

Note: This extract contains Chapter 4, Part 3 only.

Chapter 4, Part 3: Section 5 of the Proposal Form

IMPORTANT INFORMATION ON HOW TO USE THIS CHAPTER

Please read this explanation carefully

The flow of this chapter follows the flow of the proposal form. This is how it works:

1. Each item from the proposal form is shown in a box at the top of a page. (The box is shaded in a light yellow colour. If you print the guide using a black and white printer, the shading will appear as a very light grey.)
2. This is followed by verbatim guidance from the R8 Guidelines for Proposals–MCA concerning how to fill out this item. This guidance is identified by the following heading

What the R8 Guidelines for Proposals–MCA Say:

and the text is indented.

If there is no guidance for the item in question in the R8 Guidelines for Proposals–MCA, you will see “N/A” under the heading.

3. Finally, additional guidance from Aidspace is provided. This guidance is identified by the following heading:

Additional Guidance from Aidspace

If Aidspace has nothing to add to what is on the proposal form or to the guidance from the R8 Guidelines for Proposals–MCA, you will see “N/A” under the heading.

Please note:

1. We have applied the concept of “one-stop-shopping” to the development of this chapter. This means that you have all of the guidance you need right here on how to fill out the proposal form. This chapter reproduces the entire proposal form, as well as the entire section of the R8 Guidelines for Proposals–MCA that provides guidance on how to fill out the proposal form. Readers who are already familiar with the proposal form and the R8 Guidelines for Proposals–MCA can go directly to the “Additional Guidance from Aidspace” section for each item.
2. We have provided Aidspace guidance only where we believe we have something of value to add to the guidance contained in the R8 Guidelines for Proposals–MCA. The Aidspace guidance usually takes one or more of the following forms: (a) examples of how previous applicants have answered the question; (b) suggestions for how to organise your response; (c) references to relevant strengths and weaknesses identified by the TRP in proposals submitted in previous rounds of funding; and (d) clarifications, in cases where we believe that the guidance provided by the Global Fund is not completely clear.
3. Volume 1 of this guide contained an entire chapter (Chapter 4: Lessons Learned from Earlier Rounds of Funding) describing the major strengths and weaknesses of proposals from

Rounds 3-7, as identified by the TRP. The Aidspace guidance included in this chapter makes frequent references to these strengths and weaknesses. (Copies of Volume 1 can be obtained at www.aidspace.org/guides.)

4. There are separate versions of Sections 3-5 of the proposal form, one version for each of the three diseases. However, they are all virtually identical. .
 5. Throughout this chapter, we use the term “proposal” to describe the application you are submitting to the Global Fund, and we use the term “programme” to describe the activities that you will be implementing if your proposal is accepted for funding. For the purposes of this chapter, we assume that all proposals will be for a five-year period (the maximum allowed), though they can be for a shorter duration.
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Section 5 Funding Request

[Note: For Section 5, the extracts from the proposal form are all from the HIV version. The TB and malaria Sections 5 are identical, except for the name of the disease.]

Extract from the proposal form

5. FUNDING REQUEST

What the R8 Guidelines for Proposals–MCA Say:

- This is where applicants quantify the financial gap for the disease proposal, and provide detailed budgetary information. Section 5.2. explains how applicants should prepare the detailed electronic budget that must be submitted with all proposals, by disease, as a clearly numbered annex.

Additional Guidance from Aidspan

N/A

5.1 Program Financial gap analysis

→ Summary Information provided in the table below should be explained further in sections 5.1.1 – 5.1.3 below.

What the R8 Guidelines for Proposals–MCA Say:

Introduction

The financial gap analysis identifies the overall funding need, the funding available from all sources and the resulting financial gap. This table enables the TRP to view the funding requested in the context of the overall disease program funding for the proposal term.

The gap analysis should relate to the overall program managed by the RCM or the Regional Organization as discussed by the applicant in s.4. Thus, a comprehensive 'financial gap analysis' should reflect the overall program needs (*including needs of all sectors relevant to implementation of the program*), and including implementation planned at the regional, national and community/local levels) to implement the national strategy over the proposal term. In the context of RCM or Regional Organization proposals, where relevant, the 'program' could be a broad program covering many population groups, or a specific population group. In either case, the contributions of other stakeholders to the same issues should be clearly identified in the table in s.5.1. Where a proposal involves cross-border initiatives, and in-country efforts also contribute to these, those country specific contributions must be factored into the "contributions" line B and/or line C of the table.

Particular attention should be given to costing the need to reach *key affected populations* (including, in particular, women and girls), and sexual minorities to ensure equal access to service delivery.

Additional Guidance from Aidspace

The information that you provide here in Section 5.1, and in Section 4.3, constitutes what the TRP reviewers refer to as a "situational analysis" or "gap analysis." In its review of Rounds 3-7 proposals, the TRP was critical of proposals that contained no situational analysis or a weak situational analysis. See Weakness #4 in Volume 1 of this guide for more details. On the other hand, the TRP praised proposals that contained strong situational analyses. See Strength #4 in Volume 1 for examples of countries whose proposals were praised.

