

## Financial and Administrative Aspects

### CLIMAS 2025 Call for Proposals

#### 1. Institutional Eligibility Documents

CLIMAS requires verification that the lead institution and all allied institutions meet the necessary legal, administrative, financial, and ethical criteria. Institutions selected for the second phase must submit:

##### A. Financial Analysis (applicable only to the lead institution)

###### National Institutions:

- Comparative Statement of Financial Position, Income Statement, and Cash Flow Statement for the last two available years, properly classified according to current accounting standards, with corresponding notes (see Notes 1 and 2).
- Income tax return for the previous or most recent year available.
- Tax Identification Number (R.U.T.).
- One commercial reference no older than one (1) month.
- One bank reference no older than one (1) month.
- List of contracts currently being executed (specifying amount, start and end dates), excluding those related to the Pontificia Universidad Javeriana.

###### International Institutions:

- Comparative Statement of Financial Position, Income Statement, and Cash Flow Statement for the last two available years, properly classified according to current accounting standards, with corresponding notes (see Notes 1 and 2).
- Tax identification number of the country of origin.
- Certificate of existence from the Chamber of Commerce or equivalent.
- One commercial reference no older than one (1) month.
- One bank reference no older than one (1) month.
- List of contracts currently being executed (specifying amount, start and end dates), excluding those related to the Pontificia Universidad Javeriana.

*Note 1: The Statement of Financial Position must detail: Total Assets, Current and Non-Current Assets; Total Liabilities, Current and Non-Current Liabilities. The Income Statement must detail: Operational and Non-Operational Revenues, Operational and Non-Operational*

*Expenses, Cost of Sales, Operating Income, Net Income, and Income Tax provision. The Cash Flow Statement must detail cash flows from operating, investing, and financing activities, and net cash flow. Financial statements must be signed by the Accountant, Fiscal Auditor, and Legal Representative.*

*Note 2: Since the full proposals will be submitted after June 2025, comparative trial financial statements for the last two years as of June 30, 2025, must also be attached. These documents must also be signed by the Accountant, Fiscal Auditor, and Legal Representative.*

## **B. Legal and Institutional (applicable to all institutions in the alliance)**

- i) Certificate of existence and legal representation, valid no longer than three (3) months, for both the lead institution and each allied institution.
- ii) Document certifying the authority and powers of the person who will sign, on behalf of the lead institution, the letter of commitment and the agreement with the Pontificia Universidad Javeriana. If prior authorization from a governing body of the institution is required, the respective proof must be attached.
- iii) Document certifying the authority and powers of the person who will sign, on behalf of the allied institution, the letter of commitment.
- iv) Letter of commitment signed by the legal representative of each allied entity.
- v) Certification of regulatory compliance and absence of disqualifications or sanctions issued by each institution, declaring that there are no investigations or sanctions that could affect project execution.
- vi) Declaration certifying that each institution is up-to-date with its legal and tax obligations.

*Note 1: Technically eligible proposals that do not pass this review will be discarded.*

## **2. Bank Account**

The lead institution must open a bank account exclusively for the administration of project funds, which must be independent of other institutional accounts and generate returns on the funds provided. Such returns must be reinvested in the project or, if unused, returned to the Pontificia Universidad Javeriana.

## **3. Budget Currency**

All budgets must be presented in Colombian Pesos (COP). If the applicant prepares the financial plan in another currency, values must be converted to COP using an official and internationally recognized exchange rate, such as OANDA, X-Rates, or the central bank of

their country, which must be clearly indicated in the proposal. The budget value in COP will serve as the reference for project execution and financial reporting.

If selected, disbursements will be made in Colombian Pesos (COP) to the lead institution. Each beneficiary will receive funds in their local currency, according to the exchange rate applied by their financial institution at the time of conversion. This rate must be recorded and used as the official reference for budget execution and financial justification of the project.

