

## **Annex 2            Guide to Creating a Financial Proposal**

The purpose of this annex is to guide offerors in creating a budget for their cost proposal. Because the subcontract will be funded under a United States government-funded project, it is important that all offerors' budgets conform to this standard format. It is thus recommended that offerors follow the steps described below.

Step 1: Design the technical proposal. Offerors should examine the market for the proposed activity and realistically assess how they can meet the needs as described in this RFP, specifically in section II. Offerors should present and describe this assessment in their technical proposals.

Step 2: Determine the basic costs associated with each deliverable. The fixed rates should include the costs associated with all deliverables, which should include labor and all non-labor costs., e.g. other direct costs, such as fringe, allowances, etc.

Under no circumstances may cost information be included in the technical proposal. No cost information or any prices, whether for deliverables or line items, may be included in the technical proposal. Cost information must only be shown in the cost proposal.

Step 3: Create a budget for the cost proposal. Each offeror must create a budget using a spreadsheet program compatible with MS Excel. The budget period should follow the technical proposal period. A sample budget is shown on the following page.

Step 4: Write Cost Notes. The spreadsheets shall be accompanied by written notes in MS Word that explain each fixed rate and the assumption why a cost is being budgeted as well as how the amount is reasonable.

### Sample Budget

Guidance to fill this form is provided in section 3. Cost Proposal, page 10.

		Cost Drivers/Rate (USD\$)	Service Reconciliation	
Cost Item	Activities	Pallets	Data	Source
<b>In-Bound</b>	Unloading, Regular External Inspection and Receipt of Products	\$ -	Good Receipt Report	WMS, GRs Reports, 3 way Matching
	Physically check delivery against delivery documentation received			
	“Break down” mixed pallets containing more than one product or stock keeping unit (when applicable)			
	Palletize and/or Re-palletize when appropriate (i.e. bulk shipments, mixed pallets, damaged or dirty pallets)			
	Record delivery into appropriate inventory management system (WMS)			
	Temperature Data Log Recording & Processing when required			
	Put away Incoming Pallets			
	Storage of a pallet/carton within a designated storage area			
	Inventory, WCS (WMS) & Reporting Management			
	Cycle Counting and Wall to Wall Counts			
	Returns & Recalls Management			
	Quarantine Inventory Management			
	Cold Boxes Inventory Management			
	Returns & Recall			
	[Insert other activities as applicable]			
[Insert other activities as applicable]				
[Insert other activities as applicable]				
<b>In-Bound - VAT Costs (if applicable)</b>	Anticipated VAT per inbound pallet	\$ -	N/A	N/A

		Cost Drivers/Rate (USD\$)	Service Reconciliation	
Cost Item	Activities	Line Item	Data	Source
<b>Out-Bound</b>	Receive Orders from Chemonics via email or WOE/EDI	\$ -	TOs Confirmation Report	POD Conciliation Rpt
	Print Pick List			
	Picking & Packing			
	Products must be picked according to expiry date (FEFO)			
	Confirm batch and quantity picked in WMS			
	Update WMS to confirm TO shipment			
	Loading validations for outbound shipments			
	POD Reconciliation			
	[Insert other activities as applicable]			
	[Insert other activities as applicable]			
<b>Out-Bound - VAT Costs (if applicable)</b>	Anticipated VAT per outbound line item	\$ -	N/A	N/A

Description	Total Monthly Cost \$USD
Fixed Operating Monthly Cost	\$ -
Fixed Monthly VAT (if applicable)	\$ -

[Instructions: Remember to insert any specific cost guidance or requirements. Reference any applicable sections in the RFP that include cost instructions. For example, "customs duties or VAT may not be included in the cost proposal"]