



# Member Group Grant Policy and Procedure

## Introduction

Grant funding often requires that a recipient is incorporated, is a tax concession charity (TCC) or has a Deductible Gift Recipient (DGR) endorsement. Landcare Victoria helps member groups to access these types of grants by ‘extending’ its legal status as an incorporated association to cover their activities. Most often this service is provided to unincorporated member groups, but on occasion incorporated groups or networks may benefit from Landcare Victoria’s DGR endorsement, TCC status and/or reputation with Funders as a reliable partner.

When Landcare Victoria agrees to enter into a grant agreement on behalf of a member group, it accepts all the legal responsibility for delivery of the grant under the terms and conditions required by the granting body. Landcare Victoria also has responsibilities associated with its incorporated, charitable and DGR status which it needs to manage. This policy documents the expectations that Landcare Victoria has of its Member Groups when using their affiliation with Landcare Victoria to enter into grant arrangements.

## Purpose

This Policy outlines Landcare Victoria’s position regarding Member Group grants and provides guidance on the roles and responsibilities of those involved in the auspice relationship.

## Scope

This policy applies to Member Groups of Landcare Victoria, their volunteers, and employees.

## Definitions

In this Policy:

- ‘Member Group’ means an organisation, group or network of groups, whether incorporated or unincorporated, that is a member of Landcare Victoria Inc.
- ‘Incorporated’ refers to not-for-profit groups that are registered with Consumer Affairs Victoria under the *Associations Incorporation Reform Act 2012* (the Act) or incorporated under other legislation.
- ‘Unincorporated’ means a member group that is not incorporated and relies upon Victorian Landcare Inc. to provide its rules for operating.

- ‘Non-financial member group’ means a member group that has not paid the annual membership subscription fee or gained insurance cover by the renewal date set by Landcare Victoria each year.
- To ‘auspice’ means to provide support, sponsorship or guidance. In the context of this policy auspicing refers to a member group using Landcare Victoria Inc.’s legal status to secure grant funding for the member group’s activities. The group requiring support is known as the ‘auspicee’ and the entity (Landcare Victoria Inc) that auspices the group or person is known as the ‘auspicator’.
- ‘Nominated Grant Contact’ means the individual nominated by the Member Group for the purposes of grant administration. Unless otherwise advised this will be assumed to be the Group Contact or Secretary of the group.
- ‘Agent’ means an individual landcarer, representing a Member Group, who has been given permission by Landcare Victoria to act on its behalf for the purposes of auspiced grants. Most often this is the Nominated Group Contact.

## Policy

### 1. Criteria for support

Landcare Victoria will support Member Groups to make grant applications where:

- the Member Group is a financial member at the time of grant submission,
- the Member Group is not in breach of obligations associated with other grants,
- the project activities are consistent with Landcare Victoria’s purposes,
- Landcare Victoria considers that the Member Group will have the technical, financial, and administrative capacity to deliver the proposed project,
- the project activities are insurable, and
- there are no other considerations that would cause the application to be prejudicial to the interests of Landcare Victoria or its other Member Groups.

Landcare Victoria will confirm whether Member Groups meet these criteria for support at the request of the Member Group itself or the funding body concerned.

### 2. Role of Member Groups

Member Groups must ensure that they have the capacity and capability to deliver on their proposal. It is expected that Member Groups assume responsibility for the success and completion of funded projects and communicate in an open and timely way with Landcare Victoria about any issues that may arise.

Member Groups’ responsibilities include:

- Maintaining continuous membership of Landcare Victoria for the duration of any successful funding agreements,
- providing Landcare Victoria with a complete copy of all grant documentation,

- providing Landcare Victoria with an Occupational Health and Safety plan and a Risk Management Strategy addressing project related risks,
- complying with any grant conditions,
- complying with project implementation and budget conditions,
- delivering on project outcomes under the grant or other funding requirements,
- notifying Landcare Victoria of any issues with the project and providing progress reports on request,
- complying with any relevant legislation and requirements of any Commonwealth, State, Territory, or local authority in relation to the funding agreement,
- obtaining and maintaining relevant permits or licences, or arranging for the Landcare Victoria to obtain the relevant, permits or licences on its behalf,
- notifying Landcare Victoria of any suspected fraudulent events, or any other events or omissions that could affect the organisation, and
- obtaining insurance cover as directed by Landcare Victoria for project liabilities outside Landcare Victoria's standard insurance package and/or establish appropriate risk management procedures in consultation with Landcare Victoria.

On request, Member Groups must be able provide evidence as to the integrity of the information provided to Landcare Victoria and submitted to relevant funding bodies.

