Guidelines for Using the Results of the Workload Survey for the Implementation of Direct Project Costs

1. In order to make the DPC calculation and estimation process practicable, using the results from the June 2013 “CO workload study” (WLS) is presented as an option for use to estimate/approximate what office costs are eligible for direct project costing. The objective of this methodology is to provide the right balance between proper accounting treatment and feasibility for country offices to implement DPC, in a transparent and consistent methodology that is adequate for costing purposes, with minimum implementation transactions costs. The aggregated organizational results and sample results for a Region are available on the BMS OFRM website (“CO Workload Study Aggregated Results October 2013”).

2. The CO WLS results shall be used as a ‘guiding methodology’ as it does not drill down to the individual project level (to be done by the CO as a follow-up). The credibility and validity of the data is as good as the data input provided in the first place so the results must be vetted for accuracy and reasonableness.

3. The WLS can be repeated by CO’s as often as needed. In some offices, it may need to be done one week per month in order to ‘approximate well-enough’ UNDP’s costs that can be charged directly to projects. In other offices, once a year may be sufficient, or once a quarter. The frequency of the WLS is informed by the circumstances of the office, for example additional staff or a reorganization of workload, new projects/programmes, additional funding streams, quality of the WLS, etc.

4. The WLS results facilitate a consistent application of utilizing multiple-funding sources for positions, combined with a consistent application for estimating staff time and related staff and office costs that are eligible for Direct Project Costing without the need for ex-post facto reconciliation. Furthermore, they provide an evidence-based stock-taking analysis of the various functions currently being performed by Country Offices (and at what costs) which may be used to initiate a dialogue and further thinking about what kind of capacities are needed to achieve the new strategic plan development outcomes, where focus is on results-achievement and quality. For example, if the WLS reveals that 25% of Staff member X’s time is spent on discrete activities related to projects A, B and C, then corresponding COA lines should be introduced into the HR module to charge such costs directly through the payroll. GOE should also be apportioned on this basis.

5. The WLS results excel template provides the three following reports:

**Report I: Analysis by Country Office.** Reflects the actual distribution of time spent on functions and activities (refer to Annex for definitions of activities) as submitted by staff in the workload survey per selected country. Furthermore, it reflects an analysis with guidance notes, defining the required funding shifts that need to occur as of 1 January 2014 by cost categories- Institutional Budget, XB Cost Recovery (applies to XB resources generated from GMS income) and Project Resources.

**Report II: Analysis by Staff Member:** The same as Report 1 above but per staff member.
Report III: Analysis of Sub-Activity Clusters by CO. Reflects the results of the survey per clusters and all staff member results.

ANNEX 1: UNDP Country Office Workload Study Instructions