

## **Use and Governance of CABI's Designated Fund**

### ***What is the Designated Fund?***

The Designated Fund (known as Designated Fund however referred to in this paper as 'DF' for brevity) was introduced in March 2012. Depending on CABI's financial position at the end of the year, and the amount available within the DF at that time, each year an allocation may be set aside towards the DF. This is therefore funding by CABI.

### ***Purpose of the Designated Fund and Remit for Use***

As the DF is funded entirely by CABI, typical applications for use would be:

1. Donor-funded projects which require to show a contribution from CABI
2. Co-financing a donor-funded project which is in development later in the year and therefore is after CDF allocations have been made
3. Investment projects which require to be funded wholly by CABI and are particularly relevant to the achievement of the CABI mission, for example a project to road-test new technology or methodologies, or to develop staff. This would be prior to formal investment.

### ***Management of the Designated Fund***

As the DF may be used to support donor-funded projects and investment projects, the DF is managed by EMT. As such, a project of any level should put a request to EMT – this may be at the time of Project Mandate or via the PID and PFA/IFA when presenting a project for approval. Applications for allocation of DF can therefore be made at any time during the year and is not part of the budgeting process. Any funds remaining within the DF at year end will be retained in that fund and will roll over to the following year. Head Office Finance will provide regular accounting reports for management of the fund. As DF is not assigned at budget time, any DF allocation would not appear in the respective Centre's budget.

### ***Reporting about the Designated Fund***

A statement to the Board will be made annually on how the DF has been used during the previous months. This will therefore require not just a list of the projects which have been granted an allocation from the DF, but how the funding has been used within those projects.

8<sup>th</sup> August 2012