

Guide for using the Budget Monitoring and Tracking Tool

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Contents

Acronyms.....	2
1. Introduction	3
3. What is this Guide for?	3
4. How to use the FP Commodity Budget Tracking Tool	4
4.1 Layout of the budget monitoring and tracking tool	4
4.2 Filling in the budget monitoring and tracking tool	4
4.2.1 Budget analysis.....	4
4.2.2 Budget Entry Sheet.....	5
4.2.3 Budget tracking dashboard sheet	6
4.3 Getting hold of the data (Data Source).....	7
4.3.1 FP budget allocation data.....	7
4.3.2 FP budget disbursement data	7
4.3.3 FP expenditure data	8
4.4 Analysing the data.....	8
5 What to do with the FP/SRH Budget Monitoring and Tracking analysis.....	9
6. Conclusion	Error! Bookmark not defined.

Acronyms

1. CSO: Civil Society Organization
2. FP: Family Planning
3. SRH: Sexual Reproductive Health
4. BMT: Budget Monitoring Tracking
5. FCDO: Foreign Commonwealth Development Office
6. WISH: Women Sexual Reproductive Health
7. MoH: Ministry of Health
8. MoF: Ministry of Finance
9. FY: Financial Year
10. IFMIS: Integrated Financial Management Information Systems
11. IDP: International Development Partners

1. Introduction

Budget monitoring and tracking is defined as the process through which governments, citizens and CSOs trace allocated and disbursed public resources to ensure they are spent on intended purposes, reach intended beneficiaries with intended services & goods. The product of a budget monitoring and tracking process is evidence generated that can be used to inform advocacy, and decision-making during priority setting in the subsequent budget cycles, including identifying corrective actions to improve efficiency and effectiveness in allocation, disbursement, and expenditure.

This guide is an integral part of the Family Planning and Sexual Reproductive Health (FP/SRH) budget monitoring and tracking tool (henceforth, “the BMT tool”). The BMT tool can be used to track and enhance oversight of the family planning service budget line in terms of allocation, disbursement, and expenditure. This guide and the BMT tool will therefore support the efforts of the Ministries of Health, Civil Society Organizations (CSO) and citizens to establish effective budget tracking mechanisms and to improve the management of domestic FP/SRH funds.

The guide and the BMT tool were developed by Options Consultancy Services under the Women Integrated Sexual Health (WISH) programme (2019-2023), with funding from the UK Foreign and Commonwealth Development Office FCDO in collaboration with Ministries of Health, accountability mechanisms and development partners in country. The tool was customized tested and implemented in eight WISH implementing countries namely DRC, Malawi, Madagascar, Nigeria, Pakistan, Tanzania, Uganda, and Zambia. In the WISH program, the CSOs took on the role of accountability mechanisms, in which they used the BMT tool to track FP/SRH budgets and hold the government accountable on FP/SRH domestic resource allocation, disbursement and utilization. They further used the evidence they generated to advocate for increased allocation and accountability for FP/SRH resources.

2. Why track the FP Budget line?

Ministries of Health have a mandate to oversee the budget and spending related to family planning, among other things. The FP budgets comprise amounts for the procurement and distribution of FP commodities and implementation of FP services, including logistics for outreach services and operations. Data collected and analysed using this tool will enable the MoHs and partners to fulfil their oversight role for the FP/SRH budgets and engage in discussions with relevant health system stakeholders on budget allocation, utilisation, efficiency, and absorption issues. Managing budget more efficiently is key to future efforts towards increased domestic allocations to FP services.

The BMT tool provides MoH officers with the necessary data to follow up with MOH Planning Department and with the Ministry of Finance (MoF) on delays in disbursement, low expenditure rates and any other FP funding disbursement challenges. The MOH budgets include budget allocations and cashflow forecasts (i.e., planned funding requirements for each budget line during the financial year), and the actual disbursements (as tracked using the BMT tool) can be compared with planned cashflow, and the delayed releases highlighted early on.