### **3. Role of Landcare Victoria**

As 'auspice' organisation for Member Group grants, Landcare Victoria assumes legal responsibility to Funders for the performance of authorized funding agreements. Landcare Victoria's responsibilities, when acting as 'aupiscor' for Member Group grants include:

- assessing project proposals to ensure they meet its criteria for support,
- assigning authority to Member Groups to act as an 'Agent' on Landcare Victoria's behalf in relation to self-managed grants,
- executing agreements for Landcare Victoria administered grants,
- accepting and taking in funds on behalf of Member Groups,
- transferring funding to Member Groups and/or arranging for payments to be made on their behalf,
- administering variations to grant agreements, and
- authorising report submission where required.

Landcare Victoria will also provide Member Groups with guidance about meeting grant requirements and will assist with managing relationships with Funders when required.

In addition to the roles and responsibilities stated above, Landcare Victoria may also establish a Memorandum of Understanding (MOU) agreement with Member Groups to outline project specific obligations.

### **4. Administrative fees**

Grant application support will be provided to Member Groups of Landcare Victoria as part of their annual membership fee.

Successful grant applications over \$100,000 will attract an administrative fee of 5% of total grant revenue. Grants under \$100,000 will not be levied. Member Groups will be expected to budget for this in the grant application, or otherwise fund it from their own sources.

## **5. Publicity**

Member Groups will be responsible for adhering to grant conditions about recognising Funders when making announcements and communicating with the media and other third parties about successfully funded projects. Where appropriate the role of Landcare Victoria as auspice organisation should be recognised, following organisational brand guidelines.

Landcare Victoria reserves the right to profile and promote auspice grant activities, in consultation with Member Groups.

## **6. Intellectual Property**

Member Groups must ensure that any intellectual property they are proposing to use to complete the project does not infringe the intellectual property rights of a third party.

Subject to the grant conditions, Member Groups (i.e. not Landcare Victoria Inc.) will maintain ownership of any intellectual property that is created by the project.

Landcare Victoria must be granted permission to use the intellectual property to promote our involvement in the project.

## **7. Non-compliance and Termination**

Where Member Groups have not met the expectations outlined in this Policy and any relevant MOU agreements, the CEO may:

- Direct Member Groups to adopt specific management procedures in relation to the grant.
- Take over the financial management of the grant (Landcare Victoria may elect to charge the Member Group for project officer time required to resolve issues that should have been managed by the Member Group).
- Source an alternative provider for the grant project.
- Terminate the project and return the funds in line with exit mechanisms defined in the terms of relevant funding agreements.

Any associated financial liabilities will be carried by the Member Group and not Landcare Victoria.

## **Procedure**

A grant auspicing relationship is a collaborative relationship. The parties involved need to be able to work together, trust each other and communicate well. While every grant round is different, a standard procedure has documented below to outline the steps involved grant support services.

### **Step 1. Expressions of Interest**

A Member Group must notify Landcare Victoria before applying for funding if it wishes to utilise Landcare Victoria's legal status as an incorporated association as the basis for the application.

Expressions of interest (EOIs) should be made well in advance of funding deadlines, either by email or phone, so that Landcare Victoria has time to assess project proposals and provide any relevant support materials. Advice on grant process, relevant to each specific grant round, will be provided to member groups at this stage.

EOI's must include the following information:

- Name and contact details of the Nominated Grant Contact,
- Name of the Funder and grant round being applied to,
- Project title and description highlighting key activities,
- Funding amount being requested.

### **Step 2. Application support**

Where appropriate, the Member Group's Nominated Contact will be given permission during the EOI process to finalize and submit funding applications under the auspice of Landcare Victoria. This permission to act as an 'Agent' of Landcare Victoria will only extend to the specific grant round and project proposal supplied in each individual EOI notification and will not extend to future grant opportunities. Each EOI will be assessed on a project-by-project basis.

Landcare Victoria will provide the Member Group with relevant support materials including a letter of support, certificates of incorporation, and/or relevant insurance certificates. Where required by funding bodies, an Authorized Officer of Landcare Victoria will review and submit applications drafted by the Nominated Grant Contact.

A complete copy of all grant documentation must be provided to Landcare Victoria via email within 7 days of submission or receipt. On request, copies of grant documentation will be provided by Landcare Victoria to Funders associated with the grant and to Members Groups themselves when Nominated Grant Contacts change.

### **Step 3. Grant acceptance**

When funding bids are successful the process for acceptance of funds is determined by the grant guidelines and expectations of funding bodies. Where possible, Landcare Victoria supports Member Groups to maximise their autonomy by self-managing grants.

