Business Resilience Toolkit

Grant acquittals

Presented by Jacqui Shaw, Business Consultant

Transcript:

Hi - I was thinking we could have a chat today, & I could give you a quick heads up on the acquitting & reporting of grant funds.

My name is Jacqui Shaw & I'm a Finance Consultant with CBB.

First up, I'd like to reinforce the importance of your organisation identifying early on in the grants process, what you need to have in place with respect to sound administrative practices. This will ensure that your grants will be well managed, can be acquitted in a timely and satisfactory manner & that your grant outcomes will be achieved.

It's imperative that you know what your grant provider's reporting requirements are, and to implement the necessary day to day recording measures from the commencement of the grant program. The grant agreement will stipulate the reporting & acquittal requirements, along with reporting timeframes. Note that there can sometimes be a difference between progress & final reporting expectations, with progress reports generally being less formal in structure & style. And if you require further clarification, don't hesitate to seek this from your grant provider.

Be aware that each grant provider will have a different set of reporting & acquittal requirements. Even different grants from the same provider can have varying requirements. Some providers will provide templates, others won't.

Complementary to the external reporting required, your internal reporting should be structured to provide relevant and appropriate detailed information for management. This should enable your organisation to identify and assess performance against targets and objectives, & it should allow for your organisation to plan future grant programs, measure and evaluate performance, control and account for grants and optimise the use of your resources.

The internal reporting of your grants requires a structured approach to ensure that adequate and appropriate documentation, for both activities and transactions, can be captured from the commencement of the grant program - and it's important that this is maintained on a timely basis. The internal reporting your organisation may need, might include financial monitoring reports (for example, actual versus budget); activity progress and performance reports; resource reporting (for example, FTE's by employment classification); exception reporting & statistical data reporting.

The National Standard Chart of Accounts (NSCOA) Data Dictionary is a widely accepted, free categorisation tool for grouping grant transactions for the financial reporting process & Generally Accepted Accounting Principles are applied to the financial treatment & recording of grant transactions. More information on the National Standard Chart of Accounts can be found on the Australian Charities and Not for profits Commission, (the ACNC's), website.

Be clear on the purposes for which your funds can and can't be used, as some grants have restrictions on what you can & can't spend the funds on.

Be aware of any key expenses that are required – for example, 80% of the grant will be spent on staffing costs.

For some grants, formal certification may be required to confirm work completed and/or the accuracy of the financial reporting.
Formal certification may mean a written report from a third party that the work was done to the standard specified, or that the grant funds were spent for the purpose for what they were given. Ensure you leave enough time to have this completed by the third party prior to your reporting due dates, if this is a necessary requirement.

I know that there's a lot of things you need to be clear about, give thought to & implement during the early stages of the grant program – and I know what I've spoken about today are just a few - but by setting up the correct groundwork early on for your funding acquittal and reporting processes, it will minimise the risk of interruptions to your grant payments, and it will help position your organisation well for winning future grant opportunities.

Related video to watch next: The importance of documentation.