3. What is this guide for?

This guide provides a stepwise process for using the Budget Monitoring and Tracking Tool, designed to track the allocation, disbursement, and expenditure of the FP/SRH budgets by the Ministries of Health, citizens, CSOs and partners. These efforts will assist the MoH's and stakeholders in the

management and oversight of funds allocated for FP/SRH services, increasing the absorption rate of the funds.

The tool comprises:

- 1) This guide on how to use the tool and outlines the processes/steps for tracking.
- 2) The Budget Monitoring and Tracking Tool – including budget tracking entry sheets; and
- 3) Analysis tool is integrated to the tracking tool, (including graphs) to visualise the results for use in decision making, advocacy and communications.

The guide is structured in five sections that cover: (i) Layout of the FP services Budgeting Tool; (ii) Filling in the Budget Monitoring Tracking Tool; (iii) Obtaining the data; (iv) Analysing the budget data and producing graphs; and (v) Using the information to enable follow-up with key stakeholders, including the Departments of Planning, MoH and MoF.

4. How to use the FP Commodity Budget Tracking Tool

4.1 Layout of the budget monitoring and tracking tool

The tool can be used to track and analyse three core areas of the budget for FP/SRH services:

1. **Allocation** of FP/SRH budget in each financial year (FY) – what is the allocation and how does it compare with previous years (i.e., high/low)?
2. **Disbursement** (i.e., funds released) for FP/SRH budget - how do actual disbursement levels compare with planned disbursement for the FP Commodity Budget line?
3. **Expenditure** (i.e., execution/absorption of the funds) levels for the FP/SRH budgets - are funds being spent in line with the cash flow forecasts/annual plans?

4.2 Filling in the budget monitoring and tracking tool

The process for tracking the budget should start during the first quarter and continue throughout the remainder of the fiscal year (FY). The tracking process is to be done by the designated Technical Officer within the MoH/the CSO accountability mechanisms, who will fill in the three excel sheets, as explained in detail below. Once the budget entry sheets are filled, the graphs that can be used for the analysis will automatically be updated (in both budget analysis and budget tracking dashboard sheets). Guidance for using the results is outlined in the sections below. The template must be updated for each new FY and stored or saved in the specific Budget Monitoring and Tracking folder, for retrievability. The file name for each fiscal year should bear the fiscal year being tracked e.g., FP/SRH budget tracking_FY2020-21. The three excel sheets contained in the BMT tool are:

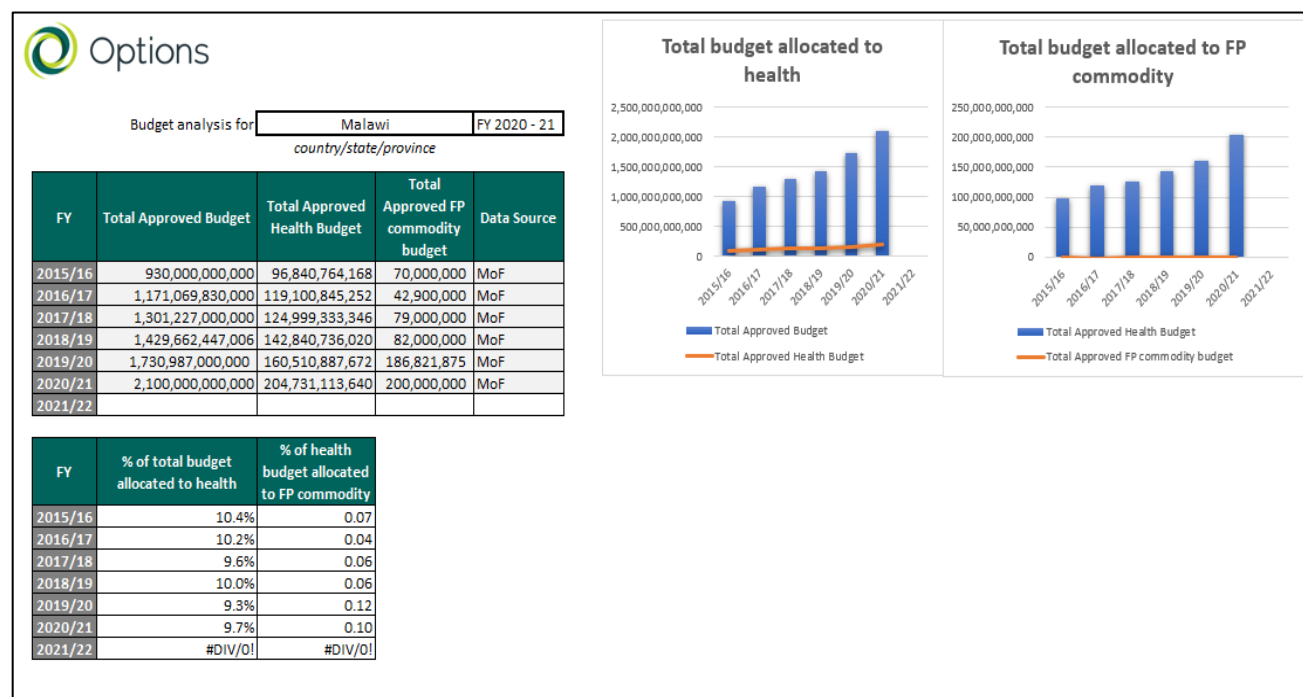
- Budget analysis sheet
- Budget Entry Sheet
- Budget Tracking Dashboard sheet

