

## PRCF Operational Guidelines (OP 010)

### ***SUBJECT: RECEIPTS FOR SERVICES OR PURCHASE***

---

PRCF calculates overhead costs by two mutually exclusive methods, depending on what is acceptable to the Donor and the level of personnel inputs into the project as a percentage of total project cost.

#### ***First Type: Overhead costs applicable to all project direct costs***

If accepted by the donor, a minimum of 7.5 % is added as indirect overhead cost to the full project budget. If so, overheads of the first type are not applicable to the corresponding grant proposal.

#### ***Second Type: Overhead costs applicable only to project personnel***

This is calculated on the basis of percent cost of personnel into the project, and applied to all project personnel salaries. For this overhead type, the percentage is added to the estimated/ negotiated gross salaries of project professional personnel, and included in the project budget. A salary of USD 100/ day is thus budgeted and charged at USD 100+/day. Applicable personnel costs are thus calculated as follows:

- (a) 17% for projects with personnel cost of 45% of total project costs, other than overheads.
- (b) 20% for projects with personnel cost of 35% of total project costs, other than overheads.
- (c) 25% for projects with personnel cost of 25% of total project costs, other than overheads.
- (d) 40% for projects with personnel cost of 15% of total project costs, other than overheads.

Estimated Project budget	Estimated (%) Personnel Cost	Estimated Total Personnel	Indirect Costs (Overheads)	Overheads Income
10,000.00	45%	4,500.00	17%	765.00
10,000.00	35.00	3,500.00	20%	700.00
10,000.00	25.00	2,500.00	25%	625.00
10,000.00	15.00	1,500.00	40%	600.00
10,000.00			7.50%	750.00
25,000.00	45%	11,250.00	17%	1,912.50
25,000.00	35.00	8,750.00	20%	1,750.00
25,000.00	25.00	6,250.00	25%	1,562.50
25,000.00	15.00	3,750.00	40%	1,500.00
25,000.00			7.50%	1,875.00
50,000.00	45%	22,500.00	17%	3,825.00
50,000.00	35.00	17,500.00	20%	3,500.00
50,000.00	25.00	12,500.00	25%	3,125.00
50,000.00	15.00	7,500.00	40%	3,000.00
50,000.00			7.50%	3,750.00
100,000.00	45%	45,000.00	17%	7,650.00
100,000.00	35.00	35,000.00	20%	7,000.00
100,000.00	25.00	25,000.00	25%	6,250.00
100,000.00	15.00	15,000.00	40%	6,000.00
100,000.00			7.50%	7,500.00
100,000.00			7.50%	7,500.00