



APPENDIX 1a - PROPOSAL BUDGET GUIDELINES

GENERAL GUIDELINES

Some donors such as the Department for International Development (DFID), European Union (EU), Government of Canada (GAC), United Nations (UN) Agencies, and United States Agency for International Development (USAID) and World Bank (WB) have their own specific budget guidelines and template included in a call for proposal application.

At the proposal stage, in addition to the direct and indirect costs covered by the donors, the proposal budget preparer is required to calculate the full cost necessary to implement the grant or contract, and identify any funding gaps and plans for the coverage of the gaps.

SPC are presented in monetary value in the proposal budget, not in % terms. SPC included in the proposal budget is the maximum the donor will contribute. If CO situation changes, e.g. lower portfolio, and the SPC fair share will be higher, that means CO should either identify other funding source to cover the gap or cut SPC or a combination of both.

The costs of technical assistance and monitoring support provided by another CARE office, e.g. the CARE Member which serves as the contract holder (CMP or LM), or another CI member which has the specialized skill set in the program outcome area or approach, etc. are treated as direct costs and must be budgeted under the CMP component of the budget.

LEAD MEMBER SPECIFIC GUIDELINES

The proposal budget preparer should ensure that the proposal budget complies with the LM specific grants and contracts policy and procedures such as match, Go/No Go review and approval, and all other requirements.

PROCEDURES

The proposal consists of the program narrative proposal and the proposal budget. The following procedures apply to proposal budgets.

- Each CO defines the structure of its Proposal development team. The CO should always have a designated lead responsible for the completion of the proposal, and require the participation of relevant CO departments in the process.
- After receiving a GO approval for a proposal, the CO coordinates with the CMP/LM to designate the lead Proposal Budget preparer who will also be responsible for developing the timeline for completing the proposal, preparing the proposal budget and coordinating with all relevant parties until the proposal budget is completed.
- If a proposal is submitted through a CMP, a Pre-IPIA must be used to document the roles and responsibilities expected between the CO and the CMP. Some large value proposals may require an initial meeting with the CMP and representatives from various departments in the COs and in some instances, with some pre-identified partners.
- Proposal budget preparers initiate the process by working with the Program Manager to translate the Project Activity Plans into a proposal budget, ensuring that the budgets incorporate all the components described in the Project Activity Plans.

- Finance, Administration, Human Resources (HR) and Program or Project staff contribute to the development of the proposal budget:
 - i) Program or Project staff ensures complete and accurate activities are included in the Project Activity Plans including locations, staffing and procurement requirements. Program or Project staff who prepare the narrative proposal also provide support by ensuring consistency between the narrative and the budget.
 - ii) HR provides information for personnel salary and benefits costs.
 - iii) Finance provides support in checking the accuracy and reasonableness of the costs in the budget, and calculates the SPC to be included in the proposal budget.
 - iv) Procurement or Administration provides market research for costing materials and equipment included in the proposal.
 - v) CMP or LM should be consulted for CMP or LM based technical specialists (Shelter, Water, etc.) who will be included in the proposal budget as direct costs. These specific technical costs must be included in the component of the budget managed by the CMP or LM.
- If there are partners identified during the proposal stage, Proposal budget preparers ensure that appropriate agreements on roles and responsibilities during proposal stage are completed and agreed with the partners, and that partners are provided with the appropriate templates to use for preparing their own portion of the budget.
- The proposal budget must be submitted to the CO Finance and CO Program Director (or equivalent position) for review at least 5 days before the donor deadline, unless otherwise agreed in the proposal development timeline. The designated reviewer in Finance will use the pre-submission checklist to ensure all required activities are complete, SPC and other program costs included in the proposal budget are complete and accurate and conduct high level reviews on reasonableness of cost estimates, currency exchange rates, and inflation rate. The Program Manager reviews the budget to ensure consistency of the budget proposal with the narrative proposal. Corrections should be made at this stage.
- The Budget Preparer will identify the costs not covered by the donors (funding gaps) and provide a clear plan of who between the CO, CMP or other donors will cover the gaps. The plan must be reviewed and approved by CO Head of Finance and Country Director.
- Proposal Budget preparer must ensure the proposal is in compliance with LM grants & contracts policy before submission to donor or CMP, such as compliance on waiver submission or approval requirements for match, ICR, SPC gaps.
- The Country Director (CD) or designated Donor Relations personnel submits the approved final narrative proposal and budget proposal to donor and or CMP in the format prescribed by the donor. The CD or designated Donor Relations personnel is responsible for keeping a copy of final submitted documents and ensuring a copy is shared with the Proposal Budget Team and CO Finance.
- When the proposal is submitted through a CMP, the CMP will be responsible for the final review and submission of the proposal and budget. Any further changes to the CO submitted proposal budget should be communicated by the CMP and agreed with the CO.