Grant Application Guidelines

Instructions for completing NTCS grant applications,

performance and financial reporting

March 2017 v1.3

NORTHERN TERRITORY
CORRECTIONAL SERVICES

NORTHERN
TERRITORY
GOVERNMENT

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LIST OF KEY ACRONYMS WITH DEFINITIONS

ABN   Australian Business Number – unique identifier issued by the Australian Business Register (ABR) under the Australian Taxation Office to all businesses

AFS   Audited Financial Statement – document prepared in accordance with accepted accounting principles that has been audited by an independent accountant

DEL   Delegate – person who approves or disapproves projects, applications, Funding Contracts, non-recurrent payment releases, and provides oversight of grants work

ESP   External Service Provider – organisation or individual who can apply for project funding, and hold a Funding Contract with the NTCS to deliver grant services

FAS   Financial Acquittal Statement – reporting document submitted by an ESP to explain how grant funding has been used according to SCOA methodology

FC   Funding Contract – a legal agreement between the NTCS and ESP to deliver services, events and/or activities for beneficiaries (comprising Part A Funding Contract & Part B Grant Funding Contract Terms and Conditions)

FOI   Freedom of Information – for the purposes of this document, a legal right recognised in law to access information subject to relevant FOI legislation

GAU   Grants Administration Unit – person/s in a NTCS branch who administratively engage with ESPs, and conduct financial management of Funding Contracts, record-keeping, data collection, and quality assurance of operational area work

GMF   NTCS Grants Management Framework – document detailing best practice in grants management, legislative requirements, and processes for appropriate management, accountability and control arrangements over the payment, ongoing monitoring, and acquittal of grants.

PART A   Part A: Grant Funding Contract Details – document which captures all instance-specific information required for a FC through the end-to-end grants workflow

PART B   Part B: Grant Funding Contract Terms and Conditions – static document with all standard legal terms and conditions required for contracting with the NTCS

PFR   Performance Report – reporting document submitted by an ESP to explain the quantity and quality of grant services delivered within a specific period

PGO   Principal Grant Officer – person who ordinarily conducts administration tasks for a project or FC and engages with an ESP based on their subject matter expertise

SOR   Statement of Requirements – document detailing the parameters of a grant project for which an ESP is eligible to apply and services sought by the NTCS

SCOA   National Standard Chart of Accounts and Data Dictionary – agreed list of account classifications used by Australian governments with Not-for-Profit Organisations, itemising account names likely to be required for cash or accrual accounting.

INTRODUCTION

The Grant Guidelines for Applicants provides a brief outline to External Service Providers (ESPs) on the NTCS Grants Management Framework and Services Model implemented from 1 August 2014. It also provides a practical instruction, with the necessary guidance to complete the suite of NTCS Grant forms developed to promote best practice in grants management.

SERVICE MODEL

NTCS Grants are administered by a central Grants Administration Unit (GAU) in a "hub" and "spoke" business model.

The "hub" works as a repository for information, quality assurance and strategic control point, and conduit for communication to and between the spokes.

External Service Providers should forward all grant applications, reports and financial acquittals directly to the GAU email: GrantsAdmin.NTDCS@nt.gov.au

The "spokes" are the respective business program areas responsible for managing the delivery of services by service providers.

External Service Providers should liaise directly with the departmental contact person nominated on the Statement of Requirements form for specific information on the grant project, including assistance with completion of the application form.

Such a model allows subject matter experts to continue to operate from within their division, but through a 'Grant Administration Unit'.

The GAU is located in the People, Business and Strategic Services Division reporting to the Chief Financial Officer.

