COST REPORTING GUIDE FOR CROSS-SECTORAL POSITIVE YOUTH DEVELOPMENT PROGRAMS

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This guide supplements USAID's [Cost Reporting Guidance for USAID-Funded Education Activities](#) with [Annexes](#), and [Cost Reporting - Field Guide](#), by illustrating their application to USAID's cross-sectoral positive youth development (PYD) programming.

Purpose and Audience

Information about the costs of developing and implementing Positive Youth Development (PYD) interventions is essential for sustaining and scaling up successful interventions and for informing decision-making by USAID and stakeholders. The systematic, routine measurement of costs of PYD programs increases transparency around cost drivers in order to improve sustainability and overall value for money of USAID investments. Applying USAID's cost measurement guidance to PYD programs enables Missions and implementers to understand costs of specific interventions associated with different PYD domains (i.e., assets, agency, contribution, and enabling environment) and features (e.g., skill-building, healthy relationships, safe spaces, youth engagement). Comparative cost-efficiency and cost-effectiveness analyses across programs and contexts can help Missions and implementers understand the value-added of different components of youth programs from individual skill-level interventions to the institutional- and systems-level interventions, as well as have a deeper insight into contextual and intervention-specific cost drivers.

This guide is designed to accompany USAID's existing guidance on cost data collection[1] by illustrating its application to PYD programs. It is best used as an introductory document, to gain a basic understanding of USAID's cost measurement approach in the education sector and its application to PYD programming. The step-by-step directions and templates for cost reporting can be found in USAID's guidance on cost reporting.

USAID Missions and implementing partners are the primary audience for this document. Secondary audiences include researchers and academics, youth-serving organizations, partner governments, and other stakeholders involved in developing and delivering PYD programs.

Overview of Cost Reporting

The USAID Center for Education cost measurement initiative has established systems and processes for capturing, analyzing, and using the costs of USAID-funded interventions across the education continuum, including cross-sectoral positive youth development (PYD) programs.[2] Cost reporting under USAID awards occurs in real time during the activity implementation and includes reporting on all expenditures, contributions of government and non-government partners, including individuals to the program implementation, and data on beneficiary time and other inputs (Figure 1).
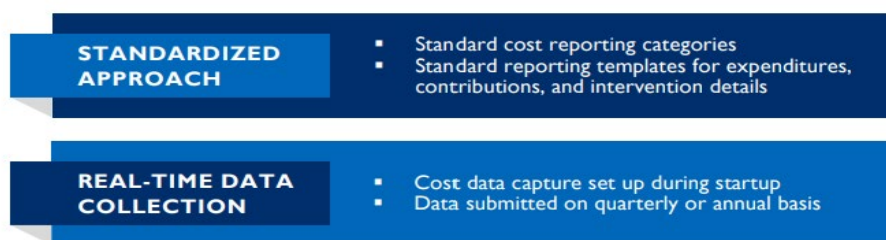
Figure 1. Cost Reporting Approach and Data Collection

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[1] Found under "How do we collect cost data?" tab of the USAID Education Cost Measurement Toolkit: https://www.edu-links.org/resources/usaid-education-cost-measurement-toolkit

[2] Guidance for collecting and analyzing cost data can be found in the USAID Education Cost Measurement Toolkit: https://www.edu-links.org/resources/usaid-education-cost-measurement-toolkit

USAID implementing partners are expected to report on the breakdown of all expenditures by both their relevant cost **categories**, as well as the cost **ingredients** (e.g., labor, materials, travel, other direct costs, etc.). (Table 1) While cost categories represent the objectives, or the "why" of expenditures, cost ingredients represent the substance, or the "what" of the expenditures. All expenditures must be assigned both a cost category and ingredient category. For example, consider a program which provides youth with training on soft skills and sexual and reproductive health (SRH) in youth clubs. All expenditures for the facilitator in-service training would fit in cost category 6 (i.e., In-service educator training), because the objective of the training is to prepare the facilitators to deliver the training to youth. Additionally, each expenditure must be organized by ingredient category, including the cost of the local trainers' salaries (i.e., "local labor" ingredient category), travel stipends for facilitators to travel to the training location (i.e., "travel and transportation" ingredient category), and posters and markers used during the training (i.e., "equipment and supplies" ingredient category).

