employee time records. Each individual's salary is allocated proportionally. This applies to shared staff and personnel costs. The example below is for an employee who works for 40 hours a week for a \$2,000 salary per month:

| Projects | Hours worked in the month | % percentage of time | (\$) Salary allocation |
|--------------|---------------------------|----------------------|-------------------------|
| A | 64 | 40% | 800 |
| B | 32 | 20% | 400 |
| C | 64 | 40% | 800 |
| Total | 160 | 100% | 2,000 |

Timesheets must meet the following standards:

- They must reflect an after-the-fact distribution of the actual activity of each employee. They should reflect actual work performed (not budgeted)
- They must account for the total activity, for which each employee is compensated. They must be kept at least hourly. This is different from attendance sheets which can be kept daily at the discretion of the partner.
- They must be prepared at least monthly and must coincide with one or more pay periods
- They must be signed by the employee and the supervisory official having first-hand knowledge of the work performed by the employee.

c. Square footage method

This is best suited for costs such as rent. It is not recommended for staff and personnel costs because of poorly controlled variables such as inefficient space usage, the large amounts of common areas and easy distortion of salary allocation. An example of how rental costs of \$ 3,000 can be allocated is as follows:

| Projects | Occupied floor space (sqft) | % percentage of space | (\$ allocation) |
|--------------|-----------------------------|-----------------------|-----------------|
| A | 60 | 30% | 900 |
| B | 35 | 17.5% | 525 |
| C | 105 | 52.5% | 1,575 |
| Total | 200 | 100% | 3,000 |

E. Requirement to submit project staff lists

Partners will be required to submit staff lists 2 months after project start date with details as in the following example (see below). The template can be downloaded [here \[http://bit.ly/shf-staff-list \]](http://bit.ly/shf-staff-list).

STAFF LIST

| | |
|----------------------------|--|
| Implementing partner | XXX |
| Project title | Provision of Education in Emergency Response for displacement affected |
| SHF project code | XXX |
| Project dates (start, end) | XXX XXX |
| Project budget | \$XXX |

Instruction

This form needs to be submitted by all SHF implementing partners no later than 2 months after the signature of each SHF project Grant Agreement. Failure to submit the form will delay disbursement of funds. The form should be attached in the individual project Document Tab in the SHF Grant Management System. Any changes should be reflected immediately and also uploaded in the system (together with the update of the organizational organigram in the due diligence module of the SHF GMS).

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| | Name Surname | Title / role | National ID/Passport number | Duty station (e.g. Banadir, Mogadishu) | Contract type | From DD-MMM-YY | To DD-MMM-YY | Unit Cost / month (\$) | Time allocated to SHF project / % funded by project | Total Cost | Contact number (mobile) | Training |
|---|--------------|--------------------------|-----------------------------|--|---------------|----------------|--------------|------------------------|---|------------|-------------------------|----------|
| 1 | XXX | Logistic officer | XXX | XXX | Fixed - ter | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 2 | XXX | Finance Manager | XXX | XXX | Fixed - ter | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 3 | XXX | Education project Manage | XXX | XXX | Fixed - ter | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 4 | XXX | Education officer | XXX | XXX | Fixed - ter | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 5 | | | | | | | | | | | | |

Signed by: xxxx

In the Capacity of: xxxx

Partners are required to submit an updated staff list if there are changes. This will also serve as a basis for eligibility of costs.

Points to note

- Cost allocation reports should be approved by relevant authorities in the organization. Inconsistent and unapproved cost allocation reports may be grounds for ineligibility of costs.
- When necessary and for the purpose of verifying allocated costs, OCHA may request for proof of costs allocated to other funding sources including expenditure supporting documents.
- Cost allocation criteria must be consistent with policy and procedure manuals of the partner. Finance/accounting manuals should include sections on how costs will be allocated where there are multiple sources of funds.