



Australian Government

Attorney-General's Department

**GRANTS TO AUSTRALIAN ORGANISATIONS PROGRAM
2011–12**

APPLICANT PROGRAM GUIDELINES

**Pursuing an equitable and accessible system of
federal civil justice.**

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1. PROGRAM OVERVIEW

Objective

The Grants to Australian Organisations Program (GAOP) assists organisations with projects or activities that contribute to the pursuit of an equitable and accessible system of federal civil justice.

These program guidelines are designed to assist prospective applicants in assessing the suitability of their proposed project against the criteria for a grant under the Grants to Australian Organisations Program. These guidelines also outline the considerations that will be relevant to the assessment of all applications for grants.

Important Points to Note

- Prospective applicants should be aware that grants made under the Grants to Australian Organisations Program are for one financial year only (i.e. the funds must be expended in the same financial year that the grant is made).
- If an organisation successfully obtains a grant, it should not be assumed that the organisation will receive funding in subsequent years.
- Organisations need to re-apply for funding in each financial year.
- An invitation from the Department to make an application for funding should not be taken as an assurance that funding will be provided.

The Commonwealth Grant Guidelines (CGGs) establish the grants policy and reporting framework for all departments and agencies subject to the *Financial Management and Accountability Act 1997* (Cth) (FMA Act). The *Financial Management and Accountability Regulations 1997* (FMA Regulations) require officials to act in accordance with the CGGs when performing duties in relation to grants administration.

2. PROGRAM OPERATION

The GAOP webpage provides necessary information and documents for submitting an application (including these guidelines and the GAOP Application Form). The webpage can be accessed at: www.ag.gov.au/gaop.

Applications for grant funding will open on Monday 4 April 2011 and close on Friday 29 April 2011. There will be no public announcement of the GAOP program. However, the webpage will contain all relevant dates for the application process.

The Department may contact particular organisations and advise that the applications for grant funding have opened. It is for each organisation to determine whether or not the program they are proposing meets the criteria for GAOP funding. An invitation from the Department to make an application for funding should not be taken as an assurance that funding will be provided. All applications will be assessed and ranked on their individual merits.

Application Form

The Department has prepared a template application form, which organisations must use to apply for GAOP funding. This template can be downloaded from the GAOP webpage.

Key Dates*

29 April 2011	Closing date for applications
30 July 2011*	Funding agreements sent to successful organisations
31 August 2011*	Funding agreements executed
14 September 2011*	Invoice for payment provided by organisation
30 September 2011*	Payments made to organisations

**These dates are a general guide only and may change depending on the timing of the grant project.*

3. ELIGIBILITY CRITERIA AND ASSESSMENT PROCESS

Eligibility criteria

GAOP funding is available for a broad range of projects and activities. To be eligible to receive funding under the GAOP, organisations must demonstrate that their proposed project or activity would relate to or assist with the pursuit of an equitable and accessible system of federal civil justice.

Type of organisation

Grant recipients should be non-government organisations (i.e. not funded solely through Commonwealth monies). To be eligible for funding, organisations should be a 'not for profit' organisation, a community organisation or a local government association or agency.

It is preferable that the organisation be incorporated as this provides greater accountability. Incorporation provides some degree of assurance that the recipient has an appropriate management and reporting framework.

Applications will not be accepted from:

- individuals
- political organisations
- Australian Government and state and territory government agencies, or
- commercial and for-profit organisations.

Organisations which have not fulfilled previous grant requirements including acquittal reports and evaluations, or organisations or projects previously de-funded by state/territory or Australian Government agencies for performance and/or integrity reasons are generally not suitable for funding. Organisations are asked to provide this kind of information on their application form.

Grants must be paid to an organisation and not to any officer personally. Where possible, grants to peak bodies should be funded through one payment to the head office with an expectation that those funds be distributed appropriately (this requirement can be covered in the funding agreement).

Suitability for a grant

There are particular projects and activities which are generally not suitable to receive funding from GAOP:

- 1) Administrative expenses— Funding will not usually be provided for an organisation's ongoing operation or running costs. For example, funding for general operation, secretariat expenses or support for a research officer. However, administrative expenses may be considered for the

period of the funding period if the costs are directly and exclusively associated with the proposed project.

- 2) Similarity to project already provided for by the Commonwealth—Prospective applicants are required to declare any other Commonwealth funding they have received or applied for. Funding will not usually be provided for projects or activities which are already funded by the Commonwealth. If there is a possibility of applicants receiving funding from multiple areas for the same project, then this should be identified in the application.
- 3) Capital equipment and capital works—Funding will not usually be provided for the purchase of large scale capital equipment or capital works, including the purchase or lease of land and the purchase, construction or maintenance of buildings and vehicles. However, at the discretion of the Minister, funding may be granted depending on the size and capacity of the organisation and the size and impact of the project.
- 4) Other activities—Funding will not usually be provided for individual scholarships, projects that provide personal protection for specific individuals, or projects that duplicate existing projects in the same community.

Prospective applicants seeking funding for any of the above matters, should provide information about whether these costs are directly and exclusively associated with the proposed project. Prospective applicants should also indicate whether the project could continue if these aspects of the funding proposal were removed from the overall grant.

Consideration of applications

The assessment process is three-fold. The appropriate area (with policy responsibility for the substance of the project) of the Attorney-General's Department will undertake an initial assessment. This area is best placed to assess how the proposed project fits within current government policy and priorities.

The Evidence Section of the Attorney-General's Department will then assess all applications, along with the relevant line area's assessment of suitability of the applicant's project, and then determine the priority to be given to each application. An SES officer responsible for GAOP will then make the formal recommendations to the Attorney-General.

A submission is then prepared for the Attorney-General's consideration, who makes the final decision about which projects receive funding under GAOP. Funding decisions are made at the discretion of the Attorney-General.

Application criteria

Applications will be considered against the following specific program criteria. The objective of this process is to select those projects that will deliver both policy outcomes and value for money.

- 1) Value for Money—the organisation applying for funding should demonstrate in their application that their proposed project represents value for money. The organisation should also advise whether, without GAOP funding, the proposed project would be likely to proceed, or proceed in the desired manner or time frame.
- 2) Government priorities—the organisation applying for funding should demonstrate that their proposed project is consistent with broader government priorities and policies. Examples may include whether the project clearly supports a current major government policy platform, whether the project fulfils an election commitment or has the support of the Prime Minister.
- 3) Departmental priorities—the organisation applying for funding should demonstrate how the proposed project contributes to the pursuit of an equitable and accessible system of federal civil justice.

- 4) Duration of funding—funding under GAOP is only available for one year. As such, funding for the program is assessed and approved on an annual basis. Funding should be requested for projects to be undertaken in the current year and are not to be undertaken with a retrospective or prospective effect. Where the proposed project is intended to continue beyond the current year, organisations should indicate how they intend to fund the program after the grant has ended.
- 5) Capacity of the organisation—the organisation should demonstrate that they have the capacity to successfully manage a project, provide a proposal based on appropriate assumptions and outline the expertise of the organisation to manage the project.

Other sources of funding

Prospective applicants must provide information on Commonwealth and other sources of funding as well as any other funding applications for the proposed project. Applications that have already received funding from other funding programs for a particular project are not normally considered for funding under this program. However, funding may be considered for a new direction or enhancement of an existing project, or to ensure a project's continued viability.

Prospective applicants must also provide a detailed budget for the proposed project, a proposed annual expenditure statement, a management plan for the project, and information about the duration and nature of funding required.

Conflict of Interest

A conflict of interest arises where a person makes a decision or exercises a power in a way that may be, or may be perceived to be, influenced by either material personal interests (financial or non-financial) or material personal associations. A conflict of interest could arise where decision makers or officials involved in grants administration have a direct or indirect interest in the selection of a particular project or activity for funding. Actual and perceived conflicts of interest can be potentially damaging to government, the Department and the granting activity.

A direct interest arises whenever there is a potential for a staff member to directly gain financially from the results of Attorney-General Department discussions or decision making processes to which the staff member contributes.

An indirect interest arises from a staff member's employment or professional interests or their personal relationships. This is exemplified in an application for a grant by a staff member's partner or relative, a close friend or a close professional colleague.

Applicant organisations should provide the details of any actual or potential conflict of interest in their application form.

4. GRANT APPROVAL AND PAYMENTS

Grant Publication Requirements

If an organisation is successful in obtaining a grant, the Department is required to publish, on its website, information about the grant no later than seven working days after the relevant funding agreement takes effect. As a matter of practice, these grants are often made public once the organisation has received notification of the success of its application.

If an organisation has concerns about grant information being published, they should raise these concerns with the Department as part of the application process. If the organisation is successful in obtaining a grant, the Department will discuss these concerns with them.

Notification of Grants

The Attorney-General will write to organisations advising if they have been successful in obtaining GAOP funding. Successful organisations will be required to enter into a funding agreement before the grant is paid. Further details on the conditions that may apply to a grant are outlined below.

Funding Agreement

The successful applicant organisations will be required to enter into a legally binding funding agreement. A funding agreement is a document signed by the funding provider and a grant recipient setting out the terms, conditions and arrangements under which a grant is to be provided, received, managed and acquitted.

Funding agreements provide an opportunity to clearly document the expectations of both parties in the delivery of the proposed activity. A funding agreement protects the Commonwealth's interests by defining project deliverables, scheduling payments, specifying progress reporting and ensuring that public money is used for the intended purpose. It also covers the return of unused funds and possible sanctions against organisations for non-compliance.

A schedule, which clearly outlines the project to be undertaken, is included as part of each funding agreement. The drafting of the schedule may involve negotiations with the applicant organisation.

A letter of offer and two signed copies of the funding agreement will be sent to organisations after funding has been approved by the Minister. The applicant organisation should then sign the acknowledgement of both copies to execute the funding agreement. The organisation should then retain one copy for its own records and return the second signed original to the Department.

Payment

Payments will not be made before the funding agreement has been formally executed by both parties.

GAOP payments can be paid as a lump sum before completion of the agreed project. However, before making an advance payment, the relevant area of the Department will need to be satisfied that it is appropriate because:

- 1) it results in efficiencies for the organisation by reducing the time to complete the project, and/or
- 2) the project or activity would not proceed within a reasonable time without advance payment.

An invoice for payment from a funded organisation should be provided to the Department in accordance with the timeframe set out in the funding agreement.

Impact of GST on grant payments

It is the responsibility of the organisation to advise whether or not GST is payable in relation to a grant. When a grant is paid to an organisation with binding conditions, it is generally the case that GST is payable if the recipient is registered for GST. The funded organisation is required to provide a valid tax invoice to the Department.

5. MANAGEMENT OF GRANT OUTCOMES

Monitoring Frameworks

The monitoring of grant payments and progress are an integral part of good governance and risk management and provide a measure of assurance that public funds allocated to grant recipients have been spent for their intended purpose.

Recipient organisations should advise the Department as soon as possible should they become aware of

- 1) the use of grant funds for a purpose contrary to the terms and conditions of the grant
- 2) changes in the status and/or competence of the recipient that could adversely affect their ability to complete the proposed project, and/or
- 3) unapproved variations to projects during the period of the grant.

Variation of funding agreements

During the course of the funding agreement, a variation to the agreement may become necessary. For example, the Department and the recipient may agree to vary the agreement to reflect changed circumstances or the Department may unilaterally apply a variation if the organisation breaches the funding agreement.

Any variation must be put in writing and signed by the parties' authorised representatives.

Acquittal

Reliable, timely and adequate evidence is required to demonstrate that grant funds have been expended in accordance with the terms of the funding agreement. Funding agreements will include details about what evidence of acquittal is required from the organisation. These details may vary for individual grants but usually involve the organisation providing the Department with:

- a letter (signed by a suitable senior officer) outlining/or attaching a statement of expenses
- corresponding proof of expenditure (such as receipts), and
- a completed statutory declaration.

Timeframes for these processes will be set out in the funding agreement.

Failure to adequately acquit grant

Failure to acquit a grant by the date agreed in the funding agreement, or the provision of insufficient acquittal documentation could result in the Department recording the grant amount as a debt and pursuing action to recover the amount.

Such a failure could also prevent the relevant organisation from receiving future funding from Australian government agencies.

Recovery Action

When performance and financial requirements under the agreement are not being met, consideration may be given to suspending further funding until they are complied with, or ceasing funding where the breaches are serious. Any suspension of payments would be carried out in accordance with appropriate delegations of authority, and would involve considerable communication with the recipient.

The funding agreement will require recipients of grant funding to repay any funds that remain unspent or have not been committed at the end of the funding agreement.

6. FEEDBACK

Grant Decisions—Feedback for Applicants

If an applicant is not satisfied with a decision in relation to grant funding, they may seek clarification of the reasons for the decision. A contact officer within the Evidence section of the Department will be made available for this purpose.

Applicants may also obtain details about freedom of information from the website of the Department of Prime Minister and Cabinet at <http://www.dpmc.gov.au/foi/index.cfm>.