The education cost reporting guidance introduced 12 standard cost reporting categories that correspond to the most common objectives of USAID-funded activities in education. Many of the standard cost categories are relevant for cross-sectoral PYD programs. In cases where costs do not fit into one of the standard categories, the "Other" category should be used to capture expenditures on non-education objectives. These standard reporting categories, as listed in Table 1, are described in detail in Annex A of the guidance.[3] When relevant, these categories must be used as stated, without changing the wording of the categories.

Table 1.Standard Cost and Ingredient Categories

Standard Cost Categories in USAID Education Programming	Ingredient Categories in Cost Reporting
Cost category 1. General operations, management, and reporting Cost category 2. Assessments and evaluations Cost category 3. Capacity strengthening of government systems Cost category 4. Capacity strengthening of local organizations Cost category 5. Pre-service educator training Cost category 6. In-service educator training Cost category 7. Teaching and learning materials Cost category 8. Safe, inclusive spaces and infrastructure Cost category 9. Parents and community engagement Cost category 10. Private-sector engagement Cost category 11. Leadership development Cost category 12. Scholarships and cash transfers to individuals Cost category 13. Other	• Local labor • International labor • Fringe benefits • Allowances • Travel and transportation • Equipment and supplies • Other direct costs • Indirect costs • Other fees

The following sections of this guide outline how PYD programs can use the USAID Education cost measurement approach to improve their sustainability and value-for-money.

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[3] Found under "How do we collect cost data?" tab of the USAID Education Cost Measurement Toolkit: https://www.edu-links.org/resources/usaid-education-cost-measurement-toolkit
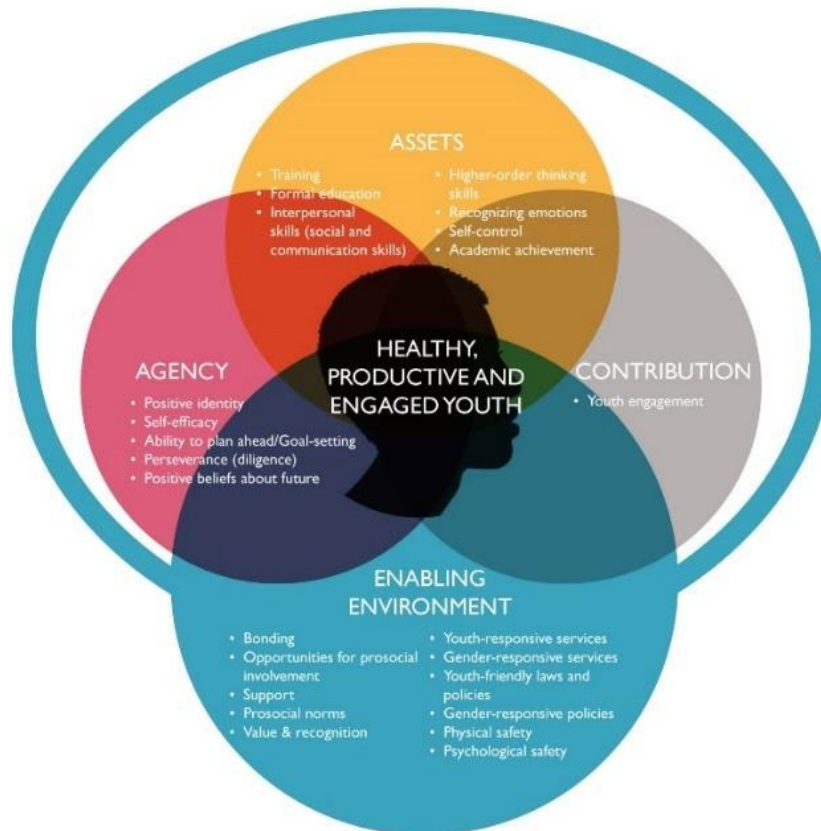
Overview of PYD Domains and Features

Figure 2. PYD Domains and Features

The USAID PYD Framework[4] focuses on four domains that include assets, agency, contribution, and enabling environment. As conceptualized, *assets* are the skills youth acquire. *Agency* refers to how youth use their assets to influence their decisions about their lives. *Contribution* refers to how youth engage in their communities as a source of change. *Enabling environment* refers to those conditions that surround youth to maximize their assets, agency, access to services and opportunities, their ability to avoid risks, and stay safe, secure, and protected while promoting their social and emotional competence.