4.2.1 Budget analysis

The tool contains a general budget information sheet (1st sheet or tab). This is pre-loaded with general budget information that is used in the analysis. You will only need to update this information once for each new fiscal year, and this should be done as soon as information becomes available e.g., see row 11 where it currently states 'FY 2020/21'. With each new fiscal year, you may wish to remove the earliest fiscal year from the table to keep the period of analysis the same. Alternatively, as in the example below, you may simply wish to extend the period of analysis and add new available

information for the current fiscal year. Then, relevant row will automatically calculate the percentage. The graphs will automatically update themselves (Figure 1).

Figure 1: Screenshot of the General Budget information sheet



4.2.2 Budget Entry Sheet

The budget entry sheet is the second sheet. Table 1 explains each of the categories of data which must be entered into this sheet (and this explanation is also included in the BMT tool for ease of reference). Figure 2 below also provides a snapshot of the page for illustration purposes.

Table 1: Data captured by the Budget Entry Sheet

COLUMN	DESCRIPTION
A	The column contains information on program area e.g., FP, MNCH, RH
B	The column is filled with description of budget line e.g., Procure Family Planning Commodities, outreach services,
C	The column is filled with Budget code of the budget line e.g., 221101613 is for Procure FP commodity
D to L	The capture allocated, disbursed and expenditure amounts for respective budget lines, i.e., FP Commodities financed for the previous years (FY 2017-18, FY 2018-19, and FY 2019-20). The information aims to assist in comparing with current year's allocation, disbursement, and expenditure with previous years to show whether there is an increase or decrease
M	Captures allocation amount of the budget of the activity in the current year.
N to P	Columns N to P capture cashflow needs, disbursement and expenditure for quarter 1, Q to S for quarter 2, T to V for quarter 3 and W to Y for quarter 4. Tracking budget in quarters helps to compare the timing of disbursement or expenditure. The timing of actual disbursement and expenditure compared with the cashflow can help to ascertain if funding was released and spent in good time

COLUMN	DESCRIPTION
Z to AB	Column Z to AB tracks the total disbursed funds (column Z), balance from allocation (column AA) and percentage of disbursed funds over the budget allocated amount (column AB).
AC to AF	Column AC tracks the level of expenditure in terms of total amount spent out of the allocation, balance from allocation (AD) and amount spent as percentage of allocation (AE), and the amount spent as a percentage of total funds disbursed (AF).


