

## Guidelines on Eligible Expenditures for Grants

| CATEGORY           | DEFINITION   | THRESHOLD/LIMIT   | DETAILED ASSUMPTIONS REQUIRED  |
|--------------------|--|---|--|
| <b>STAFF COSTS</b> | Costs of staff time directly related to implementation of specific project activities i.e. providing technical inputs/expertise. This excludes any general supervision of the project. | Reasonable amount depending on nature of each project, the type of expertise required as well as the availability of such capacity within the recipient organization. | <p>Only costs of Staff of the implementing entity and/or local partner organization should be included under this category. Staff included under this category must provide a technical input with outputs/deliverables specifically identified in the project activities. TORs for each staff indicating the nature of work and expected outputs/deliverables should be provided.</p> <p>The detailed assumptions for salary costs should be provided including:</p> <ul style="list-style-type: none"> <li>• Function/TOR;</li> <li>• Specific expertise to be provided under specific project activity;</li> <li>• Monthly/daily salary;</li> <li>• Time to be charged to project; and</li> <li>• Total costs to be charged to the project.</li> </ul> <p>For costs related to staff mission travel and accommodation, the following details should be provided:</p> <ul style="list-style-type: none"> <li>• Nature of travel i.e. international or local;</li> <li>• Mode of transport (air, vehicle, train etc.);</li> <li>• Unit of measure;</li> <li>• Cost per unit of measure;</li> <li>• Total number of units;</li> <li>• Total costs for transportation; and</li> <li>• Daily Subsistent Allowances- DSA (number of days per mission, number of missions, total number of days, DSA per day and total costs). DSA for International and local missions to be shown separately.</li> </ul> <p><i>The eligible staff costs charged against this expenditure category should also be verifiable against time sheets and signed contracts</i></p> |

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|--|---|--|--|
| <b>TRAINING/<br/>WORKSHOPS/<br/>SEMINARS<br/>COSTS</b>                       | Costs associated with the training/seminars or workshops for project beneficiaries, partners and/or stakeholders necessary for achieving the project goals/objectives and sustaining the results. | Amount depends on need of the project and its main activities.   | <p>Detailed costing assumptions for each event should include:</p> <ul style="list-style-type: none"> <li>• Number of expected participants per event;</li> <li>• Cost of venue;</li> <li>• Cost of renting equipment;</li> <li>• Cost of translation for the event;</li> <li>• Cost of training supplies and materials (individually itemized and costed);</li> <li>• Travel cost of participants (unit cost/participant, number of participants, and total). Tickets, accommodation, per diem and other transportation costs should be detailed per participant (see details on travel costs under staff/consultancy services above);</li> <li>• Facilitators for workshops/trainings/seminars (see Consultancy section above for detailed assumptions required); and</li> <li>• Travel and accommodation costs for facilitators (see assumption for consultants' mission travel under consultancy services above).</li> </ul> |
| <b>DISSEMINATION<br/>COSTS</b>   | Costs for the preparation, production, acquisition, and distribution of project outputs e.g. reports/study materials including web hosting, newspaper, radio and television.                      | <p>Amount depends on nature and need of the project.</p> <p><b><i>CANNOT include remuneration of government officials or media personnel.</i></b></p>  | <p>Detailed costing assumptions should include:</p> <ul style="list-style-type: none"> <li>• Type of media to be used for dissemination such as newspapers, radio or television programmes, tools/reports to be published;</li> <li>• Unit cost per type of media to be used for dissemination;</li> <li>• Number of each type of media to be used for dissemination; and</li> <li>• Total costs</li> </ul>  |
| <b>PURCHASE OF<br/>EQUIPMENT<br/>AND/OR OTHER<br/>SMALL FIXED<br/>ASSETS</b> | Specific costs of acquiring small non expendable equipment/items that are considered critical for the successful project.   | <b>Limited to 5% of total Cities Alliance Alliance grant or \$20,000 (whichever is lower).</b> Such items limited to those related to data collection and analysis e.g. laptops, GPS and handheld devices. | <p>Fixed assets to be purchased with grant funds must be critical for a successful implementation of project activities and achievement of its objectives and outputs/deliverables.</p> <p>Assumptions should include the following:</p> <ul style="list-style-type: none"> <li>• Type of asset/equipment (description);</li> <li>• Method of procurement;</li> <li>• Unit cost;</li> <li>• Number of units; and</li> <li>• Total costs.</li> </ul>  |

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|---|--|--|---|
| <b>PROJECT MANAGEMENT/ SUPERVISION COSTS</b>  | Incremental costs directly attributable to the overall supervision by the recipient of another entity/partner responsible for implementing project activities                  | <b>Limited to 10% of total budget.</b><br>Only applies where the grant recipient is not the implementer but is responsible for grant reporting and management on behalf of a third entity. <b>Where the recipient of the funds is also the implementer, the organization should meet the costs of project supervision.</b>       | Where Project Management/Supervision is applicable, the 10% of CA grant funds should be budgeted for. Itemized costs are not required.  |
| <b>GRANT ADMINISTRATION COSTS<sup>1</sup></b> | Incremental costs of administering the grant that can be directly attributable to the project such as project audit, office supplies, bank charges, and communication/postage. | a) <b>Where the recipient of funds is the implementer of the project activities, Grant Administration costs are limited to 10%.</b><br>b) <b>Where the recipient is <u>not</u> the implementer but responsible for grant reporting and management on behalf of a third entity, Grant Administration costs are limited to 5%.</b> | In case a), the amount is limited to <b>10%</b> of CA grant funds. Audit fees should be shown separately. Not required to itemize other costs.  |
| <b>CO-FINANCING</b>                           | Cash or in-kind contribution to support implementation of project activities.  | <b>Minimum 20%</b> of total project budget. Verifiable commitment to be provided (e.g. letters from co-financiers)   | The assumptions should identify the following: <ul style="list-style-type: none"> <li>Names of co-financiers;</li> <li>Type of co-financing - cash and in-kind contribution; and</li> <li>Signed letters of commitment showing amount of cash or value of in-kind contribution and expected timing i.e. when the amounts will be made available.</li> </ul> |

<sup>1</sup> Reflects revised threshold/limits further to decision by the Management Board (Bern, 21-22 March 2017)