

GRANTS & BUDGETS ONBOARDING MATERIALS

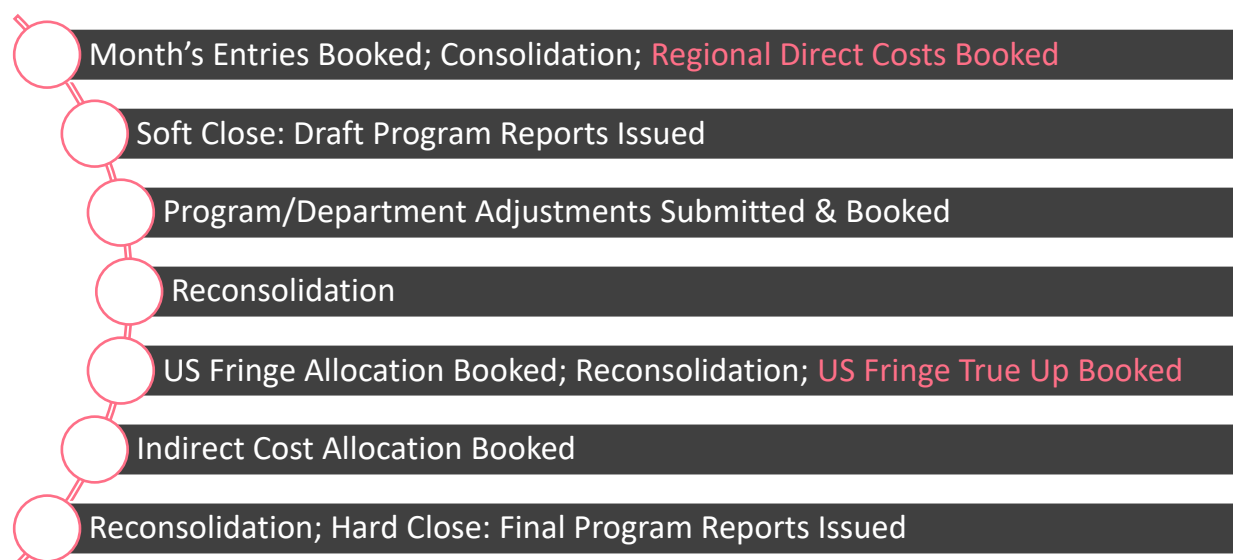
Introduction

This part of grants onboarding covers monthly close process, monthly budget monitoring reports, financial aspect of donor reports, budgets and Regional, Sub-Regional Shared, country shared costs. Other aspects of grant's management e.g., grant application, grant receipt & onboarding, grant implementation, sub-grants and sub-contracts, grants amendments and renewal are not included in this summary, but are handled through Global grants team.

Monthly / Quarterly Close process

We use the [2024 Monthly close tracker](#) to get the timings and status of the monthly close processes. Below is a summary of key steps in the close process;