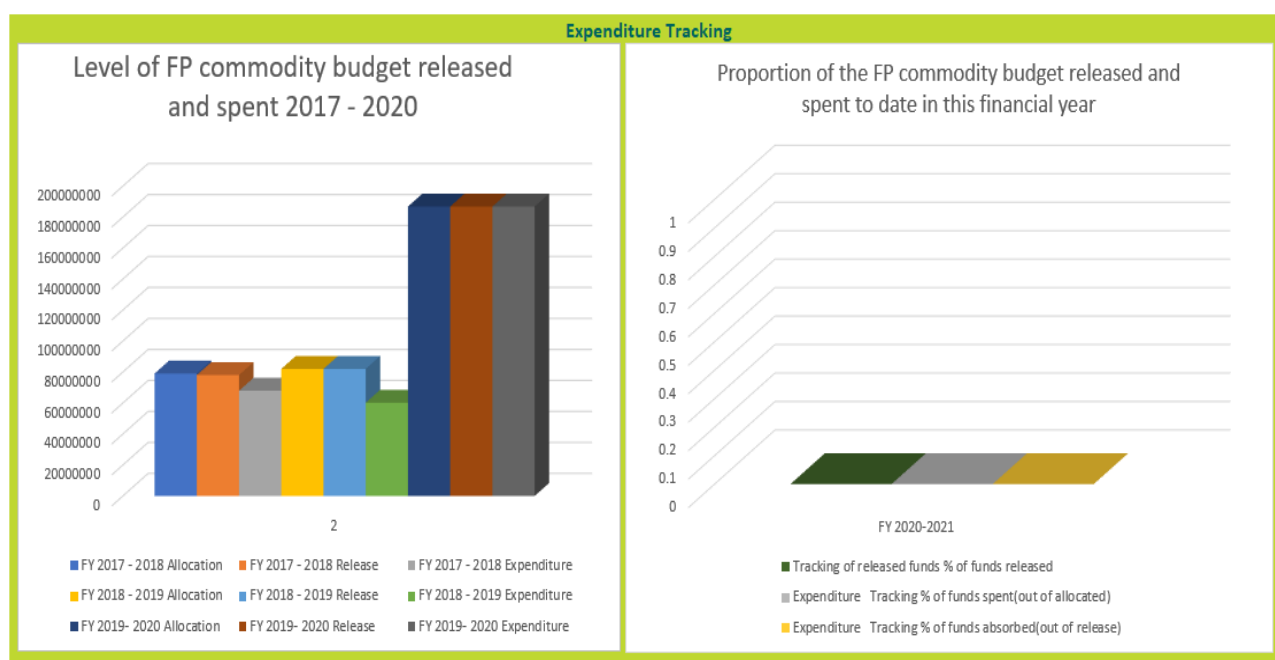
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	
																																	
previous financial year																																	
current financial year																																	
Program Area	Program Activities	Budget Code	FY 2017 - 2018			FY 2018 - 2019			FY 2019 - 2020			FY 2020 - 2021																Tracking of released funds		Expenditure Tracking			
			Allocation	Balance	Expenditure	Allocation	Balance	Expenditure	Allocation	Balance	Expenditure	Allocation	Q1			Q2			Q3			Q4			Funds released to date	Balance	% of funds released to date	Expenditure to date	Balance	% of funds allocated to date	% of funds allocated to date		
													Cashflow	Release	Expenditure %	Cashflow	Release	Expenditure %	Cashflow	Release	Expenditure %	Cashflow	Release	Expenditure %									
RH	FP commodity	221083	79,000,000	79,000,000	67,900,000	82,000,000	82,000,000	69,200,000	186,821,675	186,821,675	186,821,675	200,000,000	200,000,000													0	25-00	0	0	25-00	0	#DIV/0!	
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Figure 3: Screenshot of the Budget Tracking Dashboard Sheet



4.3 Getting hold of the data (Data Source)

4.3.1 FP budget allocation data

FP budget allocation data can usually be obtained from two sources: i) the MOF budget book (this contains high level budget information); and ii) MOH Operational budget template (for more detailed information). For example, in Malawi, looking at the MOH operational budget template for FY2020/21 (see figure 4 below), one can see that FP commodity allocation for 2020/21 was MK200,000,000.

