SECRETARIAT WORK PLAN AND BUDGET FY16: JULY 2015 – JUNE 2016

For Decision

1. STRATEGIC PURPOSE

1.1 The purpose of this paper is to seek approval from the Board of Directors (the "Board") for the Global Partnership for Education ("Global Partnership" or "GPE") Secretariat Work Plan and Budget for the 12-month period July 1, 2015 to June 30, 2016, which also includes the Chair's budget for the same period. A 12-month budget is being presented in line with the Board's decision to allow the Secretariat to revert to the Hosting Agency's (World Bank) fiscal year.

2. RECOMMENDED DECISION

2.1 The Secretariat requests that the Board of Directors approve the following decision:

BOD/2015/05-XX—Secretariat Work Plan and Budget: July 2015-June 2016: The Board of Directors:

1. Approves the core 12-month budget of the Secretariat of up to US$ 20,139,300 for the period July 1, 2015 – June 30, 2016.
2. Approves a supplemental amount of:
    a. US$ 266,010 for the remaining work on strategic plan preparation;
    b. US$ 350,000 for DCP meetings in the next 6 month period;
    c. US$50,000 for costs associated with moving to new office space; and
    d. US$ 100,000 for potential increase in World Bank indirect costs.

3. BACKGROUND

3.1 In June 2014, the Board of Directors concurred with the GERF's recommendation to approve that the Secretariat budget revert to a July 1-June 30 fiscal year to align with the Hosting Agency's fiscal year accounting and reporting requirements, policies, procedures and systems, effective July 1, 2015.

4. REASONS FOR RECOMMENDATION

4.1 The GPE Fund Governance document requires that the budgets of the Secretariat and Chair must be approved on an annual basis.

4.2 The proposed 12-month Secretariat budget is based upon the Board's approval at the December 2015 Board meeting of the headcount of 78 funded positions as per the Chief Executive Officer's ("CEO") Response to Dr. Alison Evans' Organizational Review.

5. IMPLICATIONS FOR SECRETARIAT RESOURCES

5.1 The Secretariat is requesting the annualized budget amount as presented in the CEO's response note to the Evans Organizational Review (Table 1 below).

Table 1: Proposed FY16 Budget

Budget Summary	FY16 budget
Staff Costs (Core & Extended Term)	13,644,000
Non-Staff Costs	
Short term Consultants	975,000
Travel	1,947,300
Translation/Interpretation, supplies	600,000
Contractual/Vendor services	1,050,000
Office Space	900,000
IT and Communications	723,000
Staff Training	100,000
Total Non-Staff Costs	6,295,300
TOTAL Staff & Non-Staff Costs	**19,939,300**
Chair expenses	200,000
Total Core Budget	**20,139,300**

5.2 The Secretariat is also requesting the following supplemental allocations for activities outside the core Work Plan as shown below in Table 2. The amount for the Strategic Plan is the balance of the total budget requirement less the amount already approved by the Board for the January-June period. The funding for the DCP Constituency meetings represents a six-month extension of funding for the period July-December; a report to the Board will be presented in December 2015.

5.3 The Secretariat and all other World Bank ("WB") hosted funds occupying the same building have to move out of theirs existing office space in the P building by the end of December 2015 due to a major renovation planned by the landlord, making the existing space uninhabitable. For the

Secretariat, moving in December is 6-months earlier than the end of the current lease period The WB has identified new office space that is contiguous with the space leased in July 2014 in the International Square building which would allow the entire Secretariat to be situated in one location. The rental cost for the new space should be at mostUS$54 per square foot which is lower than market rates for this part of Washington D.C. thanks for the WB's buying power. In addition, the landlord has agreed to release the Secretariat from the last six months of the current lease in the P building (January – June 2016), to give us three months of rent abatement (January through March 2016) in the new space and to provide US$ 500,000 to US 750,000 to cover all of the reconstruction/renovations needed, moving fees and legal services. We have included US$50,000 as a one- time supplemental amount in the event that additional resources are needed for the move. The WB, on behalf of the Global Partnership is negotiating a 5.5year lease (which is less than the typical minimum lease period of 10 ten years in downtown Washington, DC), and will explore the possibility of including a clause giving us the right to terminate the lease after a certain period should Secretariat circumstances change and the office premises are no longer needed.[1]

5.4 Over the past few months, the WB has been re-evaluating its methodology for cost recovery associated with trust funded programs and partnerships hosted by the WB. The Secretariat has been advised that this cost-recovery calculation will change in FY16, and will most likely lead to an increase in the indirect rates charged to the Global Partnership. As there are not yet any final decisions with regard to the rates for the upcoming fiscal year, we felt it would be prudent to highlight this as a potential cost increase to the Secretariat's budget pending further clarification from the WB, and have therefore included a provision of US$ 100,000 in supplementary funds as a placeholder. Should the final decisions taken by the WB's Board result in higher expenses to the GPE Trust Fund than are currently budgeted, we will report back in December 2015 and advise if additional funds are required.[2]

[1] In the event of any funding shortfall, there are provisions in the Comprehensive Funding Guidelines approved by the Board in 2013, such that the Secretariat and Trustee costs have priority over all other costs.