Hub and Spoke Service Model
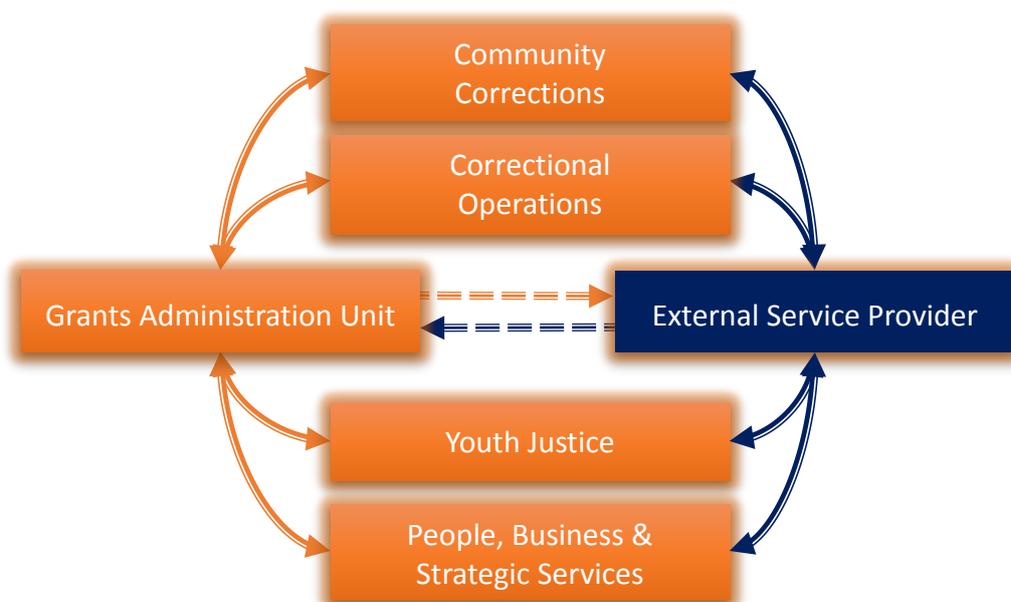
THE END-TO-END GRANTS PROCESS

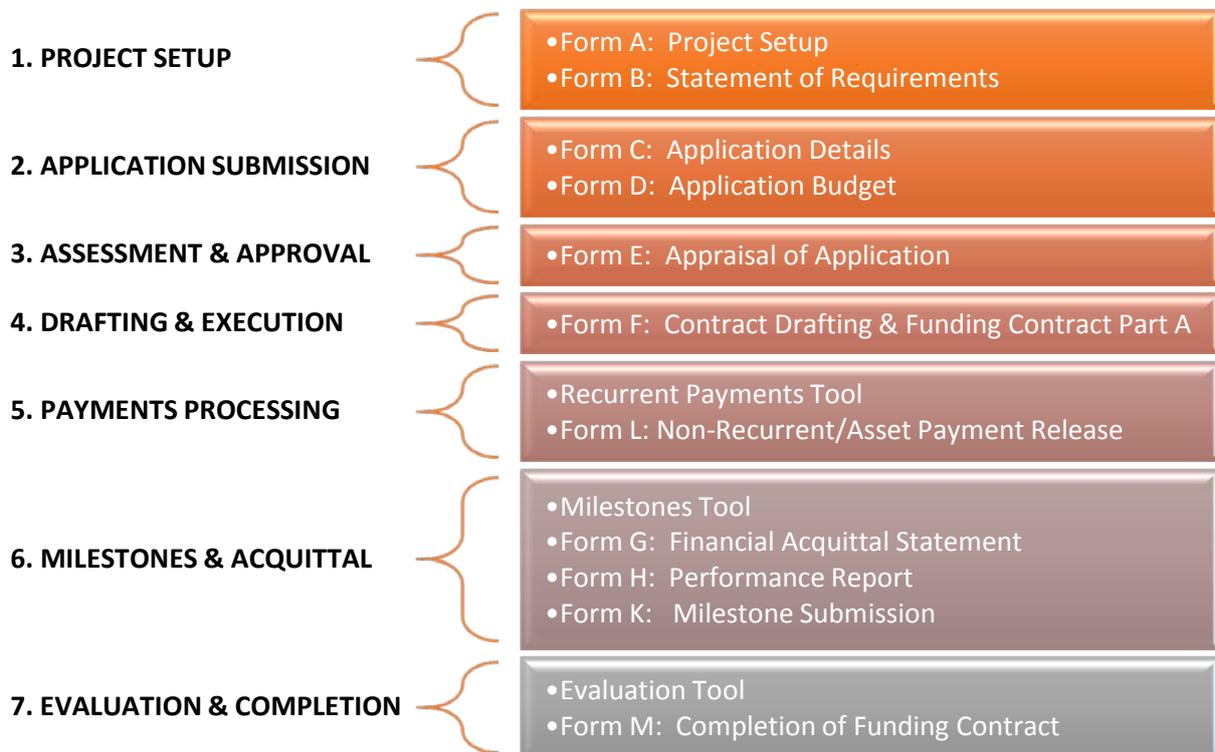The end-to-end grants process is divided into seven stages, which employ the use of templates and tools as follows:

1. PROJECT SETUP
- Form A: Project Setup
- Form B: Statement of Requirements

2. APPLICATION SUBMISSION
- Form C: Application Details
- Form D: Application Budget

3. ASSESSMENT & APPROVAL
- Form E: Appraisal of Application

4. DRAFTING & EXECUTION
- Form F: Contract Drafting & Funding Contract Part A

5. PAYMENTS PROCESSING
- Recurrent Payments Tool
- Form L: Non-Recurrent/Asset Payment Release

6. MILESTONES & ACQUITTAL
- Milestones Tool
- Form G: Financial Acquittal Statement
- Form H: Performance Report
- Form K: Milestone Submission

7. EVALUATION & COMPLETION
- Evaluation Tool
- Form M: Completion of Funding Contract

TEMPLATES & TOOLS

The templates and tools have been developed to assist NTCS staff and ESPs complete grants work in accordance with best practice. The forms discussed in this manual are technically speaking, dynamic XML enabled forms structured to systematise end-to-end grants management tasks. Practically speaking the forms will appear as interactive PDF documents, and are usable by anyone with PDF reader software (refer Appendix A).

This manual provides advice on how to use and complete the forms. Because explanatory text and tooltips are incorporated within the designs, only tasks requiring further direction are discussed or elaborated on. BLUE TEXT within the Guidelines correlates with the name of a field or table heading with a form (e.g. Project Name, Checklist Document), or with a specific action to be complete by a user.

At various stages throughout the process, ESPs will be required to complete and/or sign the following forms:
- Applications Details-Form C;
- Application Budget-Form D;
- Funding Contract Part A;
- Financial Acquittal statement-Form G;
- Performance Report-Form H;
- Milestone Submission-Form K;
- Non-Recurrent/Asset Payment Release-Form L.

STATEMENT OF REQUIREMENTS

Once a grant project has been established, the Statement of Requirements (SOR) is published on the NTCS website in a timely manner, even where eligibility is restricted or targeted to specific ESPs. Those ESPs eligible to apply for the project should be contacted by the agency, to alert them to the opportunity to apply for funding.

The SOR is designed to clearly and comprehensively explain to an ESP the parameters of a grant project (see GMF 11). It contains all reference information the ESP will require in order to make an application for funding.

FORM C: APPLICATION DETAILS

Form C and Form D collectively comprise the application that ESPs are required to fill in and submit to apply for Project funding, with respect to the relevant Statement of Requirement (SOR).

Form C involves three steps for the ESP:

- Download the Form and relevant SOR from the NTCS website by the ESP;
- Drafting by the ESP; and
- Submission to the GAU (along with a completed Form D) for approval by NTCS DEL.

APPLICANT DETAILS

- All fields in this section are used to identify the applicant and the Project for which they are applying. The ESP Legal Name, Organisation Type and ABN Number are captured for potential future use on a FC.
- The Head Office details are required to ensure that the ESP has a physical, serviceable address to be contacted at, in addition to a postal address.

AFFILIATE DETAILS

- The fields in this section capture details for when an ESP is proposing to work with another entity in providing services. Whilst NTCS will not enter into contractual relationships with groups, ESPs may, acting as a primary contracting party, wish to auspice, partner, or subcontract with other organisations or individuals. Accordingly, the agency has a responsibility to obtain these details and know all the parties with whom it may become involved.

SERVICE LOCATIONS

- In this section ESPs are providing details for where exactly they are proposing to deliver services (the Catchment/s), and the Office/Place from which they will conduct their administration.
- Sometimes the Head Office and Office/Place will be the same, but for larger ESPs this may not be the case (e.g. an ESP with a head office in Darwin, operating a regional office in Katherine, providing services to a remote community in that region).
- The Catchment area list is aligned with the categories used by the Northern Territory Land and Information Service (NTLIS), a part of the Department of Infrastructure, Planning and Logistics. These categories officially define the spatial and geographic hierarchy of Regions, Sub-Regions, and Suburbs/Localities in the NT, and are used by other NTG Departments to create standard classifications.

