

## GUIDANCE NOTE: FIELD LEVEL AGREEMENT BUDGET TEMPLATE

This guidance note is jointly issued by the Partnership and Advocacy Coordination Division and the Integrated Road Map Operations Division. The FLA budget template is in line with the Integrated Road Map and new cost structure derived from the Financial Framework Review (FFR). The budget must be built by activity, which can include multiple transfer instruments or modalities.

### Introduction

WFP introduced a revised Field-Level Agreement (FLA) budget format in March 2017 based on the new cost structure.

The FLA budget template accommodates the following modalities:

- i. **Food Transfers:** in-kind food commodities as transfer modality to address and tackle food insecurity, including the costs related to delivery;
- ii. **Cash-Based Transfers:** cash or vouchers as transfer modality to address and tackle food insecurity, including the costs related to transfer of cash;
- iii. **Capacity Strengthening:** Capacity strengthening providing technical assistance, enabling and ensuring coherent policies and actions, encouraging multi-stakeholder participation in implementation, promoting innovation and improving access to resources, expertise, knowledge and networks for achievement of SDG 2 and other SDGs;
- iv. **Technical/Specialist Services** Specific services carried out by partners on behalf or for WFP.

Payments to Cooperating Partners (CPs) under an FLA are drawn from three main sources in the Country Portfolio Budget – Transfer, Implementation and Direct Support Costs. The above first three modalities are considered Transfer costs whilst the technical/Specialist Services as Implementation costs of the CPB.

The FLA is the corporate tool for contracting NGO partners at Country Office level. The budget template can accommodate a maximum of seven activities within a single FLA, and each activity can accommodate any of the modalities.

### Structure and Format

The FLA budget template consists of one standard Excel document with separate worksheets. Most of the cells in the template are interlinked through formulae. The template should not be modified.

When completing the template, the following colour coding applies:

- **Yellow cells** can be filled in by the user;
- **Green/Grey cells** cannot be modified by the user and are protected. They are updated through formulae from other completed cells and other worksheets. For example, once cells in worksheet ‘Staff breakdown’ are filled in, values are automatically populated in the green ‘Staff Salary’ lines of worksheet ‘FLA Budget’.

The screenshot shows a portion of the FLA budget template. A text box explains that green cells are linked with formulas to other worksheets or are otherwise protected. Another text box indicates that yellow cells are for user input. The spreadsheet includes a 'Partner' section with 'Int. NGO ABC' and a 'Period' section with 'From' and 'To' dates, and a '# of months' field set to 0. Below this is a table titled 'Funded by WFP' with columns for Activity 1, Activity 2, Activity 3, Activity 4, and TOTAL. The 'TOTAL' column shows a value of 0 MT. Below the activity table are rows for 'Food - Transfer Value', 'Food - Metric Tons', and 'CBT - Transfer Value', with corresponding values in the 'TOTAL' column.

Funded by WFP					CP	Total
Activity 1	Activity 2	Activity 3	Activity 4	TOTAL		
				\$ -		
				0 MT		
				-		

The user selects the activity number in line with the sequential order of the corresponding CSP activity in the CP template. The budget template document consists of three separate worksheets linked together through by formulae:

1. **FLA Budget** contains the overview of the entire FLA budget;
2. **Staff breakdown** details the staff costs at the Country office and Field office-levels;
3. **Budget Consolidation** shows the allocation of the FLA costs among the various CP Budget cost element lines. This worksheet is for WFP internal use only.

The template includes a worksheet called “**Technical Notes**” which provides guidance on how to interpret the cost items included in the revised budget template.

### Preparing an FLA Budget

The FLA budget template accommodates the different cost categories under different activities that CPs may implement with WFP.

Five segments: I) Food Transfers; II) Cash-based Transfers (CBTs); III) Capacity Strengthening; IV) Technical/Specialist Services; V) CP Direct Support Costs; plus, the Management Fee (7 percent) are included.

The Activity columns are filled in according to the transfer modality utilised under the FLA. For instance, if food is the only transfer modality used under ACT 1, only the Food Transfer Section is completed. If the FLA contains both Food and CBT, both the Food and the CBT sections have to be completed.

The share of CP Direct Support Costs should be allocated to the relevant activities and justified in the narrative. Most importantly, these costs should never be budgeted twice.

The user may prepare a detailed budget in an additional worksheet to justify all costs other than those related to staffing.