Figure 4: Screenshot of the MOH Operational Budget Template for FY 2020/21

MOH Budgeting Tool for FY 2020/2021		Total Funding (Treasury + Partners + Unsecured)		Total Budgeted for FY 2020/2021	
Step 1: Select your cost center	001 - Headquarters				
Step 2: Select your directorate		MWK	82,509,548,631	MWK	82,509,548,631
Step 3: Select your section/unit (OPTIONAL)					
1. Activity Description		4. Cost Items			
Activity	Description	Cost Item Code	Cost Sub-Item	Cost Sub-Item Description	Activity Budget for FY 2020/2021 (MWK)
37	Procure Family Planning Commodities	IC_25	13-Family Planning Commodities	Commodities	221101613 MWK 200,000,000
36	Maintenance of RHD vehicles and 1 motorcycle including COF and Insurances	IC_33	10- Motor Vehicle maintenance	COF, Insurance	221102510 MWK 1,220,000
37	Procure office furniture and equipment (curtains, fans, executive chairs,	IC_24	50-Furniture and fittings	furniture and fittings	311200250 MWK 10,000,000
38	Support administrative costs for the department. (stationery, accessories &	IC_27	01- Heating and Lighting	electricity bills	221101401 MWK 3,000,000
39	Support administrative costs for the department. (stationery, accessories &	IC_27	02- Consumable Stores	Cleaning materials	221101502 MWK 600,000
40	Support administrative costs for the department. (stationery, accessories &	IC_26	01- Fuel and Lubricants	Fuel and lubricants	221102401 MWK 12,000,000
41	Support administrative costs for the department. (stationery, accessories &	IC_31	05- Water and Sanitation	water bills	221101405 MWK 3,000,000
42	Support administrative costs for the department. (stationery, accessories &	IC_27	09- Hospitality Expenses	drinking water etc	221101509 MWK 600,000

4.3.2 FP budget disbursement data

Disbursement data can be obtained from the Department of Planning of the MOH, which has the funding allocation data that receives from the MOF and the Government Accounting Software such as Integrated Financial Management Information Systems (IFMIS), commonly used in most countries. To obtain data from IFMIS, you will need to collaborate with the Finance Desk Officer for MoH to request the data and then follow-up to ensure that the data is provided.

4.3.3 FP expenditure data

FP expenditure data can also be obtained from the IFMIS. Figure 4 below provides a Malawi extract from the IFMIS, containing expenditure data i.e., funding to date, expenditure to date.

Figure 5: Extract from the IFMIS containing financial data on FP expenditure, FY2014/15

Accounting code	Description	Approved Estima	Revised Estima	Funds allocat	Expenditure thi	Expenditure to	Commitment to	Total Expendit	Fund balance	Budget balanc
31010010000000070592208034014115	4115 Purchase of Plant, Furniture and Office	1,103,872.00	1,103,872.00	603,589.00	0.00	413,575.00	0.00	413,575.00	190,014.00	690,297.00
31010010000000070642107052022101	2101 Hiring Costs	2,066,400.00	566,400.00	0.00	0.00	0.00	0.00	0.00	0.00	566,400.00
31010010000000070642107052022104	2104 Subsistence Allowance	4,054,000.00	5,154,000.00	4,940,750.00	594,000.00	4,887,250.00	32,000.00	4,919,250.00	21,500.00	234,750.00
31010010000000070642107052022402	2402 Consumable Stores	600,000.00	600,000.00	172,040.00	0.00	171,919.11	0.00	171,919.11	120.89	428,080.89
31010010000000070642107052022407	2407 Stationery	2,987,878.00	2,987,878.00	2,987,878.00	0.00	76,749.00	0.00	76,749.00	2,911,129.00	2,911,129.00
31010010000000070642107052022520	2520 Family Planning Commodities	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00	60,000,000.00	0.00	60,000,000.00	-0.00	0.00
31010010000000070642107052023401	3401 Fuel and Lubricants	5,860,000.00	6,860,000.00	5,930,000.00	0.00	5,930,000.00	0.00	5,930,000.00	0.00	930,000.00
31010010000000070642107052090801	0801 Refunds and Payments	611,500.00	11,500.00	0.00	0.00	0.00	0.00	0.00	0.00	11,500.00

4.4 Analysing the data

As mentioned above, the analysis is generated automatically in the third excel sheet based on the data entered in the first two sheets. You may wish to add to this analysis with new/different graphs e.g. (*spending analysis based on disbursement; proportion of allocation disbursed by quarter; proportions of disbursement absorbed per quarter*). This analysis can be used to answer important questions such as those set out in Table 2 below. (*These examples are based on Malawi experience*)