[For the purposes of this guide, the table on the next page has been condensed so that it fits on one page and is in vertical (portrait) format.]

Program Financial gap analysis <i>(same currency as identified on proposal coversheet)</i>								
Note → Adjust headings (as necessary) in tables from calendar years to financial years (e.g., FY ending 2007; etc) to align with national planning and fiscal periods								
	Actual		Planned		Estimated			
	2006	2007	2008	2009	2010	2011	2012	2013
Program funding needs to deliver comprehensive prevention, treatment and care and support services to target populations								
Line A → Provide annual amounts								
<i>(combined total need over Round 8 proposal term)</i>								
Current and future resources to meet financial need								
Applicant source B1 : Loans and debt relief <i>(provide name of source)</i>								
Applicant source B2 National funding resources								
Applicant source B3 Private Sector contributions (national)								
Total of Line B entries → Total current & planned own resources:								
External source C 1 <i>(provide source name)</i>								
External source C2 <i>(provide source name)</i>								
External source C3 Private Sector contributions (International)								
Total of Line C entries → Total current & planned EXTERNAL (non-Global Fund grant) resources:								
Line D: Annual value of all existing Global Fund grants for same disease: Include unsigned 'Phase 2' amounts as "planned" amounts in relevant years								
Line E → Total current and planned resources (i.e. Line E = Line B total + Line C total + Line D Total)								
Calculation of gap in financial resources and summary of total funding requested in Round 8 (to be supported by detailed budget)								
Line F → Total funding gap (i.e. Line F = Line A – Line E)								
Line G = Round 8 HIV funding request (same amount as requested in table 5.3 for this disease)								

What the R8 Guidelines for Proposals–MCA Say:

In particular, the table in s.5.1. requests applicants to:

- Line A → Provide, based on national plans and costing (where they exist), an overall disease specific (as far as possible) financial costing. Below the table in 5.1.1. a narrative explanation of the assumptions used is required.
- Lines B/C → Provide details of current and planned financial contributions. This should be a comprehensive assessment of funding from all relevant sources, whether domestic (including debt relief) or external. The assumptions used should be described in sections 5.1.2. and 5.1.3.
→ *For a definition of 'Private Sector' please refer to page 31 of these Guidelines. Certain boxes are shaded black for the Private Sector in this table. This is because it is recognized that historical information may not always be available.*
- Line D → Provide details of the funding that has already been committed to Applicants or is expected to be received over years 2009 to 2013-14 (or the end of the proposal if less than five years), under grant agreements with the Global Fund (including Round 7 grants recently or currently being negotiated).

Additional Guidance from Aidspan

In Section 5.1, you are asked to describe the financial needs for fighting the disease. You need to provide the information for eight years: 2006 and 2007 (actual), 2008 and 2009 (planned) and 2010, 2011, 2012 and 2013 (estimated). (It is assumed that the years 2009 through 2013 constitute the five years of the programme in your proposal. This is for planning purposes only; the Global Fund recognises that your programme may straddle calendar years.)

Note that the amount of funding that you request in this proposal (Line G) can be less than the funding gap that you identify (Line F). How much funding you request may depend on your analysis of your country's absorptive capacity. It goes without saying, however, that in your proposal you cannot ask for an amount of funding that is *greater* than the funding gap you identify in this section.

The table is a bit complicated, so we have provided a road map.

In Line A, you should identify the overall needs for addressing this disease. This information should be taken from national plans and costing (where these exist). In the line below Line A, enter the total need over the term of the Round 8 proposal. Thus, if your proposal is for five years, you would enter the total of the amounts that appear in Line A for the years 2009-2013.

In the next four lines, you are required to enter the amounts of funding that were, are or will be forthcoming from sources within the countries covered by your proposal (referred to in the table as "applicant sources") to address the needs identified in Line A. For B1, enter the amount of funding from loans and debt relief. Provide the name of the source. (If there is more than one source, we suggest that you add an extra row for each source.) For B2, enter the amount of funding from national (government) sources. For B3, enter the amount of funding from private sector contributions. Note that for B3, you are only asked to provide the information for the years 2009 through 2013. In the line below B3, you are asked to provide the total amount of funding from applicant sources (i.e., the total of B1, B2 and B3).

In the next four lines, you are required to enter the amounts of funding that were, are or will be forthcoming from external sources to address the needs identified in Line A. In Lines C1 and C2, you need to provide information for each external donor (other than the Global Fund). On each line, enter the name of the donor and then enter the amounts for that donor. Add more rows to the table if you need to list more than two donors.

In Line C3, enter the amount of funding from international private sector contributions. Note that for C3, you are only asked to provide the information for the years 2009 through 2013. In the line below

C3, you are asked to provide the total amount of funding from external sources (other than the Global Fund), i.e., the total of C1, C2 and C3.

