Reference Doc 3: Budgeting, Implementation and Financial Reporting

1. In case of divergence between UNICEF policies (and/or established good practice) and a partner's existing policies and practices, UNICEF policies (and/or established good practice) take precedence with respect to resources provided by UNICEF for budgeting, implementation and reporting.

Bank accounts

2. UNICEF does not require a separate bank account for funds received from UNICEF. However, a partner may opt to establish a separate bank account for UNICEF funds to ease their tracking of revenue and expenditure.

3. UNICEF Offices may request a partner to establish a separate bank account if it has a high or significant risk rating from a micro assessment or negative results of assurance activities. In such cases, the cost of maintaining a separate account for UNICEF funds is considered an eligible expenditure under the standard programme output "Effective and efficient programme management."

4. UNICEF Offices transfers cash to the partner bank account in the country of implementation. at the request of the partner, and at the discretion of the UNICEF Office taking into account local laws, cash can be transferred to a bank account outside of the country of implementation (such as a partner's headquarters location). However, the costs associated with the transfer (foreign exchange, wire fess etc.) is paid by the partner. In situations where cash is transferred outside of the country due to failure of the country's banking system, UNICEF Offices cover the costs of the bank transfer.

Currency of budgeting and currency of payment

5. The programme document budget is to be in the currency of implementation. This is usually the currency of the country of implementation. Cash transfers to the partner are made in the currency stated in the programme document budget.

6. Programme document budgets can be in multiple currencies if implementation costs are planned to be incurred in multiple currencies. UNICEF Offices determine whether multiple currency budgets are required for activity implementation. However, UNICEF Offices respect local laws regarding in-country payments in foreign currencies. If multiple currencies (i.e. US$ and local currency) are used in the programme workplan and budget, the amounts for each currency are reflected separately, and the totals for each currency are provided separately.

7. Headquarters Support Costs is transferred in the same currency as the Programme Costs (the currency of implementation in the programme document budget). As mentioned above, UNICEF Offices can transfer cash outside of the country, but any costs associated with foreign exchange gain/loss or wire fees is to be borne by the partner.

Sub-contracting

8. All sub-contracting of activities described in the programme document require the prior approval of the UNICEF Office. Advance approval is not required if partners sub-contract out general services that fall under the standard output "Effective and efficient programme