

## 1.0 SCOPE OF THIS SOP

### Sections:

- A. Grants Overview
- B. S, R and M Grants Approval
- C. P Grants Approval
- D. Approval and mapping of the Grants
- E. Grants PO Approval
- F. Quality Assurance Requirements

## 2.0 REFERENCES IN CONJUNCTION WITH THIS SOP

UN Financial Rules and Regulations  
Umoja Job Aid Guide for Grants  
BFMS Procedures Manual  
Umoja Job Aid Guide for PO Approvals

## 3.0 ROLES INVOLVED IN THIS SOP

Creator – the person in the client organization who creates the request in Lotus Notes.

Certifying Officer – the person in the client organization who certifies the request.

Approving Officer – the person in BFMS who approves the grant request as per delegation.

### Section A: Grants Overview

1. There are four types of Grants commonly used in the grants module process; S1, R1, M1 and P1:
  - a. Simple Grant (S1) - An S1 grant is used when a single donor contributes in US Dollars and the UN is required to report on the specific contribution.
  - b. Resource Mobilization Grant (R1) – An R1 grant is used when the contribution is not in US Dollars or to pool multiple contributions donated for one project or cause.
  - c. Passthrough Grants (P1) – P1 Grant is used to provide funding to implementing partners executing project work that is funded by a specific grant.

- d. Main Implementing Grant (M1) – An M1 Grant is created to provide funding to programme and project activities within the UN. It is used to record pooled expenditures.

## Section B: S, R & M Grants Approval

2. Offices requiring a Grants Approval must create a request through the Lotus Notes Umoja Grants Approval Portal. The request is then sent by the Creator to the Certifying Officer to approve the details entered in the Portal.

**Note:** Complete workflow for Grants Approval can be found at Annex A.

3. The Certifying Officer is to ensure that the following details have been included in the Portal Request:

- Business Partner
- Currency and Amount
- Grant Type
- Main/Parent Grant
- Related/Child Grant
- WBSE/Internal Order
- Agreement valid to/from date

4. Once the Certifying Officer verifies the details, via portal workflow, s/he must submit the request to UNON/BFMS for approval by Approving Officers.

**Note:** Attachments are required in form of signed Agreements. Where a grant is raised to recognize cash received but no donor agreement exists, a form of one time contribution should be attached to support the entry (Annex B).

## Section C: P Grants Approval

5. Approval of P1 Grants has been delegated to UNEP and UN-Habitat as this type of grant is more operational in nature and is not posting any financial transactions. Delegation of Authority (DoA) is given to individual staff members only after completion of the full grants training. Template for DoA is at Annex C.

**Note:** The DoA is only for approval of P1 Grants and not the related POs nor for approval of any other type of grant document in Umoja.

6. Implementing Partners (IP). The following criteria should be applied for the approvals of the P grants, the released budget of the pass-through grants, in regards to IPs:
  - a. The full agreement with the donor should be captured in the simple (S) grant or in the main implementation (M) grant, which is the parent of the pass-through (P) grant.
  - b. The full agreement with the implementing partner should be captured in the pass-through grant. With the delegation of authority to approve P grants, UNEP and UN-Habitat must ensure that the pass-through grant amount reflects the full amount of the commitment to the implementing partner as per signed agreement.
  - c. The released budget of the pass-through grant should also reflect the full agreement with the implementing partner.
7. End Beneficiaries (EB). In addition to engagement with implementing partners, the UN also engages with End Beneficiaries i.e. entities who will directly benefit from the grants directly paid to them by the UN. EB Purchase Orders do not require a P Grant. The following criteria should be applied for the approvals of the released budget in regards to EBs:
  - a. The full agreement with the donor should be captured in the simple (S) grant or in the main implementation (M) grant.
  - b. The released budget of the sponsored class Grants-Out should reflect the total amounts of the full agreements with the End Beneficiaries.

## Section D: Approval and mapping of the Grants in Umoja

8. On receipt of the certified request for approval via portal workflow, BFMS Approving Officers are required to:
  - a. Check that the donor agreement or implementing partner agreement has been attached in Umoja.
  - b. Confirm that the details indicated in the Portal agree with the details entered in Umoja.
  - c. If a related grant, confirm that the Main/Parent grant has been indicated on the Lotus Portal.
  - d. Confirm that all details are correct as per the job aid for Grants Creation.

- e. Change the status of the grant to Award/Operational.

