

Budget Guide
The Civil Society Fund

GUIDE TO BUDGET PREPARATION FOR THE CIVIL SOCIETY FUND



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1. VALIDITY OF THE GUIDE

This guide is valid for:

- Preparation of budget for applications to the Civil Society Fund, including the Climate Change Adaptation Modality (CCAM)

Please note that the guide is continuously updated if the rules are changed, or if anything in the text turns out to be unclear. Your organisation is responsible for always using the latest version of the guide.

2. HOW TO USE THE GUIDE

This guide sets out the requirements regarding how to present the budget. Accordingly, its instructions should be followed when drawing up a budget in connection with applications to the Civil Society Fund.

Please note that the requirements for managing the budget are found in the Guide to the Management of Grants from the Civil Society Fund available on CISU's website, henceforth also referred to as the 'Grant Management Guide'.

3. GENERALLY ABOUT BUDGETS FOR PROJECTS

When applying for funding from the Civil Society Fund, a budget must be prepared according to the corresponding format available on CISU's website.

The budget must be drawn up in whole Danish kroner (DKK).

The budget should contain all project-related costs, which must be presented in a clear and transparent manner. It is important for the assessment of the application that the budget is easy to understand.

The assessment of the application will set store on the budget corresponding closely to the description of the project. It will also be considered important that the costs of the project are reasonable and well justified in view of the activities to be carried out and the results and/or changes expected to be achieved.

When writing the application, it should be ensured that all budget items are described and explained in the actual application text so that the application and budget easily can be linked. If your application includes outputs/outcomes, please refer to the same output/outcome numbers in the application text and in the budget format for easy reference. Large or unusual expenses have to be justified – both in the application and in the budget notes. Examples of points likely to invite to scrutiny are salaries of Danish personnel, major purchases or investments, as well as a relatively high proportion of the combined budget being composed of items such as salaries, local administration and travel.

Insurance

The Danish organisation must provide for insurance coverage of major equipment, stock, fixtures and programme personnel (permanent, temporary, and voluntary personnel) to the extent possible. This also includes travel insurance. The Danish organisation must also ensure that the local partners take out necessary insurance for personnel and major equipment etc.

4. BUDGET FORMAT FOR CIVIL SOCIETY FUND PROJECTS

The same budget format is used when applying for Small-Scale Interventions, Citizen Participation Interventions, Development Interventions, Support for Co-Funding, and the Climate Change Adaptation Modality. The budget format is available on CISU's website. This is an Excel file containing four spreadsheets.

- **Spreadsheet 1** (Budget) and **spreadsheet 2** (Budget notes & calculations) must be filled in by all applicants.
- **Spreadsheet 3** (DK workhours) must be completed if the budget contains salaries of staff or volunteers from Denmark taking on relevant professional tasks.
- **Spreadsheet 4** (Budget summary) automatically generates an overview of the main lines in the budget.

The four spreadsheets will be presented in the following sections.

Line ref.	Description (activity, item etc.)	From the Civil Society Fund, DKK

4.1. SPREADSHEET 1: BUDGET

All budget items in the project are entered into spreadsheet 1.

It is important that you only type in the white cells of the budget format, since all the coloured cells contain formulas.

This is how each column should be filled out:

- **Line reference:** Each line in the budget must be given a **sequential** number.
- **Description (activity, item etc.):** Each budget line must have a **description** of the activity and item included. If your application includes outputs/outcomes, please refer to their numbers in the description for easy reference.
- **From the Civil Society Fund, DKK:** Amounts applied for to the Civil Society Fund are entered into the column "From Civil Society Fund, DKK".

Example of how spreadsheet 1. Budget could be filled out:

10	Line	Description (activity, item etc.)	From the Civil Society
11	ref.		Fund, DKK
12			
13	1. Local Partner Activities		
14	1.1	Outcome 1: Improve knowledge and capacity of CSPs led by urban youth	
15	1.1.1.	Tools to strengthen CSOs	18.200
16	1.1.2.	Youth Academy facilitation	55.413
17			
18	1.2	Outcome 2: Implementation of action plans to strengthen CSPs	
19	1.2.1.	CSO participate in and plan mentee programme	7.200
20			
21	1.3	Flexible funding to CSOs	8.000
22	1. Subtotal		88.813

4.1.1. Main Budget Lines

The budget consists of several main budget lines. As a starting point, the local partner has budget responsibility for lines 1 to 4, and the Danish partner has budget responsibility for budget lines 5 to 14. In certain cases, it may be appropriate for one partner to pay for something that concerns the other partner's part of the budget.