#### 4. Budget Notes

Budget notes are an essential part of the budget and constitute an integral element of the approval process. Detailed justification for each budget item allows CLIMAS to understand the activities to be carried out, their impact on project costs, and the relevance of cost estimates. Without clear supporting details, grant approval and subsequent financial reporting and payment cycles may be delayed. Delays in funding can affect project outcomes.

#### 5. Budget Deviations

Deviations of 10% or more in any budget item must be approved in writing in advance.

#### 6. Payment of Taxes with Project Funds

Project funds must not be used to pay any other direct or indirect taxes, except in the following cases:

- Consumption taxes included in the cost of minor goods (materials, stationery, fuel, etc.) and services (restaurant and hotel meals, consultants, printing, etc.) acquired locally by the Beneficiary.
- Taxes that are part of employment costs and are payable in addition to base salary (e.g., payroll taxes; employer contributions to public health, social security, pension systems, etc.).

#### 7. Fund Disbursement and Reporting Obligations

The agreement will specify three disbursements, conditional on verifiable outputs:

Tranche	%	Condition for Disbursement	Required Evidence
Initial	30%	Agreement signed and approval of final work plan	Signed agreement, validated schedule and final budget

Tranche	%	Condition for Disbursement	Required Evidence
Intermediate	40%	Approval of the mid-term technical-financial report	Approval by Pontificia Universidad Javeriana of the technical-financial report and completion of semi-annual/annual milestones
Final	30%	Submission and approval of the final report, FAIR data deposit, and deliverables	Final technical report, audited financial statements, data deposit, and delivery of products defined in the agreement

Reporting formats comply with IDRC guidelines and will be provided upon signing.

## 8. Administrative and Financial Criteria Required for Proposal Admissibility

Admissibility criteria ensure that the submitted documentation meets the minimum requirements to be formally evaluated by CLIMAS. Therefore, the following is required:

- Submission on the official platform before the deadline.
- Strict use of the required formats.
- Budget prepared according to the guidelines described here.
- Logical correspondence between budget items, schedule, and outputs.
- Inclusion of all annexes, complete and digitally signed.

*Note: Proposals failing any of these points will be rejected without technical review.*

## 9. Audits

To ensure transparency and proper use of funds, CLIMAS may conduct scheduled or random audits. These verifications ensure that funds are used according to project objectives and applicable regulations. Considerations include:

- Mandatory final external audit for all medium and large-scale projects.
- CLIMAS may carry out financial reviews.
- The lead institution must retain documentation for five years after project closure.

## COST ALLOCATION ACCORDING TO IDRC APPROVED BUDGET CATEGORIES

All project costs must be classified within the seven budget categories approved by IDRC, the CLIMAS funder. Each category must include sufficient specific items and detailed notes to link the budget to the proposed work plan. This structure ensures consistency between costs and planned activities and facilitates both evaluation and financial monitoring of proposals.

### 1. Personnel

This category includes all compensation, benefits, and allowances paid to staff hired specifically for the project, including coordinators, project leaders, research assistants, and key administrative personnel.

#### Important

According to IDRC guidelines, salaries must not exceed 25% of the total project budget.

#### Included in this category

- Staff hired on payroll or under direct employment with the executing institution (not service contracts).
- Advisors or staff contracted for long periods (more than one year) with regular salary payments.
- Replacement salaries to release faculty from academic activities (when justified as capacity building for research).

*Note: IDRC does not allow additional fees or salary supplements for staff already receiving full institutional salaries for similar functions, unless clearly justified that they are released from some responsibilities to dedicate time to the project. In such cases, the budget may cover the proportional salary, specifying the time allocated and evidencing that it is not funded from other sources.*

#### Column: Item of Expenditure

- Job title or role. Example: Project Coordinator, Research Assistant, Technical Lead.

#### Column: Budget Notes and Explanations

- Annual salary
- Currency used for calculation
- Percentage of time dedicated to the project
- Detailed criteria used to estimate value
- Indicate included benefits (if applicable). Example: 300,000,000 COP/year × 50% project dedication. Benefits included.