Staffing costs must be provided through the “Staff breakdown” worksheet. Where Technical/Specialist services are contracted, a separate detailed budget should be annexed to the FLA.

Each activity should have associated CP Direct Support Costs.

<b>Partner</b>	Int. NGO ABC	
<b>Period</b>	From	To
	# of months 0	

  

	Funded by WFP				TOTAL	CP	Total
	Activity 1	Activity 2	Activity 3	Activity 4			
----- Cooperating Partner's Costs	\$	\$	\$	\$	\$	\$	\$
I. Food Transfer modality							
II. CBT Transfer modality							
III. Capacity Strengthening (CS) Transfer modality							
IV. Technical/Specialist Services							
V. CP Direct Support Costs							
<b>Total Cooperating Partner's Direct Costs (I + II + III + IV + V)</b>	-	-	-	-	-	-	-
VI. Management Fee 7%	-	-	-	-	-		-
<b>Total Cooperating Partner's Costs (from I to VI)</b>	-	-	-	-	-	-	-

A budget narrative should always accompany the budget template. This narrative can be provided through a separate file or captured through a new worksheet which can be added manually by the user.

## Cooperating Partner Contributions

CPs should contribute complementary resources whenever possible, and these should be captured in the relevant section of the “FLA Budget” sheet.

Partner	Int. NGO ABC																																																																																																					
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## Transfer, Implementation and CP Direct Support Costs

**Transfer costs** are classified under Section I, II, III while **Implementation Costs** are captured under section IV.

**CP Direct Support Costs** are agreed between WFP and the CP before the FLA is signed and should be kept to a minimum, in accordance with the core principles governing the FFR. These costs are fixed [and](#) should be paid by WFP throughout the agreement period regardless of the scope and scale of activities. CP Direct Support Costs are considered as ‘Fixed Costs’ and are captured under Section V.

### ‘FLA Budget’ Worksheet

#### Section I: Food Transfer Modality

This section captures all planned costs related to the Food Transfer category by Activity. Costs directly linked to the transfer of food assistance using in-kind food transfers, including delivery costs, should be entered here.

From June 2023, the Food section of the FLA budget has been changed to allow clear distinction between costs that are based on tonnage (MT) and those that are not. **MT based costs** are all those costs linked to tonnage: a variation in the tonnage will have an impact on these costs which are invoiced and paid using a MT rate. **Non-MT based costs** will be paid based on actuals, irrespective of the tonnage of food distributed.

Indication and examples on which costs under the Food Transfer Modality can be considered and planned as non-MT based is provided in the table below.

I. Food Transfer modality		Non-MT Basis
Staff Salary	Salary costs of all CP staff involved the management of food distribution	Staff hired by the CP on long-term contracts which will still be required to maintain their function despite whether the food is being distributed or not (i.e: Programme Officer, M&E officer, warehouse manager, Operations coordinator)
Staff related costs*	Travel Costs	Cost related to staff planned under the Food
	Trainings, meetings or workshops	

I. Food Transfer modality		Non-MT Basis
	Staff security	modality as non-MT
	Other Staff costs	
Storage	Handling casual Labour	Costs of storage that are not linked to the amount of MT stored (i.e, Month/annual rent, Fumigation, NFIs)
	Warehouse rental	
	Pallets	
	Cleaning	
	Fumigation	
Food Mgmt & Transformation Services	Other Storage costs	Costs of food management that are fixed and not linked to the amount of food managed (i.e, IT equipment, Tools, forklifts/jacks, tag tapes)
	Provision of empty bags/tins/jerry cans, etc.	
	Computer equipment for commodity tracking	
	Other Food Management costs	

NOTE:

[\\*This includes the number of staff planned under this cost category](#)

### Section II: CBT Transfer Modality (including Voucher Transfers)

This section captures all costs related to the 'Cash-based Transfers', by activity. It is used when CPs are involved in distributing cash directly or through an intermediary; in reimbursing retailers for the redemption of vouchers; or in supporting the implementation and/or monitoring of cash and voucher programmes.