There are seven features associated with the four domains, including skill-building; youth engagement and contribution; healthy relationships and bonding; belonging and membership; positive norms, expectations, and perceptions; safe spaces; and access to youth-friendly services. These features help define what activities and interventions fall within each of the four domains. In particular, research suggests mentorship, skill-building activities, and opportunities for contribution and leadership as the "Big Three" features essential for all PYD programs which reflect and support all four PYD domains.

Application of Cost Categories to PYD Programs

Outputs and outcomes for cross-sectoral PYD programs vary by sectoral foci (e.g., education, health, civic engagement, violence/conflict prevention) and by domain and feature.

Many PYD programs implement multiple interventions concurrently. For example, a cross-sectoral PYD program can include the following interventions: a) revising the curriculum of vocational training centers

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[4] https://www.youthpower.org/positive-youth-development-pyd-framework.

to emphasize the importance of soft skills and developing teaching and learning materials to reflect the curriculum; b) creating youth-led clubs at vocational training centers to provide a space for youth to learn about and discuss sexual and reproductive health, and c) improving linkages between vocational training centers and the private sector, including a new internship program. Each of these interventions will incur costs and will produce its own outputs, although outcomes may be the same or overlapping. Cost categories can be used to capture costs of these specific interventions to better understand the cost drivers and see if they can be reduced; to better understand the potential for sustainability of the program in its entirety or specific components; and to produce the information necessary for scaling or transferring the program to a new location or new beneficiaries. Figure 3 illustrates how standard cost categories (Table 1) can be used to capture the costs of implementing common PYD interventions.
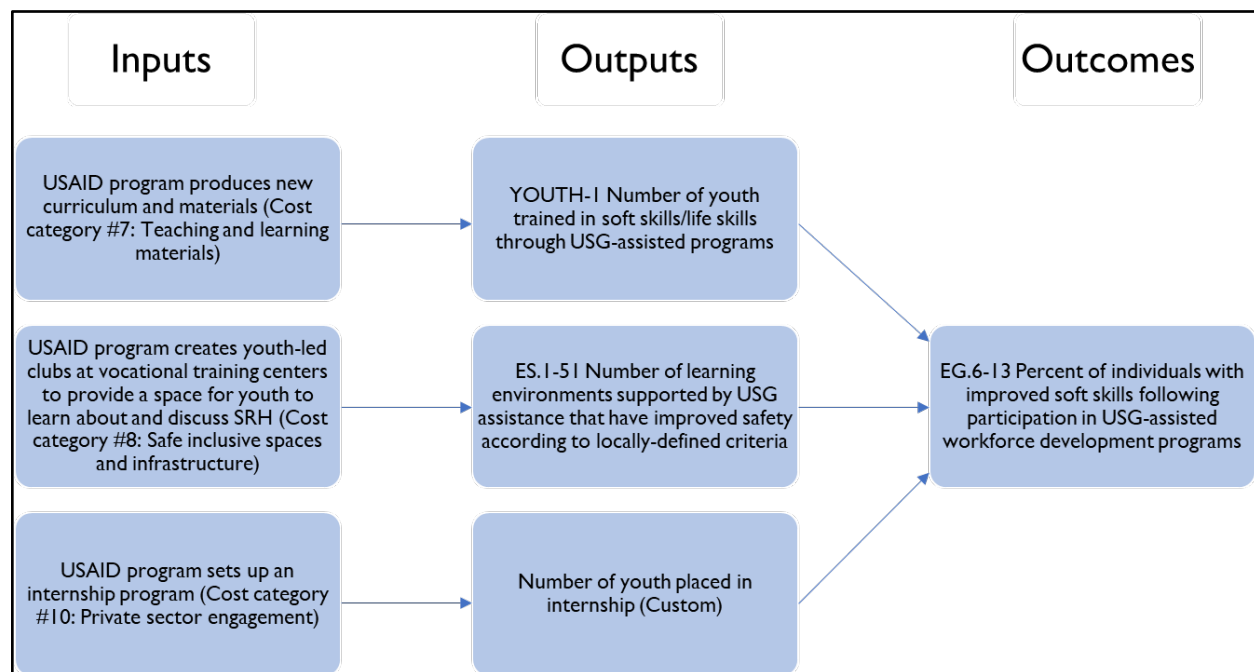

Figure 3. Examples of PYD Interventions and Matched Standard Cost Categories

Tables 2,3, and 4 show a few examples of PYD interventions with associated outputs and outcomes (listed as indicators) and cost categories that can be used–depending on the purpose of the expenditure–to capture costs of delivering them, organized by domains of the PYD Framework. Please note these are not the only cost categories and indicators that may apply to a particular intervention but are presented as illustrative examples to demonstrate the connection between interventions, cost categories, and outputs and outcomes.