## 2. Consultants

This category includes costs for consultants or subcontractors hired to provide specialized professional advice under a service payment modality. Unlike project advisors in the “Personnel” category, consultants are hired for short periods to perform specific tasks.

### Included in this category

- Fees and costs associated with hiring external consultants or subcontractors for specific project activities.
- Costs may include consultant fees, travel (airfare, accommodation, per diem), and other non-travel expenses billed directly to the project.
- Hiring must be linked to clearly defined deliverables.

### Important

- Total cost per consultant must be itemized into fees, travel, and other expenses.
- If travel is included, IDRC per diem rates must be used.
- This category does not include permanent staff or payroll employees (included in Personnel).

### Column: Item of Expenditure

- Consultant or subcontractor role/title. Example: Gender Specialist, Technical Advisor, Evaluator.

### Column: Budget Notes and Explanations

- Daily rate used for fee calculation
- Estimated number of days/weeks
- Currency used for calculation
- Travel costs (if applicable)
- Any other consultant-related expenses. Example: Gender Specialist fees @ 1,600,000 COP/day × 50 days/year. Airfare for 1 trip to Dakar × 10 days @ 1,100,000 COP/day.

## 3. Evaluation

Projects with proposals exceeding 250 million COP are recommended to allocate 3% of the total budget for an external audit covering both the final financial report and the project’s technical report. These costs must be recorded under the appropriate budget category, including fees, number of days, and other expenses.

#### Column: Item of Expenditure

- Role/title of the consultant. Example: External Evaluator – Mid-term Review.

#### Column: Budget Notes and Explanations

- Daily rate for fees
- Estimated travel and other costs
- Criteria used for calculation
- Specify if evaluator is part of the implementation team or an external consultant.  
Example: Gender indicators evaluation:  $1 \text{ day/week} \times 52 \text{ weeks} \times 1,880,000 \text{ COP/day}$   
 $= 97,760,000 \text{ COP/year}$

### 4. Travel

This category includes all international travel costs incurred by project personnel listed under the Personnel category.

#### Eligible expenses

- Ground transportation
- Accommodation
- Meals
- Airfare (economy class only)
- Departure taxes
- Other travel-related expenses

If the destination is unknown, provide an estimate based on average travel costs and indicate the destination region.

#### Important

- Travel arrangements must follow the executing institution's procedures.
- Only economy class is permitted.
- Per diems must comply with IDRC rates for non-staff travelers.
- Include one trip to Bogotá, Colombia, for participation in the International Climate Change Congress.

#### Column: Item of Expenditure

- Type or concept of travel. Example: Airfare for 3 trips/year  $\times$  2 people @ 4,000,000 COP each in Latin America = 24,000,000 COP/year

**Column: Budget Notes and Explanations**

- Number of trips, number of people, estimated duration, applied rates, and destination region (if known)

## 5. Research

This category includes all services and materials necessary to carry out the project's research activities.

**Eligible expenses include**

- Remuneration for personnel responsible for data collection or occasional technical support (e.g., surveyors, data entry staff).
- Fees paid to project advisors.
- Training of project staff directly linked to research activities.
- Domestic travel (in-country travel).
- Reference materials and specialized bibliography.
- Document translation related to the project.
- Open-access publication costs (Article Processing Charges – APCs), in accordance with the mandatory Open Access Plan for all IDRC proposals.

**Column: Item of Expenditure**

- Name of the service, supply, or activity. Example: Data collection on quality of care: 4 nurses for 4 months @ 2,600,000 COP/month per person.

**Column: Budget Notes and Explanations**

- Detailed breakdown of number of people, duration, unit rates, and cost estimation criteria.

## 6. Equipment

For this call, “equipment” is defined as any tangible asset that:

- Has a useful life of more than one (1) year, and
- Costs more than CAD 5,000 per unit.

