

**ALUMNI
INNOVATION
GRANTS**

**Australian
Aid**



FINANCIAL GUIDELINES

ALUMNI INNOVATION GRANTS FINANCIAL GUIDELINES

Laos Australia Institute

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1. Overview

These Financial Guidelines must be used in conjunction with the Alumni Innovation Grants (AIG) [Application and Selection Guidelines](#) for Applicants applying to the AIG and are incorporated into your Grant Agreement. As a recipient of a grant under the AIG you agree to maintain a sound administrative and financial system capable of verifying all Financial Reports and Acquittals. The funding comes from the Australian Government and therefore may be subject to audit. **Therefore, grant recipients must take personal responsibility for the financial management of grants.** LAI is committed to working with alumni grant recipients to ensure accountability and value for money and to simplify the administration of the grants process as much as possible.

The purpose of these guidelines is to assist you to complete your financial acquittal responsibility as a grant awardee.

Failure to acquit **will result in funding suspension, the requirement to return all or part of the grant funds and further legal action as may be necessary to resolve the issue.**

2. Payment of Grant Funds

Grants will be disbursed by bank transfer in Lao LAK (LAK). Grants are disbursed over several payments. **As part of your application and timeline you must include your grant payment schedule.** This must follow the following rules:

- Your plan must include at least three and up to five disbursements
- First disbursement must be 25% of total grant value
- Middle disbursements must total 60% of total project value, split according to needs into either one, two, or three payments
- Final disbursement must be 15% of total grant value. However, payment of this disbursement will be **based on actual costs** and will be subject to LAI receiving satisfactory reports including the financial report and acquittal of expenses
- All receipts must be included in your financial reporting

Once a grant application amount has been approved no further funds will be made available for that project.

Grants are normally disbursed as set out below.

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	Three tranche payments total	Four tranche payments total	Five tranche payments total
First tranche payment	On execution of Grant agreement	On execution of Grant agreement	On execution of Grant agreement
Second tranche payment	On approval of Progress Report and Interim Financial Report mid-way through project implementation	On approval of Interim Financial Report	On approval of Interim Financial Report
Third tranche payment		On approval of Progress Report	On approval of Progress Report
Fourth tranche payment			On approval of updated Progress Report and Interim Financial Report
Fifth tranche payment	On approval of Completion Report and Final Financial Report due 7 days after project completion	On approval of Completion Report and Final Financial Report due 7 days after project completion	On approval of Completion Report and Final Financial Report due 7 days after project completion

Table A: Tranche payment reporting requirements

Initial Disbursement

After receiving LAI correspondence informing grantees that their application has been successful, the grantees must sign a Grant Agreement. Grantees must then submit the Grant Agreement along with an Invoice not exceeding the amount set out and approved in the Grant Agreement.

No funds will be advanced unless this step is completed to LAI'S complete satisfaction.

Middle Disbursements

Disbursement two, three and four (if applicable) will be paid contingent of the submission and approval of reports as set out above. Exact due dates will be included in your Grant Agreement.

An invoice not exceeding the amount stipulated in the Grant Agreement can be submitted only after approval of the required reports. Note that if reports are not of the standard required, we will ask for amendments before approving any payments.

The documents required for satisfactory completion of the Progress Report and/or Interim Financial Report are:

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1. A scanned copy of all receipts and other forms of documentation in sequence for financial acquittal of the first disbursement.
2. Photographic evidence of your activities (*at least three photos with captions*).

No further funds will be advanced unless this step is completed to LAI'S complete satisfaction.

Final Disbursement

Within 7 days from the completion of the project activities, grantees must submit a Completion Report and Financial Report which details **actual costs** for the project implementation.

To complete the Completion Report and the Financial Report, the following documents must be prepared:

1. A Completion Report with all information as detailed in the Completion Report template
2. A scanned copy of all receipts and other forms of documentation *in date sequence* for financial acquittal of the second disbursement submitted as an Excel spreadsheet or Word table
3. Evidence showing the provision and usage of co-funding if applicable in line with the approved project plan and budget
4. Communication materials for your activity promotion which includes links to all news articles, social media posts, website etc.
5. *At least three publishable (high resolution/quality) photos with captions* or videos of your project implementation. Please upload these to a platform such as YouTube, Vimeo or Google Drive and include links to the docs in your final report. Make sure that you include passwords if they are password protected.

No further funds will be paid unless this step is completed to LAI'S satisfaction.

LAI may request further documentation as necessary to process your acquittal. Please ensure that a copy of all submitted documents is kept for your own records.

