

The following better practice principles on grant administration are based on the *Commonwealth Grant Rules and Guidelines 2017*¹ and largely formed the basis of our audit. They are not intended to be an exhaustive list.

Grant administration	Focus area	What we expected to see
Policy	Policies and procedures	<ul style="list-style-type: none"> • Policies and procedures established, including for election commitments, to promote the effective and efficient use of resources and proper standards of financial management and accountability. • Policies and procedures include comprehensive guidance for employees to effectively manage the grant administration from the application, assessment, monitoring, acquittal to review phases. Comprehensive guidance should include: <ul style="list-style-type: none"> ○ who performs the assessment, monitoring or review ○ documentation requirements on assessment, monitoring or review activity ○ criteria or guidelines for assessment ○ time frames for assessment ○ conflict of interest management ○ incentive and sanction mechanism ○ independent review of assessor's decision. • Policies and procedures are regularly reviewed and updated.
Assessment of grant applications	Notice to public on availability of grant	<ul style="list-style-type: none"> • Entities advertised or made grant information publicly available. • Entities should develop clear, consistent and well-documented grant opportunity guidelines and other related documentation. They should include (as relevant): <ul style="list-style-type: none"> ○ grant objectives and purpose ○ available funding: <ul style="list-style-type: none"> ▪ program guidelines should be updated if additional program funding becomes available

¹ And 'Part 4 – Election Commitments' from the Commonwealth Department of Finance's [Resource Management Guide No. 412 Australian Government Grants – Briefing, Reporting, Evaluating and Election Commitments](#), June 2018. This document includes guidance to assist entities implementing the [Commonwealth Grants Rules and Guidelines 2017](#).

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		<ul style="list-style-type: none"> ▪ extent (if any) to which grant payments could be made on signing the grant agreement ○ partner funding (if applicable) ○ clear eligibility criteria and examples of eligible/ineligible entities and projects ○ application and decision-making process (as relevant) including the: <ul style="list-style-type: none"> ▪ opening and closing date for applications ▪ likely decision date ▪ project completion date ▪ outline of selection process ▪ final recommendations ▪ decision-maker ○ clear assessment criteria ○ weighting of assessment criteria ○ expected terms and conditions of the grant agreement ○ indicative reporting and acquittal requirements ○ a description of complaint handling, review and/or FOI mechanisms ○ providing a link to a standard grant agreement for the program.
	Conflict of interest	<ul style="list-style-type: none"> • Employees, advisers and decision-makers declare any actual, potential or perceived conflict of interest, and the declarations are retained. • Declaration of conflicts of interest should not be limited to employees involved in the evaluation phase of a grant project but should extend to all employees and senior officials involved in the design, oversight and evaluation phases of a grant project. • Declarations are assessed and conflicts of interest are appropriately addressed. This should include: <ul style="list-style-type: none"> ○ details of how the conflict was resolved ○ where no conflicts are present this should be documented. • Employees with conflict of interest abstain from the assessment or approval process of the applications.



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	Adequate assessment procedures	<ul style="list-style-type: none"> • The identification and selection of recipients should be clear, transparent and capable of withstanding public scrutiny, with potential recipients selected on merit against established criteria. • When designing competitive, applications-based grant programs, identify strategies to manage the expected level of demand for the amount of funding that is being made available. • Entities use a structured and comprehensive process to assess the applications. including: <ul style="list-style-type: none"> ○ clearly identifying who will be deciding which applicants will receive a grant and ensuring that this person has the necessary legal authority to make those decisions ○ the reasons for decisions to award or not award grant funding should be recorded in a manner that promotes transparency and accountability. • Entities perform timely assessments.
	Recordkeeping	<ul style="list-style-type: none"> • Documentation is retained for all assessments, recommendations and decisions. • Concisely recording the reasons for the assessment scores that are awarded (in addition to recording the scores). • If, in exceptional/urgent circumstances, there is departure from policies, these should be appropriately approved by senior management and explanations retained.
	Independent review	<ul style="list-style-type: none"> • Implement independent review on application assessment procedures. • Performed by persons independent of the assessment.
	Approval	<ul style="list-style-type: none"> • Clear separation of duties between the assessment of applications and approval of offers. • Approver has appropriate delegation. • Timely advice provided to grant applicants on the decisions to award the grant.
Monitoring of grant funding	Procedures and reporting	<ul style="list-style-type: none"> • Entities have clear and comprehensive documented procedures to monitor individual grants. • Monitoring officers have access to all relevant information and expertise.



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		<ul style="list-style-type: none"> • Timely review and follow-up of grant recipient's compliance with reporting requirements of the grant. • Acquittal of grant funding is timely, complete and meets the grant objectives. • Payments should be approved by an appropriately delegated officer. • Seek advice from appropriate stakeholders on complex grant agreement variations.
<p>Review of grant funding</p>	<p>Grant program evaluation</p>	<ul style="list-style-type: none"> • Entities undertake periodic review of overall effectiveness of grant programs as a means of achieving entities' objectives. • Review is performed by persons independent of the immediate line management of the grant program.