Equipment not meeting both criteria should be recorded under “Research Expenses” instead of “Equipment.”

**Important conditions**

- IDRC funds may not be used to pay direct or indirect taxes for equipment purchased outside Canada.
- The grantee institution is responsible for insuring purchased equipment. IDRC or PUJ assumes no liability for loss or damage.

- Total funds allocated to equipment purchases must not exceed 20% of the total project budget, unless detailed justification is approved in advance by IDRC and PUJ.

**Column: Item of Expenditure**

- Equipment name. Example: WESTON MW100 industrial fruit dehydrator, 100 kg capacity / Stainless steel = 10,800,000 COP.

## 7. Indirect Costs

This category includes administrative costs not directly related to research, for example:

- Salaries and benefits of administrative support staff (secretaries, accounting assistants, etc.)
- Office expenses (stationery, supplies, non-capitalizable furniture)
- Office rent, utilities
- Communications (phone, internet, etc.)
- Accounting or administrative services related to project execution
- IT equipment used exclusively for financial or administrative management

**Important**

These costs are general institutional support and cannot be directly linked to a specific project outcome.

**Indirect Cost Recovery Policy**

- CLIMAS – Pontificia Universidad Javeriana allows recovery of up to 8% of costs managed by the beneficiary, provided there is a verifiable institutional policy justifying the rate.
- For projects with sub-recipients, the maximum 8% may be distributed among the lead and collaborating institutions. The combined total must not exceed 8% of the consolidated project budget.

**Column: Item of Expenditure**

- Applied percentage and type of administrative costs recovered.

**Column: Budget Notes and Explanations**

- Breakdown of covered concepts (e.g., administrative staff, supplies, institutional infrastructure use)
- Institutional rate applied and supporting documentation

## CASH OR IN-KIND CONTRIBUTION

It is a funding condition that the applicant contributes financially to the project, known as the beneficiary contribution, which must be estimated and included in the budget. The distinction between cash and in-kind contributions must also be reflected in the project budget:

- **Cash contributions:** Funds disbursed from the beneficiary's own resources, private grants, or grants provided by local, provincial, or national authorities for the project.
- **In-kind contributions:** Such as staff salaries, equipment, infrastructure, and indirect costs.

## CO-FINANCING

Not required. However, cash or in-kind contributions (e.g., institutional staff time, use of own equipment, contributions from local governments) are positively weighted when evaluating sustainability and committed engagement.

## COSTS NOT COVERED BY CLIMAS 2025 FUNDING

The following expenses will not be financed:

1. Costs associated with preparing the Expression of Interest or full proposal.
2. Expenses not directly related to project objectives and activities.
3. Acquisition of real estate or property.
4. Costs incurred before signing the agreement or contract with CLIMAS HUB.
5. Payment of fines, financial penalties, prior debts, or indemnities.
6. Donations, transfers, or financial contributions to third parties without technical or budgetary justification.
7. Local taxes when no exemption exists.
8. Customs duties on imported project goods.
9. Taxes on equipment or physical assets (e.g., capital goods taxes).
10. Purchase or construction of infrastructure.
11. Office renovations in leased spaces without prior authorization.
12. Political lobbying or actions to influence legislative, governmental, or public policy decisions.
13. Activities that may result in civil disturbances.
14. Activities discriminating against any group based on sex, age, gender identity, gender reassignment, disability, race, color, ethnicity, sexual orientation, pregnancy and maternity, religion, or beliefs.
15. Interest or fees related to financial leases.
16. Gifts and hospitality.
17. Legal, criminal, or administrative fines.

18. Payments for tasks the Beneficiary (or any alliance member) is legally obliged to perform or already fully funded by other sources.
19. Uncollectible debts between related parties.
20. Severance or other employment compensation.
21. Bank transaction fees, taxes, and currency exchange costs must be assumed by beneficiary entities, as they are not eligible expenses for IDRC.