In Line D, enter the amounts of funding from existing Global Fund grants for this disease. Include the amounts from any Round 7 grant agreements recently signed or currently being negotiated. *(DO NOT INCLUDE THE AMOUNTS OF FUNDING BEING SOUGHT IN THIS PROPOSAL.)*

In Line E, provide the total current and planned resources from both applicant and external sources – i.e., the sum of the Total of Line B entries, the Total of Line C entries, and Line D.

In Line F, indicate the total funding gap – i.e., Line A minus Line E.

In Line G, indicate the funding you are seeking in this proposal. The amounts shown here must equal the amounts shown in Table 5.3.

<p>Part H – 'Cost Sharing' calculation for Lower-middle income and Upper-middle income RCM applicants where the proposal requests funding for national programs through a common Principal Recipient</p>	
<p><i>In Round 8, the total maximum funding request for HIV in Line G is:</i></p> <p>(a) <i>For Lower-Middle income countries, an amount that results in the Global Fund's overall contribution (all grants) to the national program reaching not more than 65% of the national disease program funding needs over the proposal term; and</i></p> <p>(b) <i>For Upper-Middle income countries, an amount that results in the Global Fund overall contribution (all grants) to the national program reaching not more than 35% of the national disease program funding needs over the proposal term.</i></p>	
<p>Line H → Cost Sharing calculation as a percentage (%) of overall funding from Global Fund</p>	
<p>Cost sharing = $\frac{\text{(Total of Line D entries over 2009-2013 period + Line G Total)}}{\text{Line A.1}} \times 100$</p>	%

[For the purposes of this guide, the table above has been re-sized to show in vertical (portrait) format.]

What the R8 Guidelines for Proposals–MCA Say:

Line H → **Regional Organization applicants do not complete line H.**

However some RCM applicants must complete Line H. This is required where the proposal is requesting funding for small islands or nations that have come together to submit a proposal, but implementation is country specific to contribute to the national disease program

For relevant RCM applicants only, calculate as a percentage, the overall anticipated share of the contribution from the Global Fund (from existing grants as well as the Round 8 request) relative to the national disease program funding need over the proposal term. The maximum proportion of funding from the Global Fund is:

- For Lower-middle income countries - 65%
- For Upper-middle income countries - 35%.

Additional Guidance from Aidspan

The purpose of Part H is to determine whether or not proposals from certain RCMs (as described in the above guidance) meet one of the eligibility requirements (cost-sharing). It is included here because these RCMs need to use the amounts entered in the table in Section 5.1 to perform the necessary calculations.

The concept of cost sharing is new for Round 8. For a description of the Global Fund’s requirements related to cost sharing, see “Cost-Sharing vs Counterpart Financing” in Chapter 2: What’s New for Round 8.

For those RCMs affected by this requirement :To calculate the cost sharing percentage, you should use the following formula:

(Total of Line D amounts over the 2009-2013 period)
plus (Total of Line G amounts over the 2009-2013)
multiplied by 100

divided by (Amount in the line below Line A)

5.1.1. Explanation of financial needs – LINE A in table 5.1

Explain how the annual amounts were:

- developed (e.g., through costed national strategies, a Medium Term Expenditure Framework [MTEF], or other basis); and
- budgeted in a way that ensures that government, non-government and community needs were included to ensure fully implementation of country's disease program strategies.

5.1.2. Applicant funding – 'LINE B' entries in table 5.1

Explain the processes used to:

- prioritize financial contributions to the program; and
- ensure that resources are utilized efficiently, transparently and equitably, to help implement treatment, prevention, care and support strategies included in this program.

5.1.3. External funding *excluding Global Fund* – 'LINE C' entries in table 5.1

Explain any changes in contributions anticipated over the proposal term (*and the reason for any identified reductions in external resources over time*). Any current delays in accessing external funding identified in table 5.1 should be explained (including the reason for the delay, and plans to resolve the issue(s)).

What the R8 Guidelines for Proposals–MCA Say:

N/A

Additional Guidance from Aidspan

N/A

5.2 Detailed Budget

Suggested steps in budget completion:

1. **Submit a detailed proposal budget in Microsoft Excel format as a clearly numbered annex.** Wherever possible, use the same numbering for budget line items as the program description. **For guidance on the level of detail required** (or to use a template if there is no existing in-country detailed budgeting framework) **refer to the budget information available at the following link:** <http://www.theglobalfund.org/en/apply/call8/multiple/#budget>
2. Ensure the detailed budget is consistent with the detailed workplan of program activities.
3. From that detailed budget, prepare a '**Summary by Objective and Service Delivery Area**' (s.5.3.)
4. From the same detailed budget, prepare a '**Summary by Cost Category**' (s.5.4.)
5. Do not include any RCM operating costs in Round 8. This support is now available through a separate application for funding made direct to the Global Fund (and not funded through grant funds). The application is available at: <http://www.theglobalfund.org/en/apply/mechanisms/>

What the R8 Guidelines for Proposals–MCA Say:

Overview

All Applicants must provide for each disease proposal:

- a **detailed budget including key assumptions;**
- a **summary of the detailed budget by service delivery area** (section 5.3. and table 5.3.);
- a **summary of the detailed budget by cost category** (section 5.4. and table 5.4.);
- a **high level analysis of the budget** by cost category (section 5.4.1. (a)) and indicate **key budget assumptions for Human Resources and other key expenditure items** (section 5.4.1. (b) and (c)); and

If the applicant is requesting funding for *HSS cross-cutting interventions* (see s.4.5.1. and s.4B. of these Guidelines), s.5B. should be completed in the same disease proposal. Section 5B below provides specific information on budget requirements for HSS cross-cutting interventions in addition to the general guidance below.