At other times Funders will require that Landcare Victoria actively administers auspiced agreements. Authorised signatories are determined by Landcare Victoria's financial delegation policy.

If grant guidelines are unclear as to whether self-management of grants is appropriate, the Member Group must contact Landcare Victoria for advice.

#### **a. Self-managed grants**

For self-managed grants, Nominated Group Contacts may work with their committee to review and sign grant agreements at the Member Group level. A complete copy of grant documentation must be provided to Landcare Victoria within 7 days of contract finalisation, along with an Occupational Health and Safety plan and a Risk Management Strategy addressing project related risks. Complete documentation will likely include a grant application, budget, signed funding agreement, and grant terms and conditions. An EOI (Step 1) must have been submitted prior to submission so that Landcare Victoria is aware of the application and associated liabilities.

#### **b. Landcare Victoria administered grants**

Where a funding body requires that Landcare Victoria explicitly auspice grants, including acceptance and acquittal of funds, Landcare Victoria will act as an authorised signatory on relevant funding agreements. In these situations, Member Groups will be asked to review and accept the terms of relevant grant agreements and to authorise Landcare Victoria's acceptance of funds on their behalf.

Landcare Victoria will receive grant funds under the following conditions:

- Grant funds will be held on behalf of that Member Group while being recorded as a liability against Landcare Victoria accounts.
- Member Groups are required to submit an invoice (a tax invoice if GST registered) to Landcare Victoria prior to the transfer of funds.
- Member Groups are required to submit an Occupational Health and Safety plan and a Risk Management Strategy addressing project related risks.
- Member Groups without an ABN must complete an ATO [statement by supplier form](#) in addition to providing an invoice, prior to the transfer of funds.
- Where a grant body transfers a GST inclusive amount to Landcare Victoria for a Member Group that is not registered for GST, Landcare Victoria will manage the GST component on their behalf. As such Landcare Victoria will only transfer the GST exclusive amount to the non-GST registered Member Group.
- Non-GST registered Member Groups may submit a financial summary of project expenditure and copies of GST inclusive receipts to Landcare Victoria in order to be reimbursed the GST amounts. Any GST inclusive purchases over \$1000 must reference Landcare Victoria Inc on the tax invoice in order to attract a GST reimbursement.
- Alternatively, where groups are not registered for GST, a request can be made to Landcare Victoria to pay for expenses over \$1000 directly. Additional administrative fees may apply.
- Member Group grant funds will be transferred to the bank account of the Member Group as soon as practicable.
- All transfers of funds shall be approved by two signatories as per Landcare Victoria policy.

#### **Step 4. Project management and reporting**

Member Groups are responsible for delivering activities, managing spending, and submitting timely reports as per the grant agreement milestone timelines.

Landcare Victoria will not be responsible for any costs associated with the project which are incurred by the member group. All project costs must be managed within grant funding limits and in-line with agreed budgets.

Risks associated with Member Grants must be actively managed at the Committee level. It is expected that Landcare Victoria will be informed if:

- There have been disruptions to planned activities and project timelines.
- There is any significant change in project delivery personnel.
- Any milestone reports or acquittals become overdue.
- Any extensions or substantive variations have been requested.
- Any project related disputes have been raised.
- Any safety issues or incidents have been reported.
- Any irregularities to project delivery and spending have been reported.

For Landcare Victoria administered grants, Funders may require that reports and acquittals are signed by Landcare Victoria prior to submission.

#### **Step 5. Project Variations**

Substantive changes to project activities, timelines and expenditure will require negotiation and submission of a formal contract variation with Funders. Members Groups with self-administered grants may negotiate changes directly with Funders and provide Landcare Victoria with copies of agreement variations.

For Landcare Victoria administered grants, Members Groups must discuss proposed changes with Landcare Victoria before approaching Funders with their request. Landcare Victoria Authorised Signatories will be required so sign variations to these agreements.

#### **Contact Us**

For further information about our Member Group Grants Policy and Procedures, please contact us using the details provided below.

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## **Policy adoption**

Authorised by the Landcare Victoria Board on 12<sup>th</sup> August 2022.

## **Previous Policy Documents**

This document replaces previous policies including:

- Member Group Grants Policy - adopted by resolution of LVI Committee of Management 19/03/2018.
- Member Group Grants Policy - adopted by resolution of FTLA Committee of Management 1/8/2016.
- Member Group Grant Policy - adopted by FTLA Committee of Management on 10/5/2012, and amended by Committee resolution 31/03/2014.
- Member Group Grant Approvals\_Interim Process - adopted by FTLA Committee of Management on 26/06/2009.