Fig 1: Monthly / Quarterly Close Process



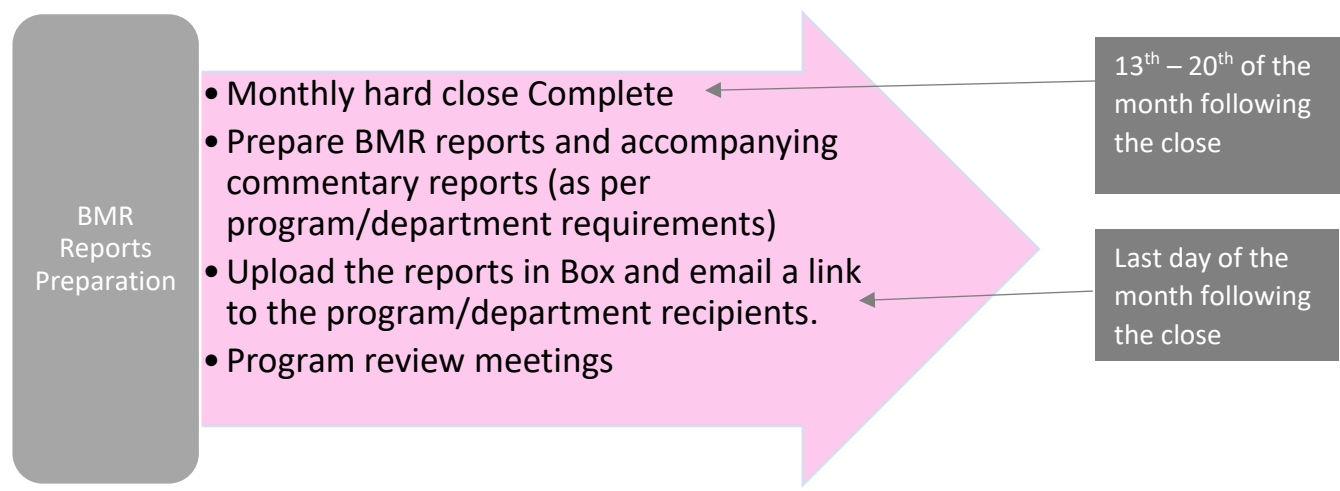
NB: Regional Direct costs and US Fringe true up entries are only booked during quarterly close which ties to calendar quarters in the year

Budget Monitoring Reports

Budget monitoring reports are structured as per program needs but main focus is to give a status of budget vs. Actual expenditure for each program. It may be split into different geographies to suit program team needs for reporting.

The process of the preparation of these reports is as set out below;