Budget line 1: Local partner activities

All expenses directly related to implementation of activities must be budgeted under budget line 1. This could for example be expenses for trainings for the target group, such as rent of venue, transport costs for participants, per diems for participants, per diems for local staff etc.

Activities must be structured in accordance with the objectives defined for the project. In the case of activities aimed at pursuing several objectives at the same time, the activity costs should be divided between the various objectives. This presentation will help reveal where the emphasis of the project has been placed financially. However, if the number of activities is very high, it may be helpful, for the sake of clarity, to gather related activities under a single budget line, and then elaborate on the various expenses making up the total amount in a budget note (spreadsheet 2). Read more about budget notes in section 4.2.

Example of how specific objectives (outcomes) can be broken down into outputs and activities can be found above.

You can choose to budget up to 10 % of the activity funds as flexible funds. This means that the funds can be used for activities and ideas that arise locally while you are working on the project. Therefore, you do not have to describe what the funds will be used for in the application, but the activities must support the project's goals. You do not have to apply for prior approval from CISU when you use the flexible activity funds, but you must describe what the flexible activity funds were used for in the final report.

Salary and fees incurred in direct connection with activities, e.g. fees for external local consultants must be budgeted under budget line 3.

Budget line 2: Local partner investments

Under *Local partner investments*, you must budget all purchases of material to support the local implemented activities. This could be, for example, the purchase of tools, vehicles and IT equipment.

Direct input to the implementation of activities, e.g. seed and teaching materials, must be budgeted under budget line 1.

The purchase of land and real estate cannot be supported.

Budget line 3: Local partner staff and volunteers

All salaries and fees for persons in the partner country must be budgeted on budget line 3. This includes:

- Salaries for local staff and volunteers related to project activities and management hereof (e.g., project coordinator, accountant).
- Salaries and fees incurred in direct connection with activities, e.g. fees for external local consultants.

For permanent staff, you must for each position specify (e.g. in a budget note, spreadsheet 2):

- Position, percentage of full-time position, number of work hours and wage.
- Other employment costs

Attention must be paid to local labour rules, including hiring, salaries, notice of termination, compulsory healthcare contributions, insurance, payment for a 13th month, etc. This ought to be raised with the local partner who knows the local rules. In the case of projects lasting several years, it will also be a good idea to consider possible salary rises and adjustments during the project period.

Salaries must be in accordance with salary levels prevailing in the local labour market. The Danish embassy or other NGOs might be able to help with information on the salary levels.

Budget line 4: Local partner administration

The local partners' costs for the administration of the project activities must be budgeted on budget line 4 (e.g. rent, insurance, phone, internet, etc.). Costs must be justified in the budget notes (see part 4.2).

It is important that the local partner provides the necessary insurance for staff, equipment, etc.

Bank costs

Bank costs in the partner country must be covered by budget line 4. This applies to both interest expenses, bank fees for transferring funds to Denmark as well as basic fees regarding bank account operation.

Local audit

Costs for auditing of the grant in the partner country must be budgeted on budget line 4.

Please note:

- It is a **requirement** for grants over DKK 500,000 that an audit of expenses paid locally is carried out in the partner country. The local audit is part of the audit of the final accounts in Denmark.
- It is **recommended** for grants over DKK 500,000 running over several years, that an audit is carried out in the partner country *every year* of expenses paid locally.
- It is **recommended** for grants between DKK 200,000 and 500,000 that an audit of expenses paid

locally is carried out in the partner country. The local audit is part of the audit of the final accounts in Denmark.

Read more about auditing requirements in the Civil Society Fund's Grant Management Guide available at CISU's website.