The detailed budget for each disease proposal::

- **Should be attached as a clearly named and numbered annex to the proposal and should cover the proposal term.** The budget should be submitted as a financial spreadsheet (in both the electronic and the printed copy of the proposal) with an explanatory narrative to facilitate review.
- Should be submitted in Microsoft excel and not sent as a PDF file.
- Should be **organized along the same lines as the implementation strategy** set out in **s.4.5.1.** (by Objective, SDA, indicator and activities).
- Should be **quarterly for years 1 and 2**, with detailed unit costs provided across both years (**avoid using unexplained lump-sum amounts**).

- Should provide **annual information and assumptions** for the balance of the lifetime of the proposal period (year 3 and beyond).
- Should be fully consistent with the detailed **Work Plan** for years 1 and 2 (refer to section 4.5.). *Applicants may use one integrated Work Plan and Budget spreadsheet, but if so, activities that have no cost associated with them should also be very clearly listed as part of the work to be undertaken so that there is a clear description of all activities and their timing.*
- **Where the applicant has requested support for HSS cross-cutting interventions and included these interventions:**
 - (i) **As part of the disease specific proposal description (s.4.5.1.),** either in one of the diseases, or separated into more than one of the three diseases, then the detailed budget for the disease should include this work as any other objective, SDA etc within the same budget workbook and worksheets.
 - (ii) **In s.4B., within one only of the disease proposals** submitted in Round 8, then the detailed budget for the *HSS cross-cutting interventions* should be structured along the same lines as the programmatic description (s.4B.1.). *This budget, may be submitted as a separate Microsoft excel workbook (file), or as a separate worksheet within the same workbook as the budget for the disease program interventions.*
- Should be **consistent** with other budget analysis provided elsewhere in the proposal, including in table 5.1.
- **Can** be prepared using the applicant's own budgeting tools where those tools ensure that the detail provided in the budget meets the other requirements set out above. *However, where an applicant believes it helpful to do so, the budget can be prepared by using the optional budget template. This is available from website links provided under the 'General Guidance' heading below.*

General guidance

Size of the funding request

There are no fixed upper limits on the size of a proposal, and the size of proposals may vary considerably based on country context and type of proposal. Applicants are reminded that demonstrated evidence of absorptive capacity is an important criterion for additional financial support from the Global Fund. The TRP may view negatively proposals that request large amounts where the ability to absorb such funding has not been demonstrated, through existing capacity or through planned capacity strengthening (including via the Round 8 proposal).

There are also no fixed lower limits on the size of a proposal. However, as the Global Fund promotes comprehensive programs and particularly those aimed at scaling-up proven interventions, the TRP may view negatively requests for small programs (of the order of several hundred thousand US Dollars or below). Smaller requests by individual partners and/or smaller non-governmental organizations should be aggregated into the overall single disease proposal.

Budget assumptions/workings should be included within the detailed budget or presented as separate working files that are submitted with the disease proposal as clearly named and numbered annexes. The level of detail required depends on the budget item in question.

There is a different level of detail required between years 1 and 2 as compared to years 3 to 5, as explained below:

- **Years 1 and 2:** Applicants should provide sufficient information to be able to determine how all unit quantities and unit costs were calculated. Examples of the expected level of detail are available on the Global Fund website at: <http://www.theglobalfund.org/en/apply/call8/multiple/> *Otherwise, using the optional budget template should also provide information on the level of detail requested.*
- **Years 3 to 5:** Applicants should provide sufficient information to show the basis for the forecast budget amounts were determined. Whenever possible, a similar level of detail to years 1 and 2 should be provided for years 3 to 5, particularly for items relevant to the procurement of

products or services. For example: unit costs of training may be based on the year 1 and 2 budget, whereas unit *quantities* of people being trained should be explained in the context of the proposal, rather than simply using numbers trained in years 1 and 2.

Use of the budget template (optional)

Different versions of the optional budget template have been prepared to correspond to the differing versions of Microsoft excel that applicants may be using in a particular country setting. The different versions of this template are available by 'clicking' on the links below (or by going to the *Global Fund's Round 8 website* at:

<http://www.theglobalfund.org/en/apply/call8/multiple/>

Sub-recipient and sub-sub recipient budgets

Even though proposals are likely to involve a number of sub-recipients (and sub-sub-recipients) in program implementation, the budget information for those implementing partners should not be sent as separate information to the budget materials of the Principal Recipient(s).

Sub-sub-recipients are those implementers that have a contractual relationship with a larger sub-recipient, not the Principal Recipient direct.