II. CBT Transfer modality	
Staff Salary	Salary cost of staff working in the CBT modality, including staff directly involved with the movement of CBTs to beneficiaries ( <i>all staff working in the CBT modality, including Distribution staff, should be budgeted under this line</i> ).
Staff related costs*	Travel Costs
	Training
	Staff security
	Other Staff costs
Other Delivery costs	IT hardware and software directly related to the delivery mechanism ( <i>which includes set-up and operating of CBT delivery mechanisms</i> )**
	Consumables directly related to the Delivery mechanism ( <i>e.g. voucher printing, consumables such as log-books, debit cards, etc.</i> )**
	Commercial service fees ( <i>which includes commercial service providers such as IT/telecommunications, banks, cash agents, retailers and security companies; and equipment</i> ).
	Distribution costs

NOTE:

[\\*This includes the number of staff planned under this cost category](#)

\*\* Should include costs directly related to the Delivery mechanism. 'IT hardware and software' and 'Consumable' costs related to the CP Direct Support Costs should be captured under section V.

### Section III: Capacity Strengthening Transfer Modality

This section encompasses all planned costs related to Capacity Strengthening by activity. It includes costs directly related to providing technical assistance, enabling and brokering, ensuring coherent policies and actions, encouraging multi-stakeholder participation in implementation, promoting innovation and improving access to resources, expertise, knowledge and networks for achievement of SDG 2 and other SDGs.

III. Capacity Strengthening (CS) Transfer modality	
Staff Salary	Costs of staff working under the Capacity Strengthening transfer modality (expertise and other staff)
Staff related costs*	Travel Costs

III. Capacity Strengthening (CS) Transfer modality	
	Training
	Staff security
	Other Staff costs
Equipment and Supplies**	Equipment costs directly related to the CS modality, Equipment/Non-food items associated with the Food and CBT Transfer modalities that will be directly handed over to the Government, communities or beneficiaries
	Supplies costs directly related to the CS activities
Contracted services	Outsourced services
Trainings, Meetings, Workshops	Covers costs related to meetings or workshops when these costs are related to enhancing local/national capacity
Equipment Transport & related costs	Transport costs incurred for handing over capital equipment.
Other costs	Other CS costs

NOTE:

[\\*This includes the number of staff planned under this cost category](#)

\*\* 'Equipment and Supplies' costs related to the CP Direct Support Costs should be captured under section V.

#### Section IV: Technical/Specialist Services<sup>1</sup>

This section must be completed when a partner is directly contracted to carry out a technical service not directly related to the transfer of Food, CBT or Capacity Strengthening services to beneficiaries. Examples include Assessment, Evaluation, Monitoring, mid-Term Evaluation, base line survey, study or logistics cluster related activities.

A complementary and detailed budget justifying these costs must be prepared in a separate worksheet. A separate provision for other contracted services is included under this budget category.

Staff budgeted under 'Technical/Specialist Services' **should not** be included in the 'Staff breakdown' worksheet, but against the relevant line items in the 'Technical/Specialist Services' section, together with other required and/or associated costs necessary to implement such activities.

Based on the type of Service being provided by the partner the relevant line should be completed and include costs as per the table below.

IV. Technical/Specialist Services	
<b>Evaluation</b> Costs related to manage and conduct decentralized evaluations including costs of workshops, printing and translation of evaluation report.	Staff Salary & Staff Related costs of staff involved in Evaluation activities should be entered here (not in 'Staff breakdown' sheet), together with other Evaluation costs including staff travel.
	TC/IT Equipment
	Vehicle costs
	Other Evaluation costs
<b>Monitoring costs</b> Monitoring and post-distribution monitoring costs of commodities and/or cash-based transfers distribution, and reviews undertaken by outsourced partners due to capacity or access constraints.	Staff Salary & Staff Related costs of staff involved in Monitoring activities should be entered here (not in 'Staff breakdown' sheet), together with other Monitoring costs, including staff travel.
	TC/IT Equipment
	Vehicle costs
	Other Monitoring costs

<sup>1</sup> It is important to note that regular monitoring related to the distribution of commodities and/or cash-based transfers must be budgeted under Section I and II of the budget template. Similarly, when a partner provides services to the Government in the absence of national capacity (Government being the primary user), costs should be charged against Capacity Strengthening (Section III).