Budget line 5: External evaluation

CISU always recommends that interventions are evaluated. The larger grant, the more important it is to have an evaluation, preferably an external evaluation.

It is up to the grant holders whether they will make an internal evaluation, or they will make use of an external evaluator, or whether they want to combine the two options.

Costs related to an external evaluation are budgeted on budget line 5. That is an evaluation carried out by an external, independent consultant. The external evaluation can either be carried out mid-term or as a final evaluation.

An evaluation must be justified in the application, and the amount of the expenditure for an evaluation is expected to be proportional to the size of the grant.

You may apply for salary or fees for the external consultant as well as the same types of costs as for Danish project monitoring (budget line 6).

Persons from the Danish organisation or from the partner organisation can be resource persons for the external consultant. In that case, salaries for resource persons from the Danish partner must be budgeted on budget line 7 and salaries for resource persons from the local partner must be budgeted on budget line 3.

Please note that when the Danish partner and the local partner carry out an internal evaluation of the project, the costs must be entered under

- Budget line 6. DK partner activities & project monitoring: Costs related to Danish participation.
- Budget line 1. Local partner activities: Activities etc. made in relation to the evaluation.
- Budget line 3. Local partner staff and volunteers: Salaries for local partner participation.

Budget line 6: DK partner activities & project monitoring

On budget line 6 you must budget costs for the Danish partner, which directly relate to the project's activities.

These costs may be:

- Salaries for project activities including activity specific capacity building, advocacy, policy work, strategic service delivery etc.
- Project specific investments i.e., purchase of physical assets for project specific activities (e.g., IT equipment).
- Salaries for project management and ongoing supervision of implementation and progress in cooperation with the local partner, including project specific:
 - Professional advice, support and capacity building of local partners and other relevant

actors

- Professional support for partners' administration and accounting.
- Technical assistance, monitoring and compliance.
- Monitoring of ongoing projects, including monitoring visits and reporting.
- Support for volunteers' involvement in monitoring and reporting.
- Evaluation of ongoing activities.

CISU requires that project and financial monitoring is carried out of the local partner in the partner country. The monitoring may be carried out by employees and members of the Danish partner organisation.

It is possible to apply for funding of salaries or fees for participation in project monitoring by the Danish partner's employees or volunteers. More detailed guidance and requirements are set out in section 4.3 Danish workhours.

Travel expenses

- Travel expenses must be budgeted as economically as possible.
- The number of travelers and trips must be limited to those necessary.
- Per diem and mileage allowance cannot exceed the rates for business travel laid down by Denmark's Ministry of Finance. A link to these rates is available at CISU's website.
- Airfares must be priced at no more than economy class, and accommodation should not cost more than a normal tourist-class hotel. See also the Danish Ministry of Finance's rates for hotel expenditure during business travel.
- Bonus points earned on travel as part of the project may not be used privately of employees but is to be included in the discounting of other travels as part of the project.
- Cancellation and travel insurance for both employees and volunteers should be included in the budget.
- Expenses for climate/CO2 compensation for project travels can also be budgeted. This will typically be either an additional price paid for the plane ticket or compensation paid via a CO2 compensation scheme.

Budget line 7: DK partner project support costs

Project support costs must be budgeted on budget line 7. These costs *support* the implementation of the project and are not costs that cover the direct implementation of the project activities.

Such indirect project support costs will typically cover the following areas:

- Management of project staff.
- Coordination and support of volunteers' involvement in project activities.
- Planning (such as a new phase of ongoing projects), coordination of project activities and preparation of project documentation.
- IT equipment for project supporting functions.
- Recruitment of project specific staff.
- Project specific studies, reporting, finance and procurement tasks. This includes reporting concerning the project to CISU (e.g. status reports, final reports and final accounts).
- Project specific advisory and support to local partners (i.e. supporting local operational capacity

- and localisation).
- Fair share of necessary personnel related costs (for essential project supporting staff and functions e.g. social security, HR, security and finance).
 - Fair share of project supporting cost functions at HQ as well as local or regional country office (e.g. warehouse and office costs including rent, cleaning, utilities and supplies, telephone and internet costs, goods, materials, maintenance, payroll, procurement).
 - Involvement of human resources in connection with external evaluations.
 - Interest expenses in Denmark and bank fees for transferring funds from Denmark to the partners.
 - Transport expenses in connection with the Danish organisation's participation in CISU's Thematic Network.