Rather, the one 'detailed budget' (s.5.2., and s.5B.1. as relevant) **must provide the budget for all of the activities to implement the program that is described in s.4.5.1. (and s.4B., if relevant)**. In addition, the summaries that are required by 'objective and service delivery area' (s.5.3., and s.5B.2. if relevant) and 'cost category' (s.5.4., and s.5B.3. if relevant) should be an amalgam of all the costs regardless of the implementer.

Where underlying separate Principal Recipient, sub-recipient, and sub-sub-recipient budgets are submitted, these should have a common level of detail. That is, the budgets must be detailed by activity for all implementers, and not only at the Principal Recipient level. *As an example, applicants should avoid lump sum items such as "Implementation costs of sub-recipient 1", "Implementation costs of sub-recipient 2" etc.*

Budget currency

Applicants must choose between using United States (US) Dollars or Euros in their proposal. All local currency expenditure should be translated into the selected currency at the appropriate exchange rate, and this rate should be disclosed in the detailed budget. Applicants should apply the principle of using the best estimate of the exchange rate that will apply at the time of actual conversion of the currency in the future. In the absence of credible forward market predictions, the current 'spot exchange rate' is most often used.

Income

Anticipated income from revenue-generating activities (e.g., social marketing of condoms or bednets) should be separately identified and included in the budget against the appropriate budget activity and 'cost category' where possible. The effects of this sundry income on the net funding request should be clearly visible.

Taxes

The Global Fund strongly encourages the relevant national authorities in recipient countries to exempt from duties and taxes all products and services financed by Global Fund grants. Normally the implementing agency should apply for a tax-exempt status on Global Fund financing. Otherwise, non-recoverable taxes should be allocated to the appropriate activity and cost category (e.g., non-recoverable value added taxes on the purchase of non-health equipment would be allocated to Infrastructure and Equipment).

Budget totals

Applicants are encouraged to review their proposal to ensure that **all the following totals** are the same:

- Funding summary by disease (s.1.1.)
- Funding gap requested to be met by Round 8 proposal (Line G, table 5.1.)
- Annual totals for 'detailed budget by disease' (s.5.2.)
- Annual totals in the 'Summary of detailed budget by objective and service delivery area' (s.5.3.)
- Annual totals in the 'Summary of detailed budget by cost category' (s.5.4.)

Additional Guidance from Aidspace

In Rounds 3-7, the TRP identified major weaknesses in the budget information contained in over half of the proposals submitted. The TRP found that in many cases the budget was incomplete or not detailed enough; that there were inconsistencies or errors within the budget; or that specific budget items were unclear or inadequately justified. We suggest, therefore, that you put a lot of effort into getting your budget right. See Weakness #2 in Volume 1 of this guide for more information on the problems identified by the TRP. Please also see Strength #9 in Volume 1 for examples of proposals that contained budgets praised by the TRP as being detailed and well-presented.

There are some errors in the section numbering in the first set of bullets in the guidance provided above. The fourth bullet reads as follows:

a **high level analysis of the budget** by cost category (section 5.4.1. (a)) and indicate **key budget assumptions for Human Resources and other key expenditure items** (section 5.4.1. (b) and (c));

There is no (a), (b) and (c) in Section 5.4.1. Budget assumptions concerning human resources and other large expenditure items are covered in Sections 5.4.2 and 5.4.3 respectively.

5.3 Summary of detailed budget by objective and service delivery area

Objective Number	Service delivery area <i>(Use the same numbering as in program description in s.4.5.1.)</i>	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	<i>[use "Add Extra Row Below" from "Table" menu in Microsoft Word menu bar to add as many additional rows as required]</i>						
Round 8 HIV funding request:							

[For the purposes of this guide, the table above has been re-sized to show in vertical (portrait) format.]

What the R8 Guidelines for Proposals–MCA Say:

In this table, provide a summary of the annual budget for each service delivery area (SDA) in respect of each year of the proposal. The objectives and SDA listed should correspond to those in the 'Targets and Indicators Table' (Attachment A to the Proposal Form). This breakdown of the budget by SDAs should be prepared from the detailed budget.

In respect of tuberculosis components, applicants may also wish to refer to additional information on the StopTB Strategy (and planning framework for tuberculosis components especially) when preparing their budgets. This information is available at:

<http://www.who.int/tb/dots/planningframeworks/en/index.html>

However, this tool does not replace the instructions in these Guidelines about the level of detail that is required.

Additional Guidance from Aidsan

N/A

5.4 Summary of detailed budget by cost category (Summary information in this table should be further explained in sections 5.4.1 – 5.4.3 below.)

Avoid using the "other" category unless necessary – read the [Round 8 Guidelines](#).

	(same currency as on cover sheet of Proposal Form)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Human resources						
Technical and Management Assistance						
Training						
Health products and health equipment						
Pharmaceutical products (medicines)						
Procurement and supply management costs						
Infrastructure and other equipment						
Communication Materials						
Monitoring & Evaluation						
Living Support to Clients/Target Populations						
Planning and administration						
Overheads						
Other: (Use to meet national budget planning categories, if required)						
Round 8 HIV funding request (Should be the same annual totals as table 5.2)						

[For the purposes of this guide, the table above has been re-sized to show in vertical (portrait) format.]