<b>Mid-Term Evaluation</b>	Staff Salary & Staff Related costs of staff involved in Mid-Term Evaluation related activities should be entered here (not in 'Staff breakdown' sheet), together with the other activity related costs.
	Other Mid-Term Evaluation related costs linked to the service provided (i.e. TC/IT Equipment, Vehicle costs, other costs)
<b>Other Contracted Services</b>	Costs of any other outsourced services including for logistics cluster related activities
	Other costs e.g. costs related to targeting, sensitization, registration, maintenance, feedback of beneficiary management databases.
<b>Assessment</b> Assessments Costs when related to non-periodic activity-specific assessment (e.g. assessment for establishing distribution locations, market surveys related to the activity).	Staff Salary & Staff Related costs of staff involved in Assessment related activities should be entered here (not in 'Staff breakdown' sheet), together with the other activity related costs.
	Other Assessment related costs linked to the service provided (i.e. TC/IT Equipment, Vehicle costs, other costs)

### Section V: CP Direct Support Costs

'CP Direct Support Costs' are considered as CP fixed costs managed at the Country Office level and include core staff and non-staff costs (i.e. recurring costs such as office rental, light vehicles, and equipment) which should be kept to a minimum. When the CP is implementing multiple activities, common costs such as office rent and management staff should be distributed across the activities and not duplicated under section I, II, III and IV. 'CP Direct Support Costs' can only be entered by activity and not by transfer type.

<b>V. CP Direct Support Costs</b>	
Staff Salary	Staff salaries in CP's Country Office providing oversight and support for all activities e.g. Administration and Programme.
Staff related costs	Travel Costs
	Training
	Staff security
	Other Staff costs
Office Rent & Running costs	Rental of facility
	Utilities
	Communications fees
Vehicle and Running costs	Light vehicle running costs
	Light vehicles
	Other vehicle-related costs
Equipment and Supplies	Office supplies
	Office security
	Computer and communications equipment
	Office furnishings and other equipment

### Section VI: Management Fee

WFP pays a 7% management fee on all FLA contracts.

### 'Staff breakdown' Worksheet

This worksheet captures the salaries of staff working under the Food, CBT and CS transfer modalities (refer to sections I, II and III in the 'FLA Budget' worksheet), as well as the core CP staff providing oversight and support across activities (refer to section V in the 'FLA Budget' worksheet). Staff information should be populated for individual activities.

Staff budgeted under 'Technical/Specialist Services' (refer to section IV in the 'FLA Budget' worksheet) **should not** be included in the 'Staff breakdown' worksheet.

The staff breakdown information is organized under the following columns:

- i. **Function:** manually insert the Function title of the staff;
- ii. **# Staff:** enter the number of staff for each function;
- iii. **Duty Station:** indicate where the staff are located either at the CP 'Country Office' or in the CP 'Field Office';
- iv. **Location:** indicate name of the Area/offices or Sub-Offices (if required) where the staff are located;
- v. **Month From** and **Month to:** indicate the commencement date and end date of staff's contract (dd/mm/yy);
- vi. **# months** is the numerical outcome of the start and end dates of staff contract and is automatically calculated;
- vii. **Costs/Month** captures the monthly salary of staff;  
(For Staff and Staff related costs under Food modality that do not integrate the rate per metric ton payment category the amount included in the 'Cost/Month' column, should accommodate both Salary and Staff related costs (i.e. Travel, Training, Staff security, Other Staff costs)
- viii. **Total Amount** is automatically calculated using as reference the number of valid months of staff contract, number of staff (for one specific function with similar salary), and the monthly salary;
- ix. **Staff Cost Category Allocation:** staff costs allocation against one of the following budget components:
  - a. Food – Transfer costs, section I. ('Delivery and Distribution' costs line);  
The Staff Cost Category includes two types of staff for the Food Transfer costs
    - i) 'Food - Transfer costs, section I. (MT based)' for the staff salary which integrate the rate per metric ton payment category and
    - ii) 'Food - Transfer costs, section I. (non-MT based)' for the costs for Staff and Staff related costs under Food modality that do not integrate the rate per metric ton payment category.
  - b. CBT – Transfer costs, section II. ('Delivery and Distribution' costs line);
  - c. CS – Transfer costs, section III. ('Delivery and Distribution' costs line);
  - d. CP Direct Support Costs, section V. ('Fixed Costs')

The allocation of staff costs is primarily dictated by the nature of responsibilities of staff and the transfer modalities under which the staff serve. Should a single staff work under more than one transfer modality (e.g. Food and CBT), or transfer to support another modality during the implementation period under the FLA (e.g. shifting from Food to CBT), then the staff position would be entered into two distinct rows, along with the appropriate proportional allocation of their time (e.g. 50% Food, 20% CBT, 30% CS). Please refer to the example below:

Function	# Staff	Duty Station	Location	Month from	Month to	# months	Cost/Month	Total Amount	Staff Cost Category Allocation	Staff Activity Allocation (%)			TOTAL %
										Funded by WFP		CP	
										Activity 1	Activity 2		
Warehouse staff	0.5	Country Office	Damascus	01-Jan-17	31-Dec-17	12.0	500	3,000	Food - Transfer costs, section I.	50%	30%	20%	100%
Delivery staff	0.5	Country Office	Damascus	01-Jan-17	31-Dec-17	12.0	500	3,000	CBT - Transfer costs, section II.	50%	20%	30%	100%

- x. The section **Staff Activity Allocation (%)** includes columns that accommodate a maximum of 7 activities (columns L to R). Staff costs under individual rows must be allocated to the **specific/relevant activities**. For example, if a staff member is expected to work equally under Activity 1 and 2, the CO should reflect this in the template by entering 50% under Activity 1 and 50% under Activity 2.

If the staff is partly paid by the CPs, the cost must be allocated between WFP (Column L to R) and CP (Column T). For example, if a staff member salary is expected to be paid equally by WFP and the CP, the CO should reflect this in the template by entering 50% under WFP in relevant Activity/Activities and 50% under CP.



If staff allocation to the different activities is not 100% for any of the staff lines, 'Total %' will turn RED and a warning message will appear in row two, flagging the issue.

### ***'Gender Planned cost' Worksheet***

In 'Gender Planned cost' of the FLA budget, CO Gender Unit focal point should provide inputs on the estimated cost of the gender equality activities related to the agreement period. This information should be entered for each activity in the FLA.

For more information on Gender, please refer WFP [Gender Toolkit](#).

### ***'Budget Consolidation' Worksheet***

This 'mapping' worksheet is for WFP internal use only. It aggregates and maps the costs entered in the 'FLA Budget' and 'Staff Breakdown' worksheets to the new FFR cost structure, as per WFP's Country Portfolio Budget Template. No data entry is required.

- a) Costs entered in 'FLA Budget' worksheet in the sections 'I. Food Transfer modality', 'II. CBT Transfer modality' and 'III. Capacity Strengthening (CS) Transfer modality' are automatically mapped to the 'Delivery and Distribution Costs' cost element of the respective transfer modality (Food, CBT or CS). Under the Food modality the 'Delivery and Distribution Costs' are further broken down between MT based and Non-MT based;
- b) Costs entered in 'FLA Budget' worksheet under section 'IV. Technical/Specialist Services' feed into the budget segment 'Implementation' and are mapped against the relevant cost elements (details on the mapping in the 'Budget Consolidation' worksheet directly);
- c) Costs captured under sections 'V. CP Direct Support Costs' and 'VI. Management Fee' (sheet 'FLA Budget') are re-distributed proportionally to the Food, CBT, CS modalities and the five planning elements under 'Implementation'.

### ***'WINGS Commitment Mapping' Worksheet***

This 'mapping' worksheet is for WFP internal use only. This sheet maps the costs inserted in the 'FLA Budget' and 'Staff Breakdown' worksheets to the Cost Categories, Material Group and GL code according to the new cost structure. No data entry is required.

### ***Clarification on Payment calculations***

There are two ways to calculate payments to cooperating partners under the FLA:

- **'Food Transfer modality'** which are linked to the tonnage (MT based) - payment is made based on a rate per MT, calculated as budgeted cost divided by budgeted tonnage.
- **Cash-based Transfers, Capacity Strengthening, Technical/Specialist services, CP Direct Support Costs, as well as 'Food Transfer modality'** which are NOT linked to the tonnage (non-MT based) - payment is made based on actuals.



Find below a summary of these calculation methods:

Modalities	Calculation Method
I. Food Transfer modality	<b>For MT Based cost</b> ---> Rate per metric ton: MT distributed X rate per MT
II. CBT Transfer modality	<b>For Non-MT Based cost</b> ----> Actual cost of services as per invoice or statement submitted
III. CS Transfer modality	Actual cost of services as per invoice or statement submitted
IV. Technical/Specialist Services	Actual cost of services as per invoice or statement submitted
V. CP Direct Support Costs	Actual cost of services as per invoice or statement submitted
VI. Management Fee	7% payable amount for total CP's Direct Costs