Budget line 9: Project related information (PRI)

It is possible to apply for funding for information activities in Denmark related to the project, including Danish workhours. The amount applied for cannot exceed 2 % of budget line 8 "Total activities costs" in the budget format.

In the budget format, there is a control field that shows the maximum amount you can budget with.

Budget line 11: Budget margin

The budget should contain a margin amounting to a minimum of 6 % and a maximum of 10 % of budget line 10 "Total project costs". The budget margin may be used to cover unforeseen expenses on some of the other budget lines, such as increases in prices, wages, exchange rates and interest costs in Denmark (due to negative interest rates on Danish deposit accounts).

In the budget format, there is a control field that shows the minimum and maximum amounts you must budget with.

See the Civil Society Fund's Grant Management Guide for the requirements regarding spending of the budget margin, including when it is necessary to request for CISU's prior approval.

Budget line 12: DK partner auditing

The final accounts regarding grants above DKK 200,000 must be audited by a chartered or state-authorised auditor who should be appointed by the Danish partner.

The budget for auditing in Denmark must cover:

- the costs of auditing the project's final accounts
- the part of the organisation's yearly general accounts that concerns the interim accounts of the grant.

The audit of the rest of the organisation's yearly general accounts cannot be covered by budget line 12 but must be financed through budget line 14: Administration in Denmark.

Auditing costs in the partner country must be charged under budget line 4: Local partner administration.

The total auditing costs in Denmark and in the partner country should normally be kept at between 2 and 3 % of the total grant. It should be noted, however, that for small projects, the cost of auditing will typically be relatively higher than the cost of large projects. If the cost of the audit is higher than 2 to 3 %, this must be justified in the budget notes.

Please note that, in the case of grants of DKK 200,000 or less, audit fees are paid by CISU, and hence the fee should not be omitted in the budget.

The Civil Society Fund's Grant Management Guide and the Audit Instructions detail the audit requirements in Denmark and in the partner country.

Budget line 14: Administration DK partner

7 % of total costs (budget line 13) may be set aside for administration in Denmark. The administration fee should cover the Danish organisation's general additional administrative costs in connection with the approved project, when these do not pertain to any of the other budget items. Below are examples of what such costs may include:

- Administration and accounting of the organisation itself (i.e. not related to project activities).
- Visits and monitoring visits that does not form part of activity-specific monitoring.
- Recruitment and selection of personnel unrelated to any specific intervention.
- All contact/dialogue with CISU that do not relate to the project.
- General compliance and administrative and legislative reporting tasks in relation to the organisation (e.g. VAT, audit).
- General budgeting and accounting tasks.
- The organisational leadership's involvement in the development cooperation (leadership refers to members of the various governing bodies).

In the budget format, there is a control field that shows the maximum amount you can budget with.

See CISU's Guide to the Administration of Grants from the Civil Society Fund for further requirements regarding the use of the administration fee.

Disability compensation

You can apply for disability compensation from the Civil Society Fund to cover extra expenses for the Danish partner. The costs can be for personal assistants, sign language interpreters, special transportation and other aids in connection with the Danish partner's active participation in the implementation of a project.

You can also apply for disability compensation in connection with project-related information work in Denmark.

Note that disability compensation for the local partner must be sought as an integral part of the project and be activity-specific.

The relevant expenses should be registered under budget item A-E in the bottom of Spreadsheet 1. Budget in the budget format.

Disability compensation	
A. Special transportation (explain relevance in notes)	-
B. Accommodation for helper (explain relevance in notes)	-
C. Airfare for helper (explain relevance in notes)	-
D. Special translations etc. (explain relevance in notes)	-
E. Other (explain relevance in notes)	-
Total Compensation	-
*Relevance of all budget lines must be explained in the budget notes, sheet 2	

Please note that expenses for disability compensation will be supplementary to the grand total amount applied for. In this way, the sum of the grand total and the expenses for disability compensation can exceed the usual maximum amount for the modality.