3. Financial Acquittal Requirements

- Exchange rate sheet must be attached with foreign currency receipts for financial acquittal where purchases have been made using foreign currency.
- Where costs are above LAK50,000 and the vendor does not provide a receipt, a written statement of costs, including details about items, number of items, cost per item and total cost, must be provided. This statement must be stamped and verified by the partner organisation and must include contact details for that organisation. Laos Australia Institute reserves the right to contact the organisation to seek clarity around the costs.

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4. Sundry Small Expenses

For small expense amounts (up to LAK50,000 per item) individual invoice/ receipts are not required. However, these expenses must still be listed in both Financial Reports. Instead of a receipt, these expenses should be noted as “Sundry Small Expenses” in the Financial Acquittal Report.

5. Allowable Expenditures and Required Supporting Documents

As a grant recipient you must provide the required documentary evidence outlined below for approved expense items being acquitted/ reimbursed.

	Expenditure	Required Supporting Documents	Remarks
1.	Fees paid to alumni for contributions to the project	Justification in the workplan as well as an hourly rate and timesheets to be submitted.	No more than 20% of the total project budget can be used for this purpose
2.	Airfare	<ul style="list-style-type: none"> Official receipt or Bank statement or online payment notification if purchased online E-ticket and boarding pass 	Must be most direct best price on the day of booking. Economy class only.
3.	Bus/train fare	<ul style="list-style-type: none"> Ticket or ticket stub if over 50,000 LAK 	Must be most direct best price on the day of booking. Amount being reimbursed/ acquitted must be shown on the ticket.
4.	Taxi fare	<ul style="list-style-type: none"> Official receipt for trips if over LAK50,000 	If two or more persons are travelling to training venue/ airport/ bus/ train station, it is recommended that participants share a taxi.
5.	Private car – petrol only	<ul style="list-style-type: none"> Official receipt issued by petrol station if over LAK50,000 	Reimbursed at LAK500/km. Applicable to a distance over 20km and where public transport is not available. Costs related to driver are not covered.
6.	Accommodation	<ul style="list-style-type: none"> Hotel receipt or official receipt if over LAK50,000 	Accommodation to not exceed LAK170,000 without prior written approval from LAI
7.	Training/workshop	<ul style="list-style-type: none"> Official receipt if single item amount of individual expenditure for workshop such as venue, 	

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Expenditure	Required Supporting Documents	Remarks
	refreshment, cleaner, technical assistance, backdrop is over LAK50,000 <ul style="list-style-type: none"> At least 3 quotes from suppliers for workshop costs are valued over LAK500,000 	
8. Per diem/travel allowance	<ul style="list-style-type: none"> Travel expense report Receipts from beneficiaries 	At a maximum rate of LAK100,000 per person per day.
9. Professional/ general service fees (e.g., interpreter, consultant/ general labour/ personnel costs)	<ul style="list-style-type: none"> Terms of reference/ hiring contract Receipt from interpreter/ consultant/ worker/ etc. Duly approved timesheet (for full-time/ part-time job) Bank statement showing payment for personnel services if over LAK500,000 	
10. Consumables/ stationery	<ul style="list-style-type: none"> Official receipt if amount purchased is over LAK50,000 	
11. Equipment/assets	<ul style="list-style-type: none"> Official receipt if amount is over LAK50,000 At least 3 quotes from suppliers for equipment valued over LAK500,000 	
12. Conference fee	<ul style="list-style-type: none"> Receipt issued by the organiser 	
13. Australian visa	<ul style="list-style-type: none"> Official receipt 	
14. Hire/rental fee (experiment equipment, venue, etc.)	<ul style="list-style-type: none"> Contract/ agreement for items over LAK500,000 At least 3 quotes for items if rental costs exceed LAK500,000 Official receipt if amount is over LAK50,000 	
15. Communication	<ul style="list-style-type: none"> Statement of expenditure supported by service provider's bills or prepaid top up cards 	
16. Photocopies	<ul style="list-style-type: none"> Receipt of photocopy shop if over LAK50,000 	
17. Fees related to publishing an article in a newspaper/ journal	<ul style="list-style-type: none"> Receipt issued by the publisher 	

Table B: Allowable Expenditures

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6. Non-Allowable Expenditures

The following budget items are not eligible for financial support under the Alumni Innovation Grants:

1. Payments to non-Lao nationals for services rendered
2. Fees (i.e. tuition, enrolment, attendance) for formal studies, trainings or short courses in Laos, Australia or any other country.
3. Office equipment such as computers, photocopiers, cameras and mobile phones etc. or any other equipment for commercial purposes.
4. Any personal items not relevant to the implementation of the AIG-funded activity.
5. Payments to applicants' employer(s) if proposals are approved.