[2] Current estimates are based on charges in effect in FY14. Charges were temporarily suspended starting in FY15.

Table 2: Supplemental Allocations for upcoming budget year

Activity	July 2015 -June 2016 requirement
	US$
Strategic Plan preparation balance	266,010
DCP Constituency Meeting Funding 1/	350,000
Additional Costs related to new Office Space	50,000
World Bank Indirect Costs (IT and Communications)	100,000
TOTAL	**766,010**

1/BOD/2014/06-07

6. STATUS OF SECRETARIAT SIX MONTH BUDGET (JANUARY – JUNE 2015) AS OF END-MARCH 2015

6.1 The Secretariat anticipates ending the current 6-month budget year (January – June 2015) with underspending in the 5-6% range (equivalent US$ 480,000-590,000). The current expenditure rate at end-March is 40%, or 47% with commitments, as compared to a budgeted average of 50% for 3 months out of a 6-month annual budget period. (Annex 1: Status of Secretariat Six Month Budget (January – June 2015) as of March 31, 2015. Of the 14 new positions approved by the Board in December 2014, plus 4 prior vacancies whose disposition was awaiting that same Board decision, all except one have been advertised. Most have progressed to at least the interview stage, with 8 having arrived at a selection decision. In spite of this progress, the expected start dates for new staff have shifted from original estimates by several months in some cases. In addition, there have been some unexpected staff departures. Together the savings on salaries and benefits account for the majority of the expected underrun. Any unspent funds will be returned to the Trustee after June 30, 2015.

6.2 The Secretariat's 6-month budget included a number of supplemental allocations including Strategic Plan preparation (US$ 323,750), and DCP constituency meetings (US$ 350,000). The Secretariat has made projections for expenditures against these budget allocations for end-June and in both cases expects to remain within budget. In the case of the Strategic Plan preparation, total expenses are expected to be within the total budget presented in December (US$ 589,760), with a larger share being spent in the second 6-month period (July-December) than in the first six months (January-June time frame). Projections for DCP Constituency meetings are on target and within budget, and will likely result in a savings of approximately US$ 150,000 due to the generous contribution of German BACKUP Education for the upcoming Africa meeting.

7. 12-MONTH WORK PLAN

7.1 The Secretariat's proposed 12-month Work Plan which begins in July 2015 is attached as Annex 2. In line with the Organizational Review, the Secretariat is now preparing its work plan by functional area rather than strictly by Team. As many of the functional areas are still in the process of being defined, Annex 2 represents a summary form of the Work Plan.

8. PLEASE CONTACT Lisa gomer at: Lgomer@globalpartnership.org for further information.

9. ANNEXES OR INFORMATION

Annex 1: Status of Secretariat 6 Month Budget (Jan - June 2015) as of end-March 2015

Annex 2: Secretariat 12-month Work Plan

ANNEX 1: Status of Secretariat 6 Month Budget (Jan – June 2015) as of end-March 2015

Data as of March 31, 2015

Expenditure Breakdown Summary (US$000)

	Jan-June 2015 Original Budget	3 month Total Actual 3/31/2015	Commitments at 3/31/2015	YTD Actual + Commitments	YTD Actual as % of Original Budget	YTD Actual + Commitments as % of Original Budget
REVENUE SOURCES						
Total Original Budget	**9,672**	**9,672**				
EXPENDITURES						
Total Staff Costs with Benefits	**5,200**	2,458		2,458	47%	
Total Communications	**120**	66	26	91	55%	
Total Equipment & Building	**450**	234	2	236	52%	
Total Extended Term Consultant	**430**	166		166	39%	
TOTAL FIXED COSTS	**6,200**	2,924	**28**	2,952	47%	
Total Short Term Temporary	**40**	20	17	37	50%	
Total Short Term Consultant	**970**	330	544	873	34%	
Total Travel	**990**	391		391	40%	
Total Representation & Hospitality	**30**	2		2	5%	
Total Contractual Services	**700**	188	89	277	27%	
Total Other Expenses	**150**	43		43	29%	
TOTAL VARIABLE COSTS	**2,880**	973	**650**	1,623	34%	
GROSS EXPENDITURES	**9,080**	**3,897**	**678**	**4,575**	43%	
Chargeback for IT Indirect services	0					
TOTAL EXPENDITURES	**9,080**	**3,897**	**678**	**4,575**	**40%**	**47%**
Balance - Under	**592**					