Amounts given as disability compensation are *not* included in the grant ceiling for the individual organisation.

4.2. SPREADSHEET 2: BUDGET NOTES & CALCULATIONS

Budget notes help ensure that the budget can be understood by those who are going to use it. Moreover, they are important to enable an assessment of the cost level of the project, which is factor in the decision of whether to approve or reject the application.

Accordingly, items calling for further explanation must be described in the budget notes. These can be, for example, what a unit is to be used for or what it covers.

Example of explanation in budget note

The local partner has access to shared office space in the city for the ten months the project lasts. The contribution to the office space is a total of DKK 2,400 for the ten months.

Calculation of costs in a budget note

It is important that significant costs indicated in the budget are specified in the budget notes in terms of a calculation of unit costs, number of units, number of times (frequency) and total amount.

The terminology used in the budget notes is explained here:

- **Unit type** is the basis for calculating the cost of the budget line. It helps to think about how this will be charged (by person, by item, by day/month).
- **The number of units** describes how many of the items described in the unit type column are needed.
- **The number of times (frequency)** describes the number of times the unit will be used / the unit will take place.
- **Unit cost** is the price of one unit of the unit type in DKK.
- **Total budget** is calculated by multiplying the numbers in the three previous columns together (no. units x frequency x unit price).
- **Notes and assumptions** must explain where the costs or quantities came from or what assumptions were made. The notes are very useful to help the reader understand the budget.

Examples of how spreadsheet 2. Budget notes & calculations could be filled out:

Line ref.	Notes and assumptions	Unit type	No. of units	No. of times (frequency)	Unit cost, DKK	Total budget in DKK
1.1.	Activity 1.1.2.					
	Office supplies for 48 pax	Office supplies	48	1	38	1.824
	Hotel for 48 pax in 21 days	Hotel	48	21	113	113.904
	Food for 48 pax in 21 days	Food	48	21	94	94.752
	Travel costs to Kampala (24 pax x 3 times)	Travel costs	24	3	94	6.768
	Travel costs to Arua (24 pax x 3 times)	Travel costs	24	3	275	19.800
2.1.	Activity 2.1.1.					
	* 3 trainings of 60 pax in each 5 days: Food for 60 pax: 20 dkr per day. Transport for 60 pax: 20 dkr per training * Stationary per training: 260 dkr	Training	1	3	7.460	22.380
3	Local partner staff and volunteers					
3.1.	Activity 1.1.1: Fee for 2 consultants 1 day	Fee	2	1	9.125	18.250
3.2.	Activity 1.1.2: Technical fee for 1 consultant for 21 days	Fee	1	21	913	19.173
3.3.	Activity 2.1.1: Fee for 2 trainers, 260 dkr per day	Fee	2	3	260	1.560
3.4.	Activity 2.1.1: Fee for 2 volunteers	Fee	2	3	40	240

4.2.1. Fair and transparent cost allocation

For costs that relate to the organisation's general operational costs, it may only be relevant to apply for part of the operational costs to be covered by the given project supported by the Civil Society Fund. This is especially relevant for organisations with several sources of income and donors because more than one source of income pays for the operational costs. That is salaries for staff with supporting functions in the organization such as the bookkeeper and management, as well as expenses for rent and office supplies (expenditure **on budget lines 3, 4 or 7**).

In such cases, you must either explain how you calculated the amount that the project must support or use a cost allocation key that calculates the distribution of the expenditure across income or projects. The most important thing is that the allocation of the cost is fair and transparent.

Examples of calculation of cost allocation keys

A part of project support costs needs to be allocated to a CSF project. This could be office costs including rent, cleaning, utilities and supplies, telephone and internet costs, goods, materials, maintenance etc.

