

Budget guidelines Swedish Partnership Programme

Budget

In this section, please register your intervention's budget. The budget must be per calendar year.

The most important aspect of the budget is that it is clearly linked to the planned operations in your intervention. As ForumCiv will assess the application in its entirety, it must be easy to see the connection between your work plan and goals for the intervention and how this is represented by the figures in the budget.

Some general points on filling in the budget template:

- Only register budgets for the year(s) covered in your intervention application.
- The budget lines should distinguish between operational expenses, staff cost, project management cost, administration and own contribution.
- Budget entries should be rounded off to the nearest thousand SEK, e.g. 9.700 SEK to 10.000 SEK.
- Budgeted amounts below 5,000 SEK per year do not need to be specified on separate budget lines. Instead, they can be merged together.
- The budget template will automatically calculate the maximum required percentages for administration and own contribution.

Operational expenses

Budget line

Sub goal and/or activity-based budgeting

To clearly see the link between the planned intervention and the budget, operational expenses should as a standard be divided into activities. For larger interventions, and if your organisation has managed previous ForumCiv funds successfully, it could be possible to instead divide the operational expenses into sub goals. If you want to do this, contact your current ForumCiv sub-granting officer for advice. For all budget lines labelled with activities or sub goals, use the same numbering as you have in the work plan and/or goals for the intervention. In addition to dividing operational expenses into sub goals or activities, some expenses need to be specified in another way, described below.

Salary costs

Salary costs often constitute a large share of the total budget and are therefore an important component in the assessment of the application. For this reason, wage costs must be labelled with job position, percentage of a full-time employment and number of months (if not whole year(s)), and it should include mandatory taxes and social fees according to legislation and collective agreements. This labelling should be done by adding one budget line for each job position, e.g. "Financial Officer 50 %, 6 months." If reasonable, salary costs could be labelled with activity or

sub goal numbering, but they need to be kept on separate budget lines and should not be lumped together with other costs. If you plan to hire consultants for considerable amounts, the same rules as for salary costs should be applied. It needs to be clear that the person(s) are to be hired on a consultancy basis, e.g. "Evaluation consultant, 160 hours" or "Accounting consultant, 25 %". The costs for consultancies should be explained in the application. Salary costs for project management in the responsible organisation could be included if it is reasonable and well-motivated. The suggested budgeted amount for project management for the responsible organisation is 4%. If additional project management costs are necessary, these should be explained in the application.

Audit

For all interventions, ForumCiv's audit instructions must be followed. In most cases this means that the intervention must be audited by an external, independent and authorized auditor. The audit is to be conducted for all partners receiving ForumCiv funds. This includes the responsible organisation in Sweden and all partners in subsequent steps. Separate these costs by adding one budget line for audit of the responsible organisation in Sweden and at least one budget line for audit of the implementing organisation(s). For small grants, under certain conditions it is possible to apply for exception from conducting an external audit. This is done in the application. Please note that this request will be assessed during the assessment of the application and the exception must be formally approved by ForumCiv in advance, before the intervention has started.

Travel responsible organisation

Costs for traveling for representatives from the responsible organisation to the area of implementation can be included in the budget. The suggested amount for travel expenses is 30 000 SEK. The amount must be reasonable and the reasons for travelling well motivated in the application.

Expense type

Expense type is used to separate costs between different organisations in the sub granting chain depending on the relation between the organisations.

- **Expense implementing organisation** is used for all costs that incur and are book-kept at local implementing partner organisation(s). This is normally all the operating expenses that are sub granted to local partners. In exceptional cases, there is an agreement between the responsible organisation and the local implementing organisation and costs incur in the local context but the expenses must be book-kept in the responsible organisation's accounting system due to e.g. that the local organisation does not have a legal status, or the local organisation does not have the required systems in place. Those expenses should still be labelled as Expense implementing organisation since the activities are being carried out in the local context. This should be explained in the application.
- **Expense responsible organisation** refers to operational expenses by the applying (responsible) organisation, in other words, the Swedish organisation. These expenses can be incurred in Sweden or in other countries, if they are accounted for directly by the responsible organisation and not sub granted to a partner organisation. For pre-studies where there is no sub granting to a local organisation, this expense type is used for all operational expenses.

Payable to country

For each budget line, select the country where the activity is planned to be carried out and the expense will incur. Costs for implementing organisations should be incurred in the country in which they operate but exceptions to this may exist for example depending on the registration of the local organisation in the context where the intervention is implemented.

Administration

Administration costs are costs within the Swedish organisation that are not directly related to project activities but incurred to manage the project or programme (such as financial personnel, management, legal support, IT, rent and office supplies) and the costs for administering and reporting ForumCiv funding, such as costs for submitting applications and reporting to ForumCiv. You may also use funds from the administration grant to cover staff salaries and the costs of the internal capacity development needed to carry out the intervention. The administration grant cannot be used for basic functions such as communication or fundraising. The maximum amount for administration costs in Sweden is 8 % of the intervention grant. These are to be entered under the heading “Administration” in the budget template. You may include audit costs for the Swedish applying organisation in the administration grant or enter the audit costs as a separate budget line under the heading “Operational expenses”.