Fig 2: Monthly BMR Reports Preparation Process



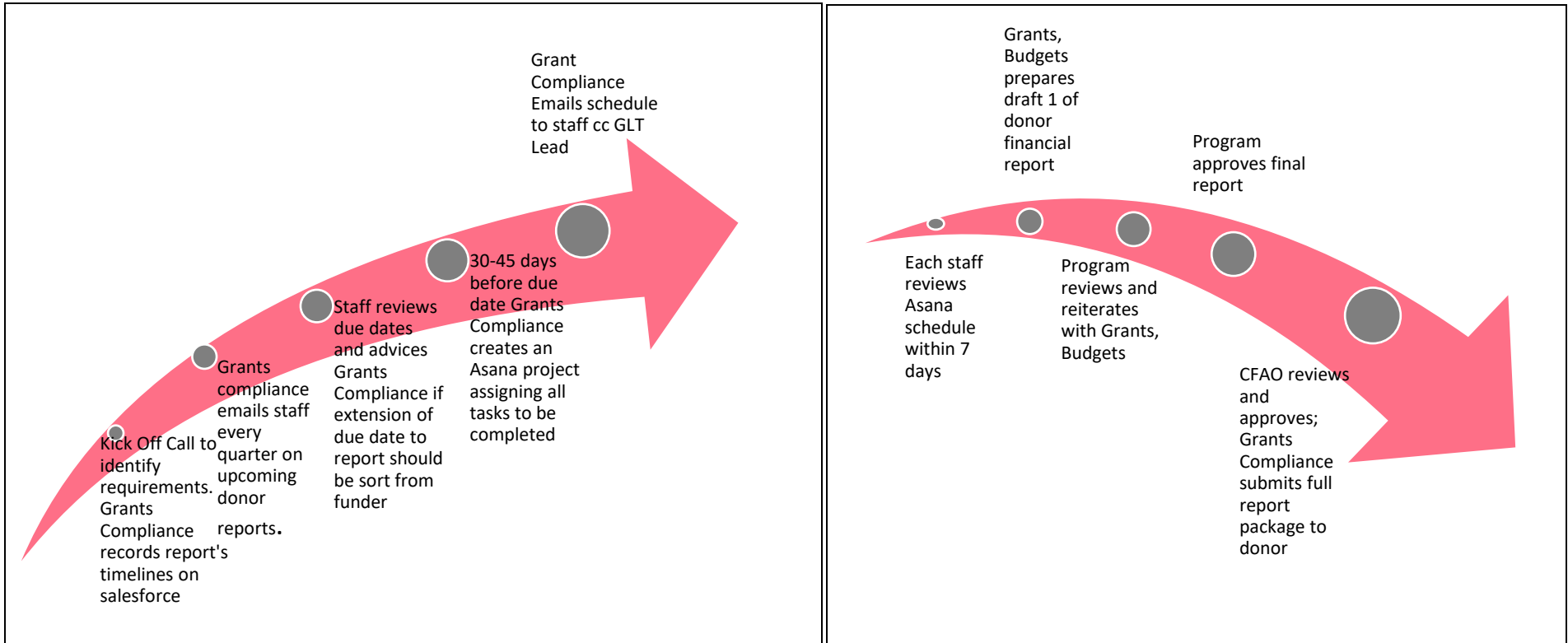
Donor Reports

Donor reporting follows the hard close timeline and the frequency is pegged on agreements with donors. Within salesforce the Grants Compliance, maintains a schedule of reporting dates and will set up a project within Asana to create the reporting tasks and accompanying timelines.

The [grants management procedures](#) document highlights the steps and processes in preparation of donor reports.

Donor reports constitute both program narrative reports and financial report. Steps in preparation of a financial report includes;

Fig 3: Donor Financial Report Preparation process



Budgets

1) Donor Budgets

Full aspects of grant application are dealt with in the [grants management procedures](#) document. A few points where Grants Budgets support is made includes program Lead working with Program Finance staff to create a budget using Evidence Action's budget template and Program Lead or Program Finance consulting with Grants Budgets, for grant applications implemented in the Africa Region.

2) Institutional Budgets

These are annual financial budget with a plan on how Evidence Action plans to utilize its resources in a calendar year within approved program activities. The original budget is prepared following the following steps;

Figure 4: Original Annual Institutional Budgeting Process (Approx. 59 Working Days Based on 2023 process)