ANNEX 2: Secretariat FY16 Work Plan, by Function

Function and Objective(s)	Key FY16 Work Plan Activities
Strategy and Policy • New strategic plan launched and delivered and delivered with an accompanying results framework and implementation plan • GPE solidified as significant convening partner in post 2015 education policy architecture	• Drafting of concept notes for background papers for the strategic plan • Extensive consultations with all partners on new strategic plan • Drafting and finalization of the strategic plan document based on Board feedback and decisions.
Technical Anchor • Having an established technical capability to contribute to key deliverables of the new strategic plan • Have developed the required tools to support planning process at country level • Have contributed to the development of new platforms and/or creation of new public goods	• Production of quality technical papers and policy briefs on key GPE issues (learning, sector planning, etc.) • Support to the implementation of the new funding model • Monitoring of GRA activities • Engagement in key international initiatives (LMTF, teacher task force, etc.)
Grant Management • Strong programmatic and fiduciary oversight of all GPE funded activities.	• Support to countries to apply for ESPIG, PDG and ESPDG grants • Continued roll-out of funding model based on the lessons learned with first countries
Monitoring of Grants and Country Facing Activities • Roll-out of Planning and Monitoring System, including Board agreed GPE wide Results Framework, for Grants and Country Support Services • Roll-out of Data Collection and Management tool and process to plan, monitor and report on country facing activities	• Regular grant monitoring through missions, disbursement monitoring, follow-up with SEs/MEs, and annual Portfolio Review • Preparation, piloting and finalization of Monitoring Tools for grants and country support
Monitoring and Evaluation (Corporate Level) • Board approved GPE results framework under new strategic plan. • M&E strategy including indicators and means of verification developed	• Routine reporting to partners on results • M/e strategy and schedule for routine country program evaluations • incorporation of lessons learned from independent evaluation • launch of routine country program and/or thematic evaluations in 2016

Function and Objective(s)	Key FY16 Work Plan Activities
Country Advisory, Technical Support, Sector Monitoring • Support provided to improved planning, implementation and monitoring processes through strengthened LEGs • Support provided to sector monitoring, including monitoring of domestic and external education financing	• Technical support to and experience sharing around credible sector planning processes and monitoring mechanisms at country level. • Technical support to and experience sharing around effective policy dialogue for education planning and monitoring.
Quality Assurance • Operationalize a GPE QA framework	• Development of the GPE QA framework • Implement new quality assurance process
Strategic & Corporate Communications • Reflect support and contributions to all aspects of the Partnership	• New annual report launched and technical publications series. • Increase in mainstream earned media in the North by 100% on 2015 baseline; Increase in earned media in the South by 200% on 2015 baseline. • Increase in Web visitors by 25% on 2015 baseline, predominantly in non-US market. Increase in French website visitors by 100% on 2015 baseline.
Knowledge Management • Knowledge management strategy finalized and implemented	• Development of the Knowledge management strategy • New digital platform for knowledge management launched and accessible to all partners • Develop communications products and content reflecting the various contributions of GPE partners, tailored for partner use • Establish broader platform on GPE website to allow greater posting of partner content and sharing of knowledge

Function and Objective(s)	Key FY16 Work Plan Activities
External Relations and Constituency Outreach • Broad support and mutual accountability from all parts of the Partnership, including sufficient financing, toward achieving the goals of GPE.	• Secure additional $400m in donor financing to the GPE Fund • CSEF Phase II program successfully completed and Phase III launched • Further progress on increased DCP engagement in GPE partnership through successful pre-board meetings and pre-committee consultations • Successful consultations on new GPE Strategic Plan • Successful GPE engagement in Oslo Education Summit, Addis FFSD Conference and at UNGA in September; Also GPE support for education being included in the 2016 Humanitarian Summit in Copenhagen. • Undertake additional fundraising in support of the new Strategic Plan as required • Increased private sector and foundation engagement in the partnership, particular in support of country-level processes and outcomes
Front Office • Ensure GPE platform is fit for delivering the goals agreed by the Board.	• Oversee management and delivery of GPE's new five year strategic plan • Oversee implementation of GPE's New Funding Model and program and fiduciary oversight of country grants through quarterly country visits • Oversee implementation of GPE's organizational review • Ensure implementation of key Board decisions • Ensure optimal use of GPE's leadership time and engagement at global level in support of the Post 2015 SDGs and related financing processes.
Governance • Governance reflects values of the Partnership and delivers on its goals.	• Develop strategic board and committee agendas to ensure that focus is on achieving GPE's strategic goals and objectives and implementation of new strategic plan. • Organize and support all Board and committee meetings and ensure that quality papers with clear decisions are presented for their consideration and approval.

Function and Objective(s)	Key FY16 Work Plan Activities
	• Engage and support constituencies on the Board, especially DCPs and CSOs so that they are more informed and can better participate in Board and committee meetings.
Secretariat Operations, Systems and Finance • Ensure that there are quality systems in place for the Secretariat to carry out quality administration, financial management and oversight and human resources management to support the operations of the Secretariat.	• Manage and monitor administrative budget to ensure cost efficiency and effectiveness • Ensure that recruitment of all new posts and any additional ones are done in a transparent, competitive and timely manner and attract quality talent. • Ensure that performance management is carried out across the Secretariat and that learning and training opportunities for professional growth are offered to all staff. • Launching of Phases 2 and 3 of the GPE Exchange (Integrated Data Platform) which captures grant data, progress on risk management, governance documents and external relations.