What the R8 Guidelines for Proposals–MCA Say:

Applicants are requested to summarize the annual totals from the detailed budget by disease into this table. Set out below is a table with a detailed description of the relevant cost categories (and these categories are unchanged from Round 7).

→ To be as helpful as possible, we have also indicated what not to include in certain categories, and referred to the category that should be used. For example, all consultant costs should be included in technical and management assistance and not human resources (employee costs only).

Category	Expenditure examples
Human Resources	Salaries, wages and related costs (pensions, incentives and other employee benefits, etc.) relating to all employees (including field personnel), and employee recruitment costs.
Technical and Management Assistance	Costs of all consultants (short or long term) providing technical or management assistance, including consulting fees, travel and per-diems, field visits and other costs relating to program planning, supervision and administration (including in respect of managing sub-recipient relationships, monitoring and evaluation, and procurement and supply management).
Training	Workshops, meetings, training publications, training-related travel, including training per-diems. <i>Do not include employee training-related human resources costs that should be included under the Human Resources category).</i>
Health Products & Health Equipment	Health products such as bed nets, condoms, lubricants, diagnostics, reagents, test kits, syringes, spraying materials and other consumables. Health equipment such as microscopes, x-ray machines and testing machines (including the 'Total Cost of Ownership' of this equipment such as reagents, and maintenance costs). (Total cost of ownership includes the cost of reagents and other consumables, and annual maintenance to ensure that the equipment operates effectively.) <i>Do not include other types of non-health equipment, as these costs should be included under the Infrastructure and Other Equipment category below.</i>
Pharmaceutical products (<i>medicines</i>)	Cost of antiretroviral therapy, medicines for opportunistic infections, anti-tuberculosis medicines, anti-malarial medicines, and other medicines. <i>Do not include insurance, transportation, storage, distribution or other like costs. These costs should be included in Procurement and Supply Management costs below.</i>
Procurement & Supply Management costs	Transportation costs for all purchases (equipment, commodities, products, medicines) including packaging, shipping and handling. Warehouse, PSM office facilities, and other logistics requirements. Procurement agent fees. Costs for quality assurance (including laboratory testing of samples), and any other costs associated with the purchase, storage and delivery of items. <i>Do not include staff, management or technical assistance, IT systems, health products or health equipment costs, as these costs should be included in the categories above.</i>
Infrastructure and Other Equipment	This includes health infrastructure rehabilitation and renovation and enhancement costs, non-health equipment such as generators and beds, information technology (IT) systems and software, website creation and development. Office equipment, furniture, audiovisual equipment, vehicles, motorcycles, bicycles, related maintenance, spare parts and repair costs.
Communication materials	Printed material and communication costs associated with program-related campaigns, TV spots, radio programs, advertising, media events, education, dissemination, promotion, promotional items.
Monitoring & Evaluation	Data collection, surveys, research, analysis, travel, field supervision visits, and any other costs associated with monitoring and evaluation. <i>Do not include personnel, management or technical assistance or IT systems costs, as these costs should be included in the categories above.</i>
Living support to clients/target populations	Monetary or in-kind support given to clients and patients E.g.: school fees for orphans, assistance to foster families, transport allowances, patient incentives, grants for revenue-generating activities, food and care packages, costs associated with supporting patients charters for care.

Category	Expenditure examples
Planning and Administration <i>Do not include CCM support costs in the Round 8 proposal**</i>	Office supplies, travel, field visits and other costs relating to program planning and administration (including in respect of managing sub-recipient relationships). Legal, translation, accounting and auditing costs, bank charges etc. Green Light Committee contributions (refer to s.4.10.7). <i>Do not include human resources costs, as these costs should be included under the Human Resources category above.</i>
Overheads <i>Do not include CCM support costs in the Round 8 proposal**</i>	Overhead costs such as office rent, utilities, internal communication costs (mail, telephone, internet), insurance, fuel, security, cleaning. Management or overhead fees.
Other <i>Do not include CCM support costs in the Round 8 proposal**</i>	Significant costs which do not fall under the above-defined categories. Specify clearly the type of cost. Applicants are able to add additional rows to this table should there be other national budget cost categories that are not covered by the above categories.

** Commencing from November 2007, CCM (and Sub-CCM) support costs are provided through a separate budget from the Secretariat, and not through grant funds. Applications for this support are made through a separate form, and subject to review, those costs will be provided through a separate Secretariat budget. Information on those costs is available at: <http://www.theglobalfund.org/en/apply/call8>

Composite activities

It is not appropriate to define 'cost categories' within the summary budget where the 'activity' or topic can be broken down into its various cost category elements.