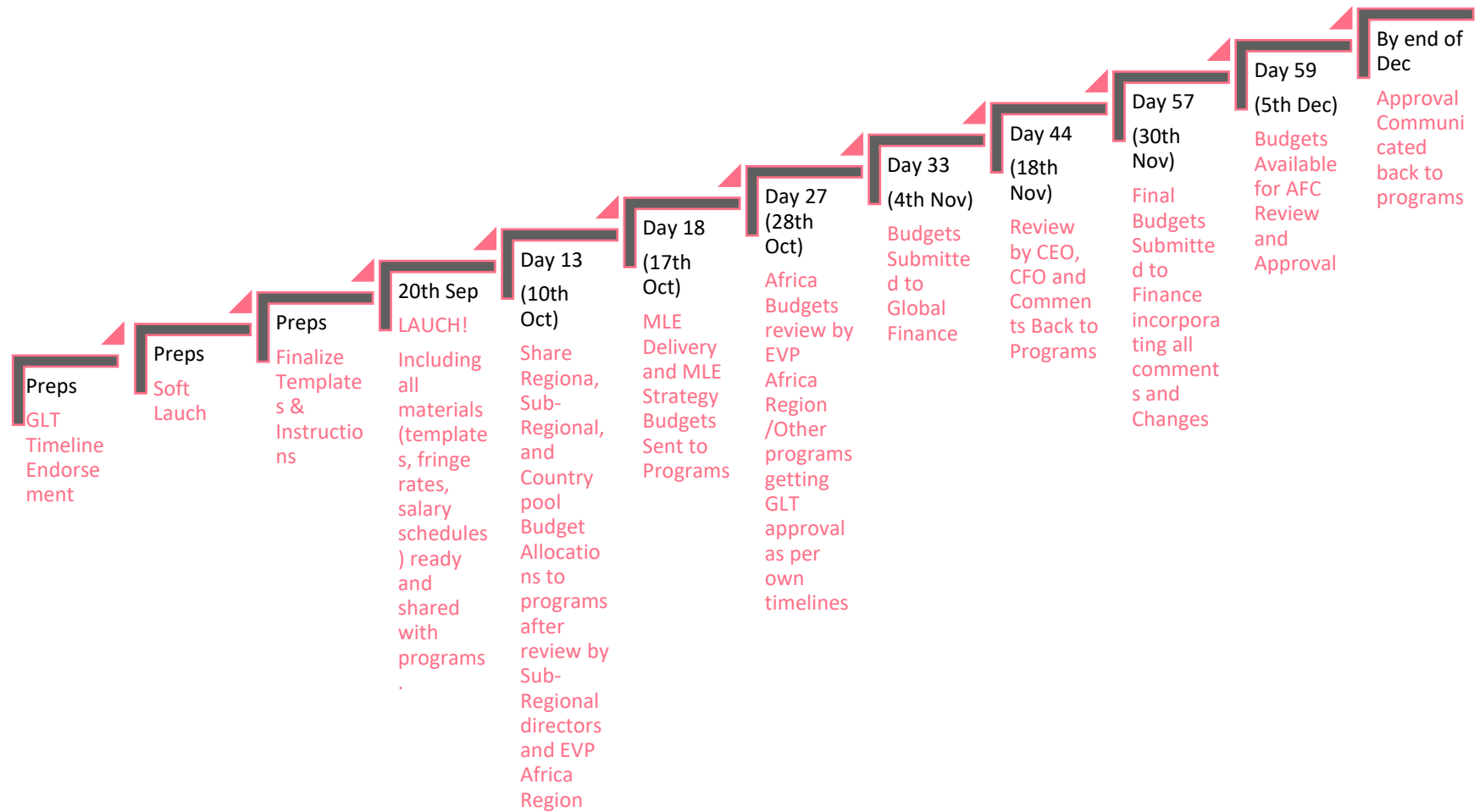
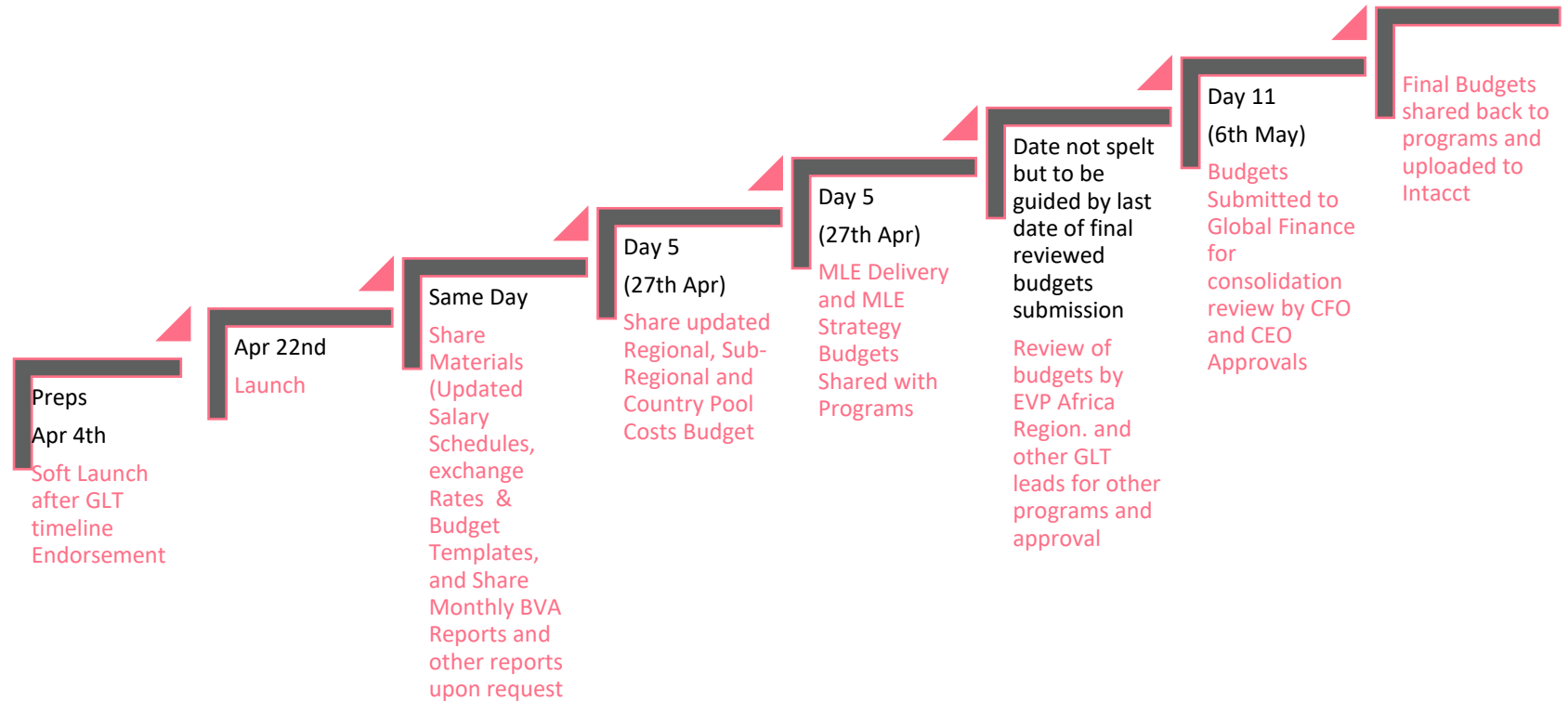