All grant recipients must remember:

- Grantees are not permitted to use the grant funds to pay for items other than those listed in their approved proposal unless they have prior written approval from LAI.
- Unauthorized use of grant funds will result in delays processing your acquittal and you could end up paying for the unauthorized expenditure.

Note that the unauthorized use funds may be considered fraud (see below).

7. Unexpended Funds

If for any reason the proposed activity or any activities included in the proposal cannot proceed as originally approved, LAI must be informed immediately. In such situations, LAI will review the status of the project with the grantee/s and advise whether it will continue to support the project and in what form. In the event that LAI determines in its sole discretion that it will not continue to support the project, any unexpended funds must be returned. In the event that LAI is not informed immediately, it may seek to recover funds from the grantee(s).

Failure to commence by Thursday 30 July 2022 without valid justification may result in the withdrawal of grant.

If unexpended funds need to be returned, the funds will be transferred to the following account.

Account Name: LAOS AUSTRALIA INSTITUTE
Account number (LAK): 010110001269392001
Account number (USD): 010110101269392001
Bank: BCEL

8. Taxation

Grantees are responsible for making their own arrangements regarding any taxation liabilities that may arise from the award of funding.

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9. Fraud

DFAT and LAI have zero tolerance policy on fraud and are committed to minimising the incidence of fraud through the development, implementation and regular review of fraud prevention, detection and response strategies. LAI expects all grantees to comply with DFAT's Fraud Policy Statement and Fraud Control and Anti-Corruption Plan.

The Fraud Policy Statement defines fraud as 'dishonestly obtaining a benefit, or causing a loss, by deception or other means'. This definition extends beyond the legal definition of fraud to include benefits obtained that can be both tangible and intangible. It thus encompasses activities or behaviours broader than the misuse or misappropriation of monies or assets and includes:

- theft;
- obtaining property, a financial advantage or any other benefit by deception;
- causing a loss, or avoiding or creating a liability by deception;
- providing false or misleading information, or failing to provide information where there is an obligation to do so;
- making, using or possessing forged or falsified documents;
- bribery, corruption or abuse of position;
- unlawful use of computers, vehicles, telephones and other property or services belonging to the Australian Government or its' aid delivery partners;
- divulging confidential information to outside sources; and
- hacking into, or interfering with, a computer system belonging to the Australian Government or its' aid delivery partners.

Where LAI or DFAT have reasonable concerns about how the grantee(s) manage the grants, LAI or DFAT may require explanation and additional supporting documentation. If this does not alleviate the concerns, LAI or DFAT may require the grantee(s) to undertake an independent financial audit. The cost of the audit will be taken out of the AIG budget for the project.

LAI is obligated to report all cases of suspected, alleged or committed fraud or corruption to DFAT within five business days of becoming aware of the fraud or corruption. All cases of fraud and corruption are handled in a confidential, prompt and professional manner.

Where fraud is determined to have taken place, LAI may pursue criminal charges in accordance with the DFAT's requirements and local laws.

Further information on DFAT's fraud control strategy is available at: <https://www.dfat.gov.au/about-us/corporate/fraud-control/Pages/fraud-control>.

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Termination or Withdrawal of Funding

LAI reserves the right to withhold or withdraw funding, terminate a project, or require grantees to return all or part of the grant funds if:

- the grantee fails to comply with the Grant Agreement or the AIG Guidelines;
- LAI believes the grantee has not carried out the project with reasonable care, thoroughness, and competence and to a standard that would be expected for the grantee's level of experience in their practice, profession or line of work;
- the grantee does not complete the funded project;
- the grantee fails to comply with lawful and reasonable instructions given by LAI;
- LAI believes there has been unsatisfactory progress in carrying out the project;
- the grantee provides false or misleading information to LAI;
- the grantee acts illegally or negligently at any time during the funding period, and LAI believes this action significantly affects the project, or is likely to harm the reputation of LAI or the Government of Australia; or,
- LAI suspects that fraud has been committed. Where fraud is determined to have taken place, LAI may pursue criminal charges in accordance with the DFAT's requirements and local laws.

LAI will determine the amount of funds to be returned, taking into account:

- whether there were any circumstances outside of the grantee's control;
 - whether the issue can be satisfactorily addressed within a reasonable time frame; and,
- the proportion of the project that has already been successfully completed.

Any Grantee failing to complete their project, unless there is