



## TOOLS

## GUIDANCE

### Recover all costs for services provided to other Agencies

- Use UPL for standard services: provided in the same way each time they are requested. Same standard procedures across UNDP offices.
- Use LPL for ad-hoc services: services that cannot be standardized across CO or vary in scope each time. Use local price.
- Recover Global Services provided at HQ/Shared Services Center (e.g. Payroll charges)
- Apportion the costs of Common Shared Services:
  - Share costs among UN agencies based on agreement
  - Ensure UNDP fully recovers the cost of managing common services.
  - Use UPL if there is no relevant Local agreement among UN agencies.
  - Use Non-UNDP fund codes 139xx for other agency portion of common services

UN Agency Services →

See: UPL in UPL&LPL →

Guidelines for shared/common services (revenue management, account codes, fund codes and expense management) →

Corporate Financial Reporting and Agency Services (CFRA) →

Guidance on True Hourly Cost Recovery Methodology →

UNSDG Guidance →

### Provisions regarding Cost Recovery from UN Volunteers

### Use MOU or Framework Agreement with a UN entity that was agreed at Headquarters level

- ✗ No need for local CO level MOUs

Repository - PCA/SCA – For UN/Other Partners →

Repository of UN Agency Agreements →

UN Agency Services →

### Use SLA when needed at country level. In the following cases an SLA is not mandatory

- ✗ Not mandatory if
  - Provision for SL is covered by MOU or Framework agreement
  - Services are covered by a common services MOU, Framework Agreement or Business Operations Strategies.
  - Services are within UPL and LPL



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### IMPLEMENT

- Ensure adequate pre-funding is received for all services provided
  - Headquarter (OFM/FPMR/CFRA) provides a weekly funding status to all agencies

- Ensure efficient agency service management through UNALL Agency portal
  - All services requested by UN Agencies should be managed through the Agency Portal and cases should be closed in the portal upon completion of service provision to ensure that service fees are timely and accurately recorded in the service period.

Agency Services Report

### MONITOR & REPORT

- Country office reviews and resolves the SCA rejected transactions from UN Agencies (Non-Quantum Agencies using SCA modality).
- For Service Clearing Account (SCA), Headquarter monitors the level of funding on a weekly basis and alert UN Agencies (Non-Quantum) when balances are low to ensure adequate funding balances are available.
- Headquarter sends Service Clearing Account (SCA) reports on a monthly/mid-year and yearly basis to UN Agencies (Non-Quantum). (GSSC Agencies)
- Headquarter reconciles the Service Clearing Account (SCA) between the UNDP and the UN Agencies (Non-Quantum). (GSSC Agencies with support from COs)
- Country Offices should ensure that service request cases are immediately closed in the Agency Portal after completion of service provision to ensure timely and complete accounting for exchange revenue.
- Country Offices should ensure that basic information and documentation regarding the identification and authorization of services requested are provided and included in Agency portal and Quantum to minimize the risk of rejection and facilitate tracking and reconciliation.
- Country office review SCA Transactions from UN Agencies using the UNALL Agency Portal Report.
- Headquarter monitors the level of funding on a weekly basis and alert UN Agencies (Non-Quantum when balances are low to ensure adequate funding balances are available.
- Headquarter sends Service Clearing Account (SCA) reports on a monthly/ mid-year and yearly basis to UN Agencies (Non QUANTUM). (GSSC Agencies)

UN Agency Services

SCA Rejects

Quantum reports for 2023 under development.

Service Clearing Account (SCA) for non-Quantum UN Entities: Charging, Billing and Fee Collection

Annual letter from UNDP to agencies

### COST RECOVERY