Figure 5: Original Annual Institutional Budgeting Process (Approx. 11 Working Days – Based on 2022 Q1 Budget Review)



3) Budget Flexibility

To manage budget utilization, we have the following principles of budget flexibility as covered in the [finance procedures](#) policy.

- (a) Programs can spend up to 5% above each budget line provided there is no increase in the overall budget, and provided this is not above \$1,000.
- (b) To spend above 5% but not more than 10% of the budget line, or higher than \$1,000 but not more than \$3,000, approval granted by country lead, in consultation with the budget holder, and overall awareness of the Sub-Regional Director.
- (c) To spend above 10% of the approved budget, or higher than the \$3,000 limit, approval must be granted by the Sub-Regional Director in consultation with the budget holder.
 - (i) Similar approval required when we have costs not included in the original budget.
 - (ii) Additional Staff Positions.
 - (iii) New Motor Vehicles & Motor Cycles.
 - (iv) Equipment whose unit cost is >3K.
 - (v) Office relocations.

NB EVP's Africa Region approval will be needed for new capital investments equipment (e.g., equipment, renovation etc.) that is USD10K above budget.

- (d) EVP's Africa Region approval will be needed in instances,
 - (i) Where budget items overspend would lead to overall country program budget overspend.
 - (ii) Capital or Asset investment.
 - (iii) Staffing/Personnel investment when making offer above the official or approved bands.
 - (iv) External activities engagement where there is no approved organization policy or strategy.

NB Regional Finance Lead and the Grants/Budgets lead will be notified of these changes.

SHARED REGIONAL/SUB-REGIONAL/COUNTRY COSTS AND UNALLOCATED POOLS FOR ENGINEERING AND MLE

The [Policy on Regional and Sub-Regional Costs](#) summarized the main aspects of Evidence Action Regional Costs. These are costs incurred in Africa for common benefits of all programs. They are different from IDC since we account for them as direct program costs.

We also have this separate policy on [Shared Country Costs pool](#) for use in billing of country specific common pooled costs.

Engineering used unallocated cost pools for booking of parts and materials. At quarter end the Engineering team will send an allocation report for billing.

Finally, MLE Delivery & MLE strategy pool their management expenses into their respective pools before invoicing these to programs at quarter end based on the expenses per program area.

At the end of every quarter finance will share invoices with programs for approval.

Chart of Accounts

Here is the latest [Chart of Accounts](#) that has the Evidence Action Accounts dimensions across;

1. Entity
2. GL Account
3. Department
4. Funder
5. Funder type is not a dimension but is determined by the funder (e.g., DSW, DTW, etc.)
6. Activity
7. Geo-scope (location)
8. Sub-location

IMPORTANT: Ensure you get to know your billing details for your timesheet and other expenses, from your supervisor.