Table 2. Examples of PYD Interventions, Matched Standard Cost Categories, and Indicators for Assets and Agency Domain (i.e., Skill Building)

Examples of intervention	Relevant cost categories	Examples of relevant output and outcome indicators
Soft skills and work readiness training for youth	*Cost Category 6: In-service educator Training* captures the costs of in-service training for facilitators who will deliver the soft skills and work readiness training to youth.	ES.1-6 Number of educators who complete professional development activities with USG assistance

Examples of intervention	Relevant cost categories	Examples of relevant output and outcome indicators
Mentoring program for adolescent girls	*Cost Category 8. Safe, Inclusive Spaces and Infrastructure* captures the costs of establishing safe spaces for the mentoring program	ES.1-51 Number of learning environments supported by USG assistance that have improved safety, according to locally-defined criteria

Table 3. Examples of PYD Interventions, Matched Standard Cost Categories, and Indicators for Contribution Domain (i.e., Youth Engagement)

Examples of intervention	Relevant cost categories	Examples of relevant output and outcome indicators
Training youth leaders in community engagement and citizenship	*Cost Category 11. Leadership Development* captures the cost of designing and implementing the youth leadership program	YOUTH-6 Number of youth who complete USG-assisted leadership programs
Establishing a GBV prevention program for youth in partnership with the local government	*Cost Category 4. Capacity Strengthening of Government Systems* captures the costs of professional development for the local government officials who will be implementing the GBV prevention program.	GNDR-6: Number of people reached by a USG funded intervention providing GBV services (e.g., health, legal, psycho-social counseling, shelters, hotlines, other)

Table 4. Examples of PYD Interventions, Matched Standard Cost Categories, and Indicators for Enabling Environment Domain (i.e., Healthy Relationships and Bonding; Belonging and Membership; Safe Spaces; Positive Norms; Access to Age-Appropriate, friendly service

Examples of intervention	Relevant cost categories	Examples of relevant output and outcome indicators
Strengthening the capacity of youth-led organizations	Cost Category 4: Capacity Strengthening of Local Organizations captures the cost of services to strengthen the capacity of local youth-led organizations	CBLD-9 Percent of USG-assisted organizations with improved performance
Designing and implementing a family planning social behavior change campaign (SBCC) for parents and community members	Cost Category 9: Parents and Community Engagement captures the costs of implementing the social behavior change campaign (SBCC) for parents and community members	HL.7.1-3: Percent of audience who recall hearing or seeing a specific USG-supported Family Planning/Reproductive Health (FP/RH) message
Improving access to education for marginalized youth through scholarships	Cost Category 12: Scholarships and Cash Transfers to Individuals captures the cost of the scholarship program for the marginalized youth to improve their access to education	ES.2-2 Number of individuals attending higher education institutions with USG scholarship or financial assistance

Steps for Setting up Cost Reporting and Analysis in Cross-Sectoral PYD Programs

The Cost Reporting Guidance for USAID-Funded Education Activities and Cost Analysis Guidance for USAID-Funded Education Activities describes several steps that must be completed during the activity

start-up so that all activity expenditures are accurately recorded by USAID standard cost-reporting categories and to ensure all data is collected and organized to answer the identified cost questions:

Step 1: Select Cost Questions

USAID's cost analysis approach is designed to answer cost analysis questions that directly support the objective of improving sustainability and the value for money of USAID investments. Cost analyses can be used for a variety of purposes. They can support government policy objectives, provide data for future USAID investment decisions, or help inform discussions with sector stakeholders. USAID Mission staff and their partners, in collaboration with the partner government and local stakeholders, can identify cost analysis objectives that will support specific strategic or operational priorities in the country.

Translating priorities and objectives into cost analysis questions requires consultations with key stakeholders early in the process to ensure consensus on the intended result of the cost measurement activities. Cost questions should be answerable and aim to inform concrete decisions. Early consensus on these questions is important because different cost analysis objectives and questions will necessitate a collection of different data. To answer questions about the cost of sustaining an intervention, for instance, we need to know how much the USAID-funded activity spent on both developing and implementing this intervention. Questions about cost-effectiveness of different intervention models will require impact data and detailed cost data for each model. Articulating cost questions early in the process will enable the collection of the most appropriate data throughout the implementation of the intervention.