For example, the costs of the activity 'home-based care' may be broken down into the following categories:

Description	Cost Category for table 5.4
Community-based agents	Human Resources
Travel to communities	Planning and Administration
Testing kits	Health Products and Health Equipment
Provision of medicines for treatment	Pharmaceutical Products (Medicines)
Vehicle for agent	Infrastructure and Other Equipment

Additional Guidance from Aidspace

N/A

5.4.1. Overall budget context

Briefly explain any significant variations in cost categories by year, or significant five year totals for those categories.

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What the R8 Guidelines for Proposals–MCA Say:

Although the budget by objective and SDA is explained by the detailed programmatic description in s.4.5.1., the summarized budget by cost category may show unusual trends or variations which cannot be easily explained without further narrative. The applicant should therefore use the box to explain the main trends and variations or anything that appears unusual.

Additional Guidance from Aidspan

N/A

5.4.2. Human resources

In cases where 'human resources' represents an important share of the budget, summarize: (i) the basis for the budget calculation over the initial two years; (ii) the method of calculating the anticipated costs over years three to five; and (iii) to what extent human resources spending will strengthen service delivery.

(Useful information to support the assumptions to be set out in the detailed budget includes: a list of the proposed positions that is consistent with assumptions on hours, salary etc included in the detailed budget; and the proportion (in percentage terms) of time that will be allocated to the work under this proposal.

→ Attach supporting information as a clearly named and numbered annex

HALF PAGE MAXIMUM

What the R8 Guidelines for Proposals–MCA Say:

Applicants should provide an explanation of how the human resources budget has been compiled and to explain the linkage with health systems strengthening. The explanation does not need to repeat information already clearly presented in the detailed budget, but should refer to such information.

Additional Guidance from Aidspan

N/A

5.4.3. Other large expenditure items

If other 'cost categories' represent important amounts in the summary in table 5.4, (i) explain the basis for the budget calculation of those amounts. Also explain how this contribution is important to implementation of the national HIV program.

→ *Attach supporting information as a clearly named and numbered annex*

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What the R8 Guidelines for Proposals–MCA Say:

Applicants should provide an explanation of how other 'cost category' items that are relatively large have been compiled.

Additional Guidance from Aidspan

The Azerbaijan Round 7 TB proposal answered this question as follows:

The “Infrastructure and other equipment” cost category represents a 9.6 percent share of the budget over the project’s lifetime and is intended for infrastructure rehabilitation of the drug resistant (DR) TB treatment delivery sites, a key requirement for commencing a full-scale DR-TB management programme.

[Special Note: For the purposes of this guide, we have assumed that you will be including Section 5B in your proposal, and so we have included it here. Section 5B must be downloaded separately from the Global Fund website and inserted into your proposal here.]

Extract from the proposal form

5B. FUNDING REQUEST – HSS CROSS-CUTTING INTERVENTIONS

Applying for funding for HSS cross-cutting interventions is optional in Round 8

SECTION 5B CAN ONLY BE INCLUDED IN ONE DISEASE IN ROUND 8 and only if this disease includes the applicant's programmatic description of HSS cross-cutting interventions in s.4B.

Read the Round 8 Guidelines to consider including HSS cross-cutting interventions

Download 'Section 5B' from the Global Fund website [here](#) if the applicant intends to apply for 'Health systems strengthening cross-cutting interventions' ('HSS cross-cutting interventions') **in Round 8 and has completed section 4B and included that section in the HIV proposal sections.**

What the R8 Guidelines for Proposals–MCA Say:

Section 5B requests similar information for *HSS cross-cutting interventions* as is requested in s.5. for disease program interventions.

In the table below, applicants are directed to the equivalent guidance in s.5. above when appropriate:

Section 5B item	Review the instructions in the corresponding section of these Guidelines
s.5B.1. – Detailed Budget	s.5.2.
s.5B.2. – Summary of detailed budget by objective and service delivery area	<i>No corresponding instructions, review the information on s.5B.2. below</i>
s.5B.3. – Summary of detailed budget by cost category	s.5.4.
s.5B.4.1. – s.5B.4.3. overall budget context	s.5.4.1. – s.5.4.3.

Additional Guidance from Aidsplan

N/A

5B.1 Detailed Budget

Steps in budget completion:

1. **Submit a detailed budget of the HSS cross-cutting interventions *in Microsoft Excel format*** using the same numbering for budget line items as in the description of HSS cross-cutting interventions in section 4B.1.
 - **The detailed budget must be submitted as a clearly numbered annex.** *The HSS cross-cutting interventions may be prepared as a separate Excel worksheet of the disease budget, or a separate file (Excel workbook) at the applicant's election.*
 - **For guidance on the level of detail required** (or to use a template if there is no existing in-country detailed budgeting framework) **refer to the detailed budget guidance in section 5.1 of the [Round 8 Guidelines](#).** *(i.e., same instructions as for the disease budget preparation)*
2. From that detailed budget, prepare a 'Summary by Objective and Service Delivery Area' (section 5B.2).
*(Note – 'SDAs' for the purpose of HSS cross-cutting interventions are **not** the same as the SDAs for the diseases. Refer to s.5B.2 of the Round 8 Guidelines for more information).*
3. From the same detailed budget, prepare a 'Summary by Cost Category' (section 5B.3); and
4. **Ensure the detailed budget is consistent with the detailed workplan for HSS cross-cutting interventions, and the 'Performance Framework' for HSS cross-cutting interventions (Attachment A).**