Cost allocation could e.g., be:

- a) Based on '**head counts**': 2 of the 3 employees in the organisation works on the CSF project i.e., $2/3 = 67\%$ of the cost is allocated to the CSF project.
- b) Based on **time registration-key** (i.e., estimated use of hours): 2.892 workhours of in all 4.520 workhours are estimated to be spent on the project i.e., $2.892/4.520 = 64\%$ of the costs is allocated to the project.
- c) Based on '**project portfolio**': The organisation has a project portfolio of 1 million DKK. The organisation applies the Civil Society Fund for 2 million DKK. That is, the organisation will have a project portfolio of DKK 3 million if the project is granted. i.e., $2/3 = 67\%$ of the costs are allocated to the CSF project.

Fairness

Please note that the three cost allocations in the example all are considered fair as they all allocate a rather similar percentage of the cost to the project (67 % and 64 % respectively). If an allocation mechanism results in an unfair allocation (e.g., a significant higher share) it cannot be applied.

An expense must always be justified in the budget notes. **However, a calculation of a cost allocation key is not required at the time of application.** At the time of the audit of the final accounts of the grant, the organisation must be able to explain to the auditor how costs for administration are distributed 'fairly and transparently' between the various sources of income.

4.3. SPREADSHEET 3: DK WORKHOURS

Spreadsheet 3 'DK workhours' must be filled out if the budget covers salaries or fees for permanent employees, temporary employees or volunteers of the Danish partner. If the project is implemented together with another Danish partner, this partner can also fill out 'Danish workhours'.

It is not possible to establish an exact ceiling for the proportion of a grant that may be spent on remunerating Danish personnel. However, the Danish workhours will be assessed paying attention to the following aspects:

- The need for Danish labour should be justified by the needs of the local partner or target group.
- There must be reasons not to hire local people to carry out the task.
- The Danish input funded by the project should not give rise to dependency on the Danish partner.

4.3.1. Filling out spreadsheet 3

All Danish workhours must be budgeted on either budget line 6. DK partner activities and project monitoring, 7. DK partner project support costs or 9. Project related information (PRI). See the sections above for details on what payroll expenses can be included under these main budget lines.

Remember to complete the cells under 'activity' and 'description of assignment' in spreadsheet 3, thus declaring what each person will contribute with.

	A	B	C	D	E	F	G	H	I	J
1		Danish partner work hours								
2		This section must be filled out if the budget includes salaries or allowances for personnel or volunteers from the Danish partner(s).								
3										
4										
5		6. DK partner activities & project monitoring								
6		Salaries (DK HQ and local, documented by time registration or similar)								
7							Number of hours			
8		Activity (specify budget item)	Name of employee / volunteer	Descriptions of Tasks	Title	Hourly fee, DKK	Hours - abroad	Hours in Denmark	Hours total	Total Fee
9									-	-
10									-	-
11									-	-
12									-	-
13									-	-
14									-	-
15									-	-

4.3.2 Requirements for budgeting with Danish work hours

Please note that if salaries or fees for Danish personnel / volunteers are included in the budget, it is incumbent on the organisation to be tax-registered and declare its accounts to the Danish tax authorities in keeping with current rules.

The Danish partner as well as any Danish partner organizations are also responsible for the necessary insurance of staff and volunteers who participate in the project.

There is no distinction in principle between the workhours of permanent, temporary, and voluntary personnel dedicated to the implementation of a project. In all cases, the rates must adhere to the following:

- All Danish salaries must be presented in the budget with reference to individual activities and must subsequently be documented in accounts and reporting on the activity concerned.
- The hourly rate for permanent, temporary or voluntary staff may not exceed:
 - Their current salary level i.e., actual salary cost as well as related expenditures e.g., pension and social security.
 - The salary level for public employees in similar positions.
- The salaries of local staff at field offices cannot exceed the average level for equivalent organisations in the same country.

4.4. SPREADSHEET 4: BUDGET SUMMARY

After spreadsheet 1 in the budget format has been filled out, a Budget Summary is automatically generated in spreadsheet 4, which provides an overview of the main budget lines.

Spreadsheet 4 is for CISU's internal use and you may not write or edit in this spreadsheet.