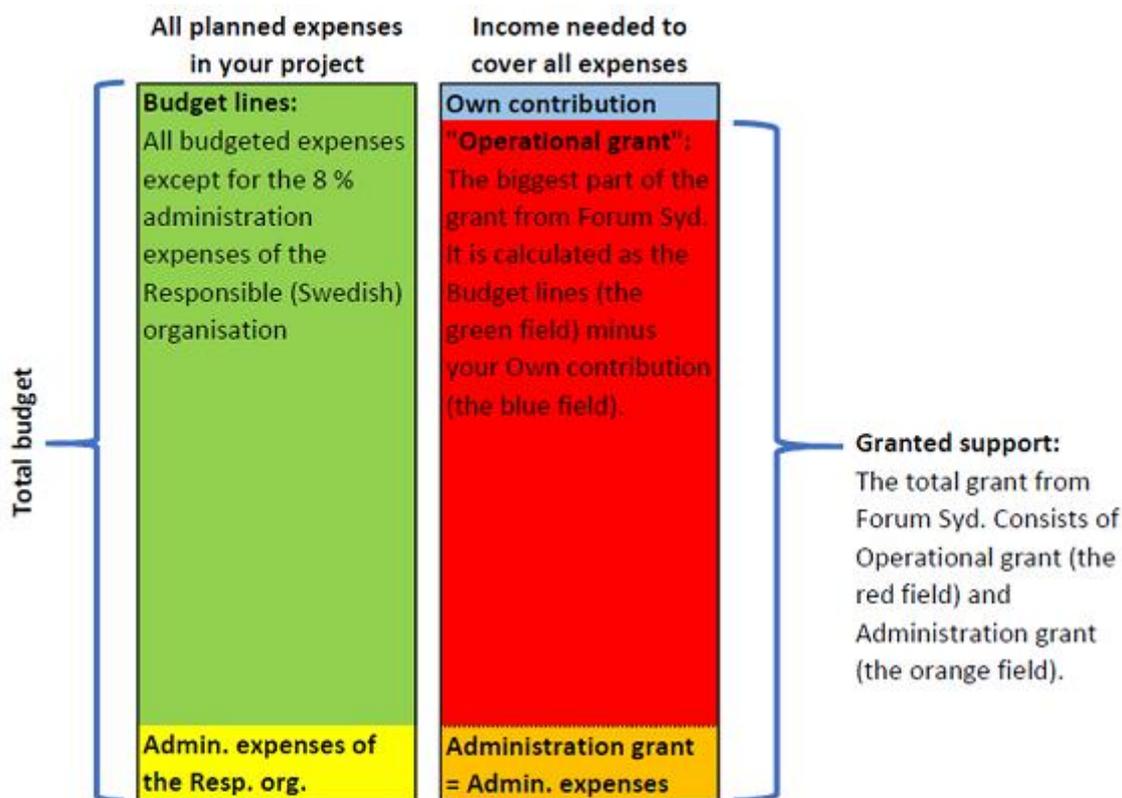
Own contribution

The Grantee must fund at least five percent (5%) of the intervention budget (excluding administration costs) with a so-called own contribution. The own contribution shall be funds raised in Sweden, such as donations, sponsorship, membership fees, lottery revenues and revenues from the sale of goods, in respect of goods not produced and/or purchased with funds from Sida. The own contribution **cannot** be:

- Grants from other public bodies (e.g. state or municipal institutions) in Sweden or abroad
- Income from the sale of services, such as consultancy work
- The value of the organisation’s own work, goods and services
- Financing from local partner organisations in developing countries
- Unutilized administration grant
- Sida funding

In cases when another donor organisation agrees to cover the entire or part of the own contribution component, ForumCiv reserves the right to request written attestation from the donor in question.

Illustration of how Administration grant and Own contribution are calculated



Budget requirements:

Own contribution: Must be minimum 5 % of total Budget lines.

Administration: Addition on top of "Operational grant". Max 8 % of Operational grant.

Example:

Budget lines = 1 000 000 SEK

Own contribution = minimum 5 % of 1 000 000 SEK = 50 000 SEK

Operational grant = 1 000 000 - 50 000 = 950 000 SEK

Administration grant = max 8 % of 950 000 SEK = 76 000 SEK

Granted support = 1 026 000 SEK

Total budget = 1 076 000 SEK

Total budget: the amount of funds that will be used to implement the intervention. This includes the operational grant, the administration grant and the own contribution.

Granted support: the amount of Funds ForumCiv would approve. This includes the operational grant and the administration grant, but not the own contribution.

The own contribution is a minimum 5% of the operational grant. The administration cost is not included when calculating the own contribution.

Currency rate

If an Intervention will be implemented in a different currency than Swedish Kronor (SEK), the Budget and Financial reports must present the local currency and the exchange rate used to set the Budget and financial outcome. Currency gains and losses shall be reported annually. Currency gains and losses are defined as the difference between budgeted amount in local currency and the amount received in local currency. Gains or losses to report are calculated as the net amount in SEK of exchange rate gains and losses for all the disbursement within the intervention during one calendar year. Currency rates are registered according to the cost in Swedish Kronor (SEK) to buy one unit of the local currency, with two to four decimals (xx.xx SEK = 1 local currency). In the Portal, select the currency you will be buying and indicate how many SEK is needed to buy one local currency. This must be done for all interventions where amounts will be spent in other currencies than SEK. If more than one local currency will be used for the implementation, e.g. if the intervention will be implemented in several countries, add extra rows for each currency. In the “Country” column, select the country where the expenses will be incurred. If you will buy local currency in several steps, e.g. by first buying USD for SEK, and then buying COP for USD, only enter the price in SEK for the currency that will be used for implementation.