➔ **READ THE [ROUND 8 GUIDELINES](#) FOR MORE INFORMATION**

What the R8 Guidelines for Proposals–MCA Say:

N/A

Additional Guidance from Aidsan

N/A

5B.2 Summary of detailed budget for HSS cross-cutting interventions by objective and service delivery area

Table 5B.2 – Summary of detailed budget by objective and service delivery area

		Budget breakdown by SDA					
Objective Number	Service delivery area <i>(Use the same numbering as the detailed work plan for HSS cross-cutting interventions)</i>	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	<i>Use "Add Extra Row Below" from "Table" menu in Microsoft Word menu bar to add as many additional rows as required to ensure consistent with the 'Performance Framework'</i>						
Total funds requested from Global Fund for HSS cross-cutting interventions (i.e., total for all the interventions described on a programmatic basis in s.4B.1, where included in Round 8)							

[For the purposes of this guide, the table above has been re-sized to show in vertical (portrait) format.]

What the R8 Guidelines for Proposals–MCA Say:

The 'service delivery areas' that applicants should use to complete this table should be drawn from the six categories set out in detail in **Annex 3** to these Guidelines.

In summary they are (as relevant to the focus of the proposal):

- Information
- Service delivery
- Medical products and technologies
- Financing
- Health workforce (including human resources costs)
- Leadership and governance

Thus, applicants should, after identifying each relevant objective for the planned *HSS cross-cutting interventions*, select 'service delivery areas' from the list above (as most relevant to the program activity to be undertaken).

Additional Guidance from Aidspan

N/A

5B.3 Summary of detailed budget by cost category

Summary information provided in the table below should be supplemented with additional detail in section 5B.4 below.

Table 5B.3 – Summary of detailed budget by cost category

	Breakdown by cost category (same currency as selected by Applicant on face sheet of the Proposal Form)					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Human resources						
Technical and Management Assistance						
Training						
Health products and health equipment						
Pharmaceutical products (medicines)						
Procurement and supply management costs						
Infrastructure and other equipment						
Communication Materials						
Monitoring & Evaluation						
Living Support to Clients/Target Populations						
Planning and administration						
Overheads						
<i>Other: (To be further defined to meet national budget planning categories)</i>						
Total funds requested from Global Fund for HSS cross-cutting interventions (s.4B.1)						

Avoid using the "other" category unless necessary – read the [Round 8 Guidelines](#).

[For the purposes of this guide, the table above has been re-sized to show in vertical (portrait) format.]

What the R8 Guidelines for Proposals–MCA Say:

N/A

Additional Guidance from Aidspan

N/A

5B.4.1 Briefly explain any significant variations in cost categories by year, or significant five year totals for those categories.

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5B.4.2 Human resources

In cases where 'human resources' represents an important share of the budget, summarize: (i) how these amounts have been budgeted in respect of the first two years; and (ii) to what extent human resources spending will strengthen health systems' capacity at the client/target population level.

(Useful information to support the assumptions to be set out in the detailed budget includes: a list of the proposed positions that is consistent with assumptions on hours, salary etc included in the detailed budget; and the proportion (in percentage terms) of time that will be allocated to the work under this proposal.

→ Attach such information as a numbered annex to the proposal, and indicate the annex number in the checklist at the end of this section.)

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5B.4.3. Other large expenditure items

If other 'cost categories' represent important amounts in the summary in table 5.4, (i) explain the basis for the budget calculation of those amounts. Also explain how this contribution is important to implementation of the national disease program.

→ Attach supporting information as clearly named and numbered annex.

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What the R8 Guidelines for Proposals–MCA Say:

N/A

Additional Guidance from Aidspan

N/A

Proposal checklist

Section	Document description	Annex Number
	<i>Use the "Tab" button on your key board to add extra rows as required.</i>	

What the R8 Guidelines for Proposals–MCA Say:

Complete the 'checklist' for sections 3, 4 and 5 of the Proposal Form.

- Ensure that all essential attachments already listed in the right hand column of the 'Checklist' are included.
- Provide additional documents as clearly named and numbered annexes, and list these in the 'Checklist' table for ease of reference.
- Only if relevant to the proposal, where HSS cross-cutting interventions are included in one only of the disease proposals, also attach relevant documents (s.4B and s.5B references in the 'checklist').

Additional Guidance from Aidspan

The above guidance refers to “essential attachments” already listed, but there are none listed. You need to list:

- A. the mandatory attachments provided by the Global Fund that are relevant to these section – i.e., Attachments A and B;
- B. other annexes that the Fund says are required, as indicated in Sections 3-5 (including, but not limited to, the work plan and budget); and
- C. other annexes that you have decided to include in Sections 3-5.

Assign a number to each annex. For #B and #C, you should also make sure that the number and name of each annex are included in the text of Sections 3-5, in the specific sections to which they relate.