5. BUDGET FOR SUPPORT FOR APPLICATION PROCESS

When applying for Support for Application Process, the budget format to that modality should be used. The format is available on CISU's website. The budget should be denominated in whole Danish kroner, DKK.

The format is an Excel file with three spreadsheets: 1. Budget, 2. Budget notes & calculations, and 3. DK workhours. The three spreadsheets are explained in the sections below.

5.1 SPREADSHEET 1: BUDGET

Through the modality Support for Application Process, it is possible to request up to DKK 50,000 to cover all types of relevant costs of drafting an application for grants not funded by The Danish Ministry of Foreign Affairs. The amount applied for to the main donor must be at least DKK 200,000.

Support can be applied for the following budget items:

1. Local partner activities

Relevant activities such as workshops, surveys or similar in connection with the application process.

3. Local partner employees and volunteers

Salaries or fees for partners that prepare the application.

6. DK partner activities

Salaries or fees for persons in the Danish organisation that prepare the application.

Travel expenses for partner visits. See the rules on travel expenses described in section 4.1.1. above (under budget line 6).

14. DK partner administration

The administration contribution can amount to a maximum of 7 % of the total activity costs.

5.2 SPREADSHEET 2: BUDGET NOTES & CALCULATIONS

Budget notes help ensure that the budget is understandable to those who are going to use it. They are also important to estimate the project's cost level, which is a factor in the assessment of the application.

Accordingly, budget items in need of further explanation must be described in the budget notes. For example, what purpose a unit will serve, or what is covered by a certain concept. Moreover, the budget notes should elaborate upon significant expenses in the budget in terms of calculating cost per unit, number of units, frequency and total amount.

See example of budget note in section 4.2 above.

5.3 SPREADSHEET 3: DK WORKHOURS

Please refer to section 4.3 above.

6. BUDGET FOR SUPPORT FOR CO-FINANCING

When applying for Support for Co-Financing, the budget format for the Civil Society Fund should be used. The format is available on CISU's website and must be in whole Danish Kroner, DKK.

The budget must show the amount requested from the Civil Society Fund broken down by the fund's main budget lines. Therefore, you do not need to specify the expenses under each main budget line, but only enter the sum of the main budget line on Spreadsheet 1. Budget. See section 4.1 for more detailed description of the main budget lines.

It may be relevant to add budget notes to those items that require further explanation. To this end, please click on the **second tab** in the budget format. See section 4.2.

The other spreadsheets in the budget format should not be filled out.

7. SELF-FINANCING AND OTHER SOURCES OF FUNDING

Under the Civil Society Fund, full financing can be applied for to cover all types of projects, though it is also possible to supplement the grant with other resources to increase the overall budget of the project. This may be in the form of **self-financing** (the Danish organisation's and/or its local partner's own financial contribution to the project) or **other external financial contributions** towards the project that top up the amount applied for to the Civil Society Fund.

Such other sources of finance should only be set out in the application and its budget if they contribute towards covering the costs of activities specified in the budget. If other financing is allocated to the project, it must be briefly set out in the application, budget, and reporting. The application must also spell out whether this additional financing has been secured at the time of submitting the application. If this is not the case, it must be explained why it is considered to be realistic to raise the funds.

If the other source of funding is a prerequisite for implementation of activities, CISU can only give final approval of the application when the applicant certifies that the other funding has been secured.

The budget should only include financial resources (*cash contributions*):

- 1) whose availability has already been secured or is considered realistic to obtain,
- 2) which can be entered into the project accounts, and
- 3) which will appear in the final audited project accounts.

Wages or lost earnings that are not actually entered into the accounts, as well as the value of voluntary work and other in-kind donations, cannot be written into the budget. Nevertheless, information about such added resources is relevant, and can be provided in a budget note or at the end of the application's section on strategy.

Other financial contributions or self-financing that might be obtained but have yet to be secured at the time of application can also be described in the section on strategy and subsequently in the final narrative report.

Budgeting

Other financial contributions and self-financing are budgeted on spreadsheet 1 in the budget in cell "16. Financial contributions from other sources".

15. Total amount applied from the Civil Society Fund	-
16. Financial Contribution from Other Sources	
17. Grand Total	-