Table 2: Examples of budget analysis

Objective	Example of Analysis
To determine the level of government allocation to FP commodities compared with needs	<ul style="list-style-type: none"> Allocation to FP commodities as percentage of total FP commodity financing needs, i.e., for 2020/21, the allocation was MK200m and total financing needs were MK12.7 billion, giving a contribution by the Malawi Government of 1.5% Percentage increase in the FP commodity budget, by comparing previous year's allocation with current year's allocation i.e. (200m - 186m) / 186m = 7.5% increase
To determine the disbursement level of the FP budget	<ul style="list-style-type: none"> Funds disbursed as a proportion of the total allocation to FP commodities
To determine the expenditure level of the FP budget	<ul style="list-style-type: none"> Level of execution - percentage of expenditure of FP commodity funds compared with funds allocated Level of absorption - Percentage of expenditure on disbursed funds to Family Planning
To determine the timing of disbursement or expenditure	<ul style="list-style-type: none"> Timing of disbursement/expenditure can be tracked by comparing the time when disbursement or expenditure was made (in terms of quarter) against the plan. For example, normally cashflow for FP commodity is required within first quarter (July to September) to allow procurement of commodities which requires a long lead time. In this case if

Objective	Example of Analysis
	disbursement falls beyond first quarter, then disbursement can be regarded as late and appropriate actions need to be taken.

As part of the analysis, the designated MoH Officer can use the budget tracking dashboard sheet to produce graphs some of which are provided automatically for you. For example, by comparing the total approved health budget and the FP commodity budget, one can produce a graph of proportion of the health budget allocated to FP commodity (see for instance the graphs added in sheet 1). Similarly, by comparing amount of budget that has been disbursed and spent, one can produce a graph of the proportion of the FP commodity budget released and spent to date (see sheet 3). The graphs enrich the analysis and convey the messages clearly.

5 What to do with the FP/SRH Budget Monitoring and Tracking analysis

The results of the above analysis provide insights into the performance of the FP/SRH budgets. In this example, the results may show that there is low allocation to the FP commodity budget line, late disbursement of funds, and / or low expenditure of the funds. Table 3 below provides possible follow-up actions that the MoH might take with different stakeholders for a more efficient management of the FP commodity funds.

Table 3: Examples of challenges encountered and potential follow-up actions

Example of challenges	Potential follow up actions using the budget analysis
Low allocation level of FP budget	<ul style="list-style-type: none"> • Work in collaboration with FP/SHR partners to make an investment case to Ministry of Finance • Lobby for increased government allocation to FP commodities to Members of Parliament before or during national budget session • Present budget increase justification to MOH Senior Management during budget development process.
Late disbursement of FP budget	<ul style="list-style-type: none"> • Work with CSOs/Partners to advocate for early release of FP funding i.e., for procuring commodities in good time • Make follow up with MOF through the departments of planning.
Low level of expenditure	<ul style="list-style-type: none"> • Make procurement request in good time and follow up on the approval • Follow up with Finance Department on payments to be made in good time • Check constantly the balance on the FP commodity budget line • Timely Implementation of activities and review of the workplan by the MoH.

The results of budget monitoring and tracking analysis can also be used by the following potential audiences for various advocacy purposes, for example:

- CSOs working as the accountability mechanisms, can use the analysis to hold Governments accountable by highlighting the level of FP commodity budget allocation, disbursement, and expenditure where these do not meet commitments or expectations.

- SRH stakeholders can use the information on the level of budget allocation, timeliness of release of funds and expenditure rates to strengthen their advocacy message to Government through the planning department of the MOH and the MOF
- International Development Partners (IDPs) can use the information to inform discussions with Government on how to improve FP investment and the efficiency and effectiveness of FP commodity spending, to meet national and global commitments.

The BMT tool is a living document, as this guide. The tool can be easily adapted to specific needs and will be improved by use. We would like to receive feedbacks from users across countries and programmes, or simply a note to let us know how you have been using the tool and if you find it useful. You can get in touch with us by email on: l.oyucho@options.co.uk