## Section E: Grants PO Approval

9. The recommendation is to raise commitment of the full grant but, if the agreement with the IP and EB has a clause to specify that the agreement to provide the funds/cash to the IP and EB is subject to the availability of cash provided by the donor, UNEP and UN-Habitat can choose to raise the Grants PO for the IP and EB limited up to the amount of cash received from the donor of the grant.
10. Grants to PO types used for IP or EB agreements go through workflow in Umoja so there is no need to use Lotus Notes Portal. Complete workflow for Grant PO Approval can be found at Annex D.
11. Where there is a need to extend a grant validity period, request should be submitted via the Lotus Notes Portal with supporting documentation. Once the operational period of the grant has expired, the grant can be extended for financial closure process, to enable payments against existing commitments and payments of refund to donors. The operational period cannot be extended to facilitate further commitments, without having an amendment to the grant agreement.

**Note:** If there are expenditures related to delivery within the operational validity period, for which the existing commitments are not sufficient, exceptional extension can be requested to the Chief of Accounts Section, and once approved by Chief of Accounts Section a request for period extension is to be submitted via the portal with supporting documentation attached.

## Section F: Quality Assurance Requirements

12. The key Quality Assurance (QA) Requirements for the proper maintenance and control of Grants and PO approvals are as follows:
  - a. Certifying Officers are to ensure the accuracy of the grant master data before sending the grant for approval.
  - b. Certifying Officers are to ensure that effective monitoring and checking systems are in place to avoid duplication of grant creation.
  - c. Originating Offices are to ensure that all original signed donor agreements are properly secured and that access is restricted to External Auditors or properly-authorized representatives of Headquarters Organizations.

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(Rev June 2016)



- d. BFMS, UNON is to ensure that Procedures Manuals, Job Aids and Desktop Instructions are regularly reviewed and updated as necessary and that all relevant changes are brought to the attention of Certifying Offices.

## **Annexes:**

- A. Grant Approval Workflow
- B. One time contribution receipt from Donor
- C. Delegation of Approval of P Grant
- D. Grant PO Approval Workflow

## GM Grant Creator

- Create Grant in Umoja
- Create grant approval request in the lotus portal
- Specify Business area/Division, BP details, Fund , WBSE, grant type, related grants, sponsored programme, sponsored class series, IDC rate, CFDA, splitting rule and reporting requirements
- Specify Revenue Internal order reference.
- Grant validity dates and currency
- provide the attachments
- Select Certifying officer and send to certifying officer in the lotus portal

## Certifying Officer

- Review the approval request in the lotus portal and the Grant details in Umoja
- Send to Grant Account approver if ready for approval or return to creator through lotus portal as appropriate.

## Grant Account Approver

- Review approval request
- Change status to AWARD/OPERATIONAL
- verify sale order ,remove billing block and perform grant billing
- Object Mapping
- Update the details of sales order and Billing in the portal.
- Update the portal status to approved.
- Creator get notification.

From (Name) .....

Department/Organization: .....

**ONE-TIME CONTRIBUTIONS - RECEIPTS WHERE NO FORMAL DONOR AGREEMENT EXISTS**

We have on (date of bank receipt) received a "one time contribution"

From.....

in the sum of (currency and amount).....

1. The Donor has provided in email the following information:
2. The Donor has provided in the bank deposit the following inform
3. The Donor did not provide any information and the income will be allocated to:

Income has been allocated to fund \_and project

Grant Number

Chief of Contributions Unit;

Date\_\_\_\_\_ Signature.....

**GM Account  
User**

- Create PO in Umoja and create approval request in portal
- Specify the BUbusiness Area/Division, BP details, PO type, and grant type
- Provide PO Number, currency and amount by line
- Attach required documentation and other relevant details and select certifying officer from the drop down
- Send request to certifying officer

**Certifying  
Officer**

- Receive email notification or access request from his/her inbox
- Review PO in Umoja for accuracy
- Send request to GM Account Approver through the Lotus portal if ready for approval or return to GM account user for modification

**GM Account  
Approver**

- Access the PO pending approval from their inbox and check out for processing
- Review the approval request including documentation
- Return to GM account user or Certifying officer as appropriate if clarification or additional details required
- Approve PO in Umoja and mark the request approved in the portal
- The GM accounts user get an email notification on approval in the portal

**GM Account User**

- Create PO in Umoja and create approval request in portal
- Specify the BUbusiness Area/Division, BP details, PO type, and grant type
- Provide PO Number, currency and amount by line
- Attach required documentation and other relevant details and select certifying officer from the drop down
- Send request to certifying officer

**Certifying Officer**

- Receive email notification or access request from his/her inbox
- Review PO in Umoja for accuracy
- Send request to GM Account Approver through the lotus portal if ready for approval or return to GM account user for modification

**GM Account Approver**

- Access the PO pending approval from their inbox and check out for processing
- Review the approval request including documentation
- Return to GM account user or Certifying officer as appropriate if clarification or additional details required
- Approve PO in Umoja and mark the request approved in the portal
- The GM accounts user get an email notification on approval in the portal