Step 2. Select Cost Reporting Categories and Sub-Categories

Together with the A/COR, the partner selects the appropriate cost categories from the list of 12 standard cost reporting categories, based on the objectives of the activity. The "Other" category should be used to capture costs related to objectives that do not fit in the 12 standard cost reporting categories and may be named to reflect the category it represents. It is important to consider broad activity and policy objectives when selecting cost categories. As described in the Cost Reporting: Field Guide, the partner may create additional sub-categories to further disaggregate cost data to allow answering specific cost questions. Table 5 shows how it is necessary to create sub-categories to answer essential cost-related questions.

Table 5. Examples of Using Sub-Categories to Capture Costs

Common policy/research questions	Cost sub-categories
The USAID Mission wants to know the effectiveness of strengthening youth-serving organizations via direct training versus creating partnerships and networks.	Cost Category 4: Capacity strengthening of local organizations would need to have sub-categories to reflect two different types of intervention: (sub-category 1) direct training provided with USG support and (sub-category 2) capacity strengthening via new partnerships and networks.
The USAID Mission wants to understand whether community health centers that use youth volunteers to teach peers about positive reproductive practices have a higher value for money in reducing early pregnancy when compared to community theatre productions led by youth.	Cost Category 12 "Other" should include a sub-category for developing and implementing the community health centers and a sub-category for developing and implementing the community, youth-led theatre productions.

Step 3. Develop the Cost Reporting Manual

As described in the Field Guide, the cost reporting manual provides partner staff with clear guidance on how to code their labor, travel, and other expenses. Once cost reporting categories are decided, the partner will need to create codes that allow tracking of expenses so they can be disaggregated by cost category and ingredient category. USAID provides a template for a Cost Reporting Manual that implementing partners are encouraged to use. The key objective of the Cost Reporting Manual is to "map" activity's theory of change and associated workstreams, or interventions, to standard cost categories. Another important objective of the Cost Reporting Manual is to document cost-related questions that the activity may help answer through cost data. Finally, the manual should include information about specific roles and responsibilities of various individuals involved in the activity with regard to cost reporting.

Step 4. Train Staff on Cost Reporting

As described in the Cost Reporting Guidance documents, the partner must train field staff to meet USAID cost reporting requirements, such as recording of staff time at the end of every day, billing the correct cost category from the first day working on the activity task, billing time to the most appropriate cost category, and separately reporting international and locally hired labor. In addition, the partner should explicitly ensure that field staff fully understand the objectives of cost reporting and the cost questions that the activity will be able to answer using cost data.

Step 5. Reporting on Contributions and Details of the Cross-Sectoral PYD Interventions

Cost data include both information about expenditures as well as data on contributions from other sources. Such contributions can come from private individuals, partner governments, or non-governmental entities. Participants' time in training is also considered a contribution since they forego other opportunities in order to participate in training. Without information on contributions of others our understanding of what is needed to implement the intervention will not be complete. USAID provides templates and guidance for documenting contributions. Reporting on contributions should follow the scheduled established in the terms of the award.

Every cost analysis also requires associated data on details of the intervention and the outputs and outcomes produced, as well as the intervention dosage. As the USAID Cost Reporting Guidance for USAID-Funded Education Activities, Section 6 notes, "USAID's standard indicators typically do not capture details of dosage, outputs, and outcomes with sufficient granularity to enable unit cost computations and other analyses." A key component of cost data collection is data on the details of implementation, including information on beneficiary-level dosage of core intervention activities and products, outputs by cost category, and beneficiary-level outcomes, as available. USAID provides templates and guidance for documenting details of interventions. This reporting should also follow the schedule established in the terms of the award.

USAID Missions and implementing partners should refer to Sections 7 and 8 of the Cost Reporting Guidance for USAID-funded Education Activities for steps related to submitting costs and conducting data analysis. All cost data associated with monitoring and evaluation will be submitted to USAID's Data Development Library (DDL). The timeline and schedule for submitting costs will be determined in collaboration with the A/COR depending on the contract or mechanism. USAID's Center for Education and any other internal USAID offices, bureaus or Missions will be responsible for analyzing cost data.

For additional questions or support, please contact educost@usaid.gov.