

ANNEX B. GRANT APPLICATION BUDGET NOTES TEMPLATE

INSTRUCTIONS TO APPLICANTS

The purpose of this template is to assist applicants in costing their grant application and to provide reasonable assurance that the budget is appropriate. Please use the template below to write detailed budget notes. The budget notes should explain the assumptions included in the applicant's budget and align with the proposed technical approach. Once completed, it should reflect a coherent set of activities for developing a program for the partnership focusing on enhancing the local economic development in the districts of Arua, Madi-Okollo and Terego to increase economic opportunities for host communities and refugees through the Approach to Inclusive Market Systems (AIMS)¹ and financial inclusion to implement market-based approaches to strengthen the cassava and sesame value chains, working with market players while consolidating grant partner and third party funding sources.

Caution: This grant does not support Salaries and benefits and Operational costs (travel and transportation). Note that this could be one of the applicant's own contribution.

After the template is completed, the sum for each activity and the total amount requested for the grant should be transferred into the Activity Budget of the application form.

[To be adapted to specific grant applicant's needs]

[Insert Name of Applicant Organisation] is pleased to provide its cost proposal in response to Ag-Ploutos Company's Call for Proposals to implement market-based approaches to strengthen cassava and sesame value chains.

The following provides a detailed justification for the line items presented in the attached budget.

A. Personnel: Salaries and wages are based on the current annual salary rate for the proposed positions whose work is tied to the grant project. The following number of staff is proposed as follows, long term staff **[insert number]**, short-term staff **[insert number]**, consultants **[insert number]** etc.

Justification: Describe the roles and responsibilities of each position. (Include all positions associated with the project)

- i. The Project Director will provide daily oversight of the grant and will be considered key staff.
- ii. The Project Coordinator will coordinate project services and project activities, including training, communication and information dissemination.
- iii. Etc.

B. Fringe Benefits: Fringe benefits of all full-time employees who are associated with this activity. The grant will not support this as it is considered as part of own contribution

¹ <https://www.ilo.org/empent/Projects/refugee-livelihoods/lang--en/index.htm>

C. **Travel and Transportation:** All travel is budgeted for roundtrips, standard per diem (lodging and meals and incidental expenses) is estimated based on **[Insert Name of Applicant Organisation]** policy and travel regulations. Include the point of origin of the travel, destination, number of trips and the purpose for the travel. [Include a separate paragraph for each entry made.] No air travel is anticipated.

D. **Other Project Direct Costs:**

i. **Project Activity Service Delivery**

- a. *Name of Activity 1.* **[Insert Name of Applicant Organisation]** proposes the following activity. For example, the organisation proposes beneficiary training costs. Include the name of the training, location, number of trainees, # of days for each training and where the trainees are coming from. Note that this not for training for the organisation's own staff.
- b. *Name of Activity 2.* **[Insert Name of Applicant Organisation]** proposes the following activity...
- c. *Name of Activity 3.* **[Insert Name of Applicant Organisation]** proposes the following activity...

- ii. **Equipment:** [Specify procurement plan and purpose and detail between expendable and non-expendable equipment]. Discuss each line item, for instance: **[Insert Name of Applicant Organisation]** proposes to purchase a **moisture meter** for testing moisture content before procurement of the grains. A moisture meter is proposed at a total cost of UGX **[Insert amount]**
- iii. **Office supplies:** Copies and printing are needed for general operation of the project.
 - a. The laptop computer is needed for both project work and presentations.
 - b. The projector is needed for presentations and trainings
- iv. **Communication:** This line item includes estimated costs for domestic calls (both landline and mobile), internet charges etc. The monthly budget estimate for these costs is based on historical experience.

E. **Grant Applicant Contribution/ Cost Share**

[Insert Name of Applicant Organisation] proposes the following grantee and third party contributions: list each contribution item separately.

i. **Cost Share Guidelines**

Cost sharing is an important element of the relationship because it demonstrates an entity's commitment to the program. The ability to provide cost share enhances its partners' image as sustainable organisations.

ii. **Cost sharing offers the following advantages:**

- a. Improves program sustainability by establishing secure funding mechanisms.
- b. Facilitates greater commitment by increasing partners' stake in program outcomes.

- c. Promotes accountability on the part of program funders and implementing organisations for delivering real project benefits.
- d. Helps build confidence in communities' abilities to help themselves.

iii. Definitions

- a. ***Cost sharing or matching or cost-share contribution*** represents the portion of a funded program and its implementing partners must contribute for project activities in order to share the costs of meeting the objectives of the project. This contribution may be in cash, goods, or services and may come from other partners. For instance, the cost share may be in the form of funds from other partners; it may be the labor of the grantee organisations or other partners' employees or volunteers; or it may be the use of a local organisation's use of another's facilities to carry out a project activity.

- b. ***Backup documentation*** is used to verify the source and value of the cost-share contributions. The types of backup documentation required vary according to the type of cost share. Examples of backup documentation include:
 - i. Donation letter from a donor for cash or in-kind contributions and copy of bank statement (for cash contributions only)
 - ii. Time sheets
 - iii. Rate calculation
 - iv. Valuation of donated goods and use of space
 - v. Independent appraisal (for donated equipment, building or land)