PROJECT OBJECTIVES

- The Outcomes required by NTCS for the Project are listed in the SOR. The ESP is responding here to how they can satisfy the Project Objectives qualitatively.
- Up to five Funded Service – Funded Outputs and the required Units and Settings will also be listed on the SOR. The ESP is not necessarily going to be able to provide all of these. Hence, here they can specify exactly which of the listed outputs they feel they are capable of delivering. The agency doesn't have to approve an application if it feels the ESP can't deliver enough, but it's better to have the ESP be clear about what they can and can't provide.
- The Needs specified here will spell out anything non-financial that the ESP requires to deliver its services. The Risks information is sought to ensure the ESP has thought through their application and factors that might possibly hamper their work.

DOCUMENTS

- Required Checklist Documents should always be provided when Form C is submitted. This will ensure the GAU receives all required information in one go, and can forward everything required to the application appraisers in an orderly fashion.

SUBMISSION

- The onus resides with the ESP to provide a true, accurate and complete application.
- An authorised delegate from the ESP should ensure the form has been correctly filled in, tick the declaration and email the completed Form C, Form D and any required attachments to GrantsAdmin.NTDCS@nt.gov.au.

FORM D: APPLICATION BUDGET

Form D and Form C collectively comprise the application that ESPs are required to fill in and submit to apply for Project funding (see previous section).

Form D involves three steps for the ESP:

- Downloading the form and relevant SOR from the NTCS website by the ESP;
- Drafting by the ESP; and
- Submission to the GAU (along with a completed Form C) for approval by NTCS DEL.

ACCOUNTS: INCOME, COST OF GOODS SOLD & EXPENSES

- All budgetary and financial information on this form use the National Standard Chart of Accounts and Data Dictionary (SCOA) classifications for consistency and to adhere with best practice (see GMF 8).
- Information on Cash or In Kind Income is requested so that the agency knows whether the ESP will be receiving other support for its proposed activities (e.g. from the Commonwealth). This information is likely to be instructive when determining how much funding to recommend for a grant.
- Information on Cost of Goods Sold is requested so that the agency knows whether the ESP will incur these costs. This table will mostly not be used, but will be relevant on occasion for large ESPs with broad-ranging activities.
- Information on Expenses is requested so that the agency knows how much the ESP believes its service provision will cost. Bear in mind this is not necessarily going to be the same as the amount requested (e.g. a service may incur X cost, but the ESP, based on having other income, might only be requesting Y funds from NTCS).
- Recurrent expenses are items that the ESP would list for ongoing, regular outlays.
- Non-Recurrent expenses are items the ESP would list for one-off or irregular outlays.
- Asset expenses are items the ESP would list for one-off outlays of capital items or goods (but not services).

FUNDING PERIOD

- Users are seldom made to copy information from one form to another in the tools and templates, to avoid errors and unnecessary work. The ESP is required to note the Project Period dates from the SOR however, to ensure they are clear about when funding will be available.
- The ESP Requested Period dates must fall within the available Project Period dates. Bear in mind that an ESP may only want funding for some part of the entire Project.

REQUESTED FUNDING

- Having disclosed relevant income, cost of goods and expenses in the Accounts section, here the ESP will specify how much funding they actually want.
- Recurrent funding being requested would be for items that are ongoing, regular outlays (e.g. salaries and wages). The total of recurrent items, if approved on a FC, would be paid to the ESP in quarterly instalments (see GMF 17.1).
- Non-Recurrent funding being requested would be for items that are one-off or irregular outlays (e.g. service setup costs) and Asset funding items for one-off outlays of capital items or goods (e.g. machinery or equipment). These items are only ever conditionally approved on a FC; their actual time of disbursement will depend on

when each item is requested to be released by the ESP (using Form L) and whether the request is then approved by a DEL (see GMF 17.2).

<u>**SUBMISSION**</u>

- The onus resides with the ESP to provide a true, accurate and complete application.
- An authorised delegate from the ESP should ensure the form has been correctly filled in, tick the declaration and email the completed Form C, Form D and any required attachments to GrantsAdmin.NTDCS@nt.gov.au

FORM G: FINANCIAL ACQUITTAL STATEMENT

Form G is submitted from time to time by an ESP once it holds an executed FC to deliver services, events and/or activities. The Form is a standardised Financial Acquittal Statement (FAS), a type of mandatory milestone used by NTCS to ensure that grant funds are being satisfactorily spent, and to account for all income received by the ESP within the given reporting period (see GMF 18.2). The schedule for when FAS are due will be listed on the Schedule of Milestones, attached to the FC.

Form G involves three steps for the ESP:

- Downloading the form from the NTCS website by the ESP;
- Drafting by the ESP; and
- Submission to the GAU for approval by NTCS DEL.

<u>**ESP DETAILS**</u>

- All fields in this section are used to identify the grant recipient. The onus is on the ESP to make sure the details it provides are correct.

<u>**MILESTONE DETAILS**</u>

- The No selected should match the number listed on the Schedule of Milestones, to identify which FAS is being submitted. Depending on the duration of the FC and the risk level attached to it an ESP might have to submit up to eight FAS.
- The Reporting Period Start, Reporting Period End, and Milestone Due Date will all be listed on the Schedule of Milestones.
- Note there is no Add Row feature for this table. This is deliberate; an ESP should only be submitting information for one FAS at a time.

<u>**INCOME**</u>

- All financial information on this form, and throughout the tools and templates uses the SCOA classifications for consistency and to adhere with best practice (see GMF 8).
- Information on Cash and In Kind Income is requested so that the agency knows whether the ESP has received income, either from NTCS or another source (e.g. from the Commonwealth). Even if NTCS doesn't fund the grant fully, it needs to know where the ESP is also getting funding from so it can understand how much the service is costing overall.
- Although Income is reported in the same format as it was on Form D, the line items listed here don't have to match (i.e. new types of income received may be relevant).

COST OF GOODS SOLD

- Information on Cost of Goods Sold is requested so that the agency knows whether the ESP will incur these costs. This table will mostly not be used, but will be relevant on occasion for large ESPs with broad-ranging activities.
- Although Cost of Goods Sold is reported in the same format as it was on Form D, the line items listed here don't have to match (i.e. new details may be relevant).

EXPENSES

- Information on Expenses is requested so that the agency knows how much the ESP has actually spent on providing services in this period.
- Note that the ESP only has to list what it has spent from money provided to it by NTCS, not from any other source. This is important for the calculations done at the end of the FC, when we determine whether the ESP owes NTCS any money.
- Although Expenses are reported in the same format as on Form D, the line items listed don't have to match (i.e. new types of expenses incurred may be relevant).
- Recurrent expenses are items that the ESP would list for ongoing, regular outlays.
- Non-Recurrent expenses are items the ESP would list for one-off or irregular outlays.
- Asset expenses are items the ESP would list for one-off outlays of capital items or goods (but not services).

STATEMENT SUMMARY

- This table summarises the information the ESP has provided, and calculates the balance (i.e. Total Income + Total Cost of Goods Sold – Total Expenses). The balance figure will help NTCS understand what the service is costing overall.
- The ESP can enter details to explain items in their FAS if required (e.g. "this quarter we spent less money than we received because of fewer clients at this time of year.")

SUBMISSION

- The onus resides with the ESP to provide a true, accurate and complete acquittal.
- An authorised delegate from the ESP should ensure the form has been correctly filled in, tick the declaration and email the completed Form G to GrantsAdmin.NTDCS@nt.gov.au

FORM H: PERFORMANCE REPORT

Form H is submitted from time to time by an ESP once it holds an executed FC to deliver services, events and/or activities. The Form is a customisable Performance Report (PFR), a type of mandatory milestone used by NTCS to check the quantity and quality of grant services that have been delivered within a specific period (see GMF 18.3). The schedule for when PFR are due will be listed on the Schedule of Milestones, attached to the FC.

Form H involves three steps for the ESP:

- The Form will be emailed to the ESP by the GAU;
- Drafting by the ESP, and
- Submission to the GAU for approval by NTCS DEL.

ESP DETAILS

- All fields in this section are used to identify the grant recipient. The onus is on the ESP to make sure the details it provides are correct.

MILESTONE DETAILS

- The No selected should match the number listed on the Schedule of Milestones, to identify which PFR is being submitted. Depending on the duration of the FC and the risk level attached to it an ESP might have to submit up to eight PFR.
- The Reporting Period Start, Reporting Period End, and Milestone Due Date will all be listed on the Schedule of Milestones.
- Note there is no Add Row feature for this table. This is deliberate; an ESP should only be submitting information for one PFR at a time.

OUTPUTS REPORTING

- The No selected should match the number listed on the FC for the Funded Service – Funded Output, to identify which of the five Project Outputs is being addressed.
- The Units supplied will be used as part of the Performance Evaluation calculations for this FC. Over time they demonstrate how many units the ESP provides cumulatively and on average per reporting period.

OUTCOMES REPORTING

- Here the ESP responds to all the questions listed on the form . The length of the answers is not limited, to encourage ESP's to be comprehensive.

SUPPORTING DOCUMENTS

- On occasion the ESP may want to supply documentation to demonstrate its progress (e.g. pictures, media coverage, or even multimedia). Likewise, it may want to provide evidence of why there has been a lack of progress.

SUBMISSION

- The onus resides with the ESP to provide a true, accurate and complete acquittal.
- An authorised delegate from the ESP should ensure the form has been correctly filled in, tick the declaration and email the completed Form H to GrantsAdmin.NTDCS@nt.gov.au

FORM K: MILESTONE SUBMISSION

Form K is submitted from time to time by an ESP once it holds an executed FC to deliver services, events and/or activities. The Form is a standardised cover sheet for Audited Financial Statements and all discretionary milestones (each of which relates to a specific document type). Discretionary milestones are used by NTCS to supplement FAS and PFR reporting, and provide evidence of ESP compliances and capacity on a one-off or regular basis (see GMF 18.1). The schedule for when they are due will be listed on the Schedule of Milestones, attached to the FC.

Form K involves three steps for the ESP:

- Downloading the form from NTCS website by the ESP;
- Drafting by the ESP; and
- Submission to the GAU for approval by NTCS DEL.

ESP DETAILS

- All fields in this section are used to identify the grant recipient. The onus is on the ESP to make sure the details it provides are correct.

MILESTONE DETAILS

- The No selected should match the number listed on the Schedule of Milestones, to identify which Milestone Type is being submitted.
- The Reporting Period Start, Reporting Period End, and Milestone Due Date will all be listed on the Schedule of Milestones.
- Note there is no Add Row feature for this table. This is deliberate; an ESP should only be submitting a specific required milestone document with Form K (though may add Supporting Documents to supplement the main one).

SUBMISSION

- The onus resides with the ESP to provide a true, accurate and complete submission.
- An authorised delegate from the ESP should ensure the form has been correctly filled in, tick the declaration and email the completed Form K to GrantsAdmin.NTDCS@nt.gov.au

FORM L: NON-RECURRENT/ASSET PAYMENT RELEASE

Form L is used by an ESP to request the release of Non-Recurrent and/or Asset (NRA) payments (see GMF 17.2). NRA is treated differently to recurrent funding (see GMF 17.1),

as is it usually used for specific, non-operational purposes (e.g. start-up costs, purchase of equipment, etc.). Hence while the in-principle commitment to funding is made at the execution of the FC, the actual time of disbursement is controlled by NTCS. An ESP therefore requests release of line items when required, and thereafter NTCS determines if the payment is still necessary to provide.

Form L involves three steps for the ESP:

- Downloading the form from the NTCS website by the ESP;
- Drafting by the ESP; and
- Submission to the GAU for approval by the NTCS DEL.

ESP DETAILS

- All fields in this section are used to identify the grant recipient. The onus is on the ESP to make sure the details it provides are correct.

REQUESTED FUNDING

- Here the ESP will specify which of the line items listed in Part A clause 5.2 of their FC they would like released. They can only ask for items already on the FC.
- The No, Financial Year, and MYOB Code – SCOA Account Name details should match those listed at Part A clause 5.2.
- The ESP will already have provided full reasons for why they want the NRA funding on Form D when they initially applied for the funds. However, they can and usually should enter some Details to Elaborate on the requested items. This will help the NTCS delegate make their decision.
- The Requested Amount for each line item can be the amount approved on the FC or a lesser sum – but not greater than what has been approved.

SUBMISSION

- The onus resides with the ESP to provide a true, accurate and complete request.
- An authorised delegate from the ESP should ensure the form has been correctly filled in, tick the declaration and email the completed Form L to GrantsAdmin.NTDCS@nt.gov.au

APPENDIX A: PDF READER SOFTWARE

The NTCS standard PDF application is Adobe Reader, or in some areas, full Adobe Acrobat. Both programs, in all of their version, 9.0 or greater formats, allow you to access the templates. Currently the NTG utilises Adobe X or XI versions.

Adobe Reader software is freely available and is a trusted standard for reliably viewing printing, and annotating PDF documents.