

Trustee Proposed Budget

1. The Table below shows estimated costs and fees for services to be provided by the Trustee from January 1, 2011 to December 31, 2011.

Proposed Trustee Budget January 1, 2011 to December 31, 2011 (USD)	
Trustee Services	
Financial and Program Management	348,400
Investment Management	35,000
Accounting and Reporting	175,000
Legal Services	75,000
Trust Fund Fees	250,000
Total	883,400

2. The proposed Trustee budget for CY11 is US\$ 883,400 and reflects the following components:

- i. **Financial and program management (US\$ 348,400):** Costs are based on staff time required for management of financial transactions, including maintaining receipts of donor contributions, recording allocations and commitments, and making cash transfers to Research Centers. This estimate also covers travel costs of Bank staff to attend the regular Fund Council and Funders Forum meetings and staff time associated with implementation of the financial reporting of the Trust Fund, donor relationship, coordination with the Fund Office, Consortium and Funders Forum to develop operational policies relating to financial transactions, and maintenance of systems for reporting and transactional processes and procedures for the Trust Fund;
- ii. **Investment management (US\$ 35,000):** Investment management fees are calculated as a flat fee of 3.5 basis points (i.e. 0.035%) on the average annual balance of the undisbursed cash in the Trust Fund; the projected average portfolio size for the CGIAR Trust Fund for CY11 is US\$ 100 million. In the event that disbursements take place more rapidly, the average balance would be lower, and investment management fees would reduce accordingly;
- iii. **Accounting and reporting (US\$ 175,000):** Costs are based on the management of the accounting model for the Trust Fund, maintenance of appropriate records and accounts to identify contributions and other receipts as well as Trust Fund liabilities to Research Centers, and preparation of Financial Statements and arrangement of external audits

- iv. ***Legal services (US\$ 75,000)***: These costs include staff time required to finalize Contribution Arrangements with the donors. The estimate also covers staff time to provide policy advice and legal review of financial and operational documents and to amend the existing legal documents as required as well as travel costs to attend the regular Fund Council and Funders Forum meetings; and

- v. ***One-time Trust Fund fee (US\$ 250,000)***: This fee of \$250,000 per fund is charged by the Bank to recover other central department costs of trust fund administration, including but not limited to, quality control and compliance, internal audit, human resources and institutional integrity, in accordance with the Bank's Trust Fund policy which applies to all funds with over US\$100 million in expected contributions.