**Multiple Funding Lines for Positions**

1. UNDP is a multi-funded organization, with resources contributed by partners either through regular voluntary contributions or through other resources earmarked to specific themes, projects or countries. Underpinning an implementation framework for the use of multiple funding sources to finance positions is the multi-funded nature of UNDP.

1. For UNDP to align its costs with its results frameworks and related funding sources, flexible funding of positions from multiple funding sources shall be permitted. The Integrated Budget (DP/2013/41) reflects a strategy for financing positions that recognizes the variety, multiplicity, and complexity of the various UNDP funding streams. Furthermore, the Direct Project Costing policy enables qualified organizational costs to be charged directly to programmes and projects. This approach leads to a more strategic and efficient use of core resource allocations, and a more accurate linkage of costs to underlying funding sources. Subsequently, core funded positions are no longer managed on a ‘whole position basis’.

1. Effective 1 January 2014, all positions are eligible for multi-funding, **except** the positions at the D1 and above level. In other words, all positions at the P5 and below level can be multi-funded.
2. The charging of positions to multiple funding lines shall be linked to the office work plans, and required capacities. There must be a legitimate and demonstrable direct link between the funding source and related development results and the work activities of the staff member - refer to [Planning and Paying for Delivery Enabling Services to Projects](https://popp.undp.org/node/11271) and POPP [Formulate Development Projects](https://popp.undp.org/node/10826) procedures - Step 3.2 - [Prepare fully costed project budgets](https://popp.undp.org/node/1706). The requirements for developing a project budget are outlined in Prepare Fully Costed Budgets for Projects. In addition, refer to the detailed procedures for Costing and Budgeting of projects funded by the following partners:
   * [European Union (EU)](https://popp.undp.org/node/1701)
   * [GEF funded](https://popp.undp.org/node/1456)
   * [Global Fund (GF)](https://popp.undp.org/node/1706)
3. The aim is that the allocation of office institutional budget resources for positions will be allocated as a resource envelope for staff costs. The office makes the determination how much of the institutional resource allocation to use to fund multiple positions in combination with other resources. COs can be guided in this decision by using the guidelines on UNDP Country office Workload Survey (WLS), refer to Procedures, step 2 of [**Multiple Funding Lines for Positions**](https://popp.undp.org/node/11136).

1. The use of multiple funding sources is a funding mechanism, not a HR strategy. It shall not be applied to upgrade existing positions to higher grades or to increase the number of positions, but only as a means to maintain staff capacities at required levels while establishing **a direct link between staff functions and staff funding sources**. Increasing or upgrading existing position would result in higher costs in the development projects without corresponding development impact.

1. While there is no envisaged ex-ante constraint on the number of distinct multiple funding sources for a position, the accountability of budget owners for resource availability does not change. Hence, following present practice, the offices shall work closely with the budget owners, who will need to confirm resource availability with respect to all funding sources relevant to funding of positions.

1. Whereas multiple funding source combinations are to be allowed to finance a position this will not change the principal cost classification category of such a position. In other words, the cost classification categories of positions are not to be changed, notwithstanding the funding composition of a position. The following example illustrates this point:

* + Programme unit positions can be co-funded from a mix of Development Effectiveness (i.e. fund code “02550”), and programme resources (fund codes 04000, 30000 and trust fund codes).
  + Management and Operations Unit positions that provide implementation support services can be co-funded from core institutional budget allocations (fund code 02300), XB income (such as fund 11300) and programme resources (fund codes 04000, 30000 and trust funds).

1. The example below illustrates the change from previous practice prior to 2014, and allows greater flexibility for the offices to manage their core institutional allocations as they judge best, and mix their core allocations with other available resources to fund the positions:

* + Prior to 2014, the biennium institutional budgets call for an Assistant Resident Representative Programme (ARR-P) position to be fully core funded even if the ARR-P has responsibilities covering a portfolio of both core and non-core programmes. Furthermore, even if the programme portfolio changes from one Country Programme period to the next, the position continues to be funded from the same core allocation within the two-year budget period.
  + Under the integrated budget strategy, the same position could, for example, based on the nature of work conducted by the incumbent as informed by the results of the CO workload study, be financed from a combination of institutional budget and other resources such as development funds.

1. A position type “Structure Post (SP) – DPC or “SP-DPC” is available to track the positions that provide services to the development projects. All positions that routinely provide project implementation support services (UPL/LPL based) or DE advisory services are to be categorized as DPC positions in Quantum. A guidance note for Quantum position type will be available soon.
2. Wherever possible DPC positions should be charged directly to the development projects via multi-COAs, or to a DPC pre-financing project when project COA are not available. (refer to [**Planning and Paying for Delivery Enabling Services to Projects**](https://popp.undp.org/node/2996) )
3. DPC positions can be co-funded from the following sources of funding:

* Institutional budget for management activities (core and XB)
* Development projects for DE advisory services and implementation support activities
* DPC pre-financing project, temporarly when project COA are not available

1. A position formely funded from institutional budget should not be funded fully from programmes/projects, given that every such position in a country office is involved in management and UN Agency services activities to some degree. For example, the national programme officer could be fully engaged in DE services, yet she/he contributes to the overall office management, office communications, advocacy, learning, and UN agency services activities. Hence, the institutional budget allocations should be used to fund a certain portion of the staff covering his/her time in management activities based on the workload studies (WLS). This only applies to the institutional budget positions as approved in IWP (and does not apply to project positions, SCs, and ICs).
2. Multiple funding lines for positions shall be implemented in Quantum HR module (not by GLJE adjustments) in order to minimize transactional costs. The distribution of the position funding line (chart of accounts (COA)) is made only once at the beginning of each year, and then monthly payroll automatically charges the relevant funding sources (e.g. COA) as per the percentages on the position funding distribution in Quantum HR module. The process of setting up the funding lines is a one-time set-up which remains in place for the remainder of the year unless there are changes to the COA and/or percentages as a result of updated workload study (WLS) done by the office. If significant staffing changes occur during the year, a revised workload study should be considered.
3. Offices should use judgment to review the practicality and transactional burden of having more than 10 COAs per position. While the flexibility of the maximum number of COAs rests with the office depending on the size and scope of their programme portfolios, the number of COAs lines per position should be easily manageable and monitored. Preferably, the number of COA lines per position shall not exceed 10 lines. The offices would therefore need to include the estimation of directly attributable costs for the projects during the programme planning stage or during the preparation of budget revisions with substantive changes. If the programme projects have multiple outputs which are supported by the UNDP offices, it may be easier to assign the direct project costs to one output rather than splitting it into several outputs within the same project.
4. Speed-charts can be set-up once in the Quantum finance module, and be utilized to charge general operating expenses that are directly attributed to the staff function (office bills such as electricity, rent, telephone and internet charges) in the same ratio as staff positions are funded. For example, if staff costs (aggregated) are 35% funded from 02300, 25% funded from 02550, 30% funded from 11300, and 20% funded from programme funds (30000), the same template can be set up as a speed chart which can be utilized each time an office bill is paid. (Please refer Annex 1 for an illustrative demonstration of costing the personnel and general operating expenses in the development project budgets)

[Annex 1 Illustration Workload study](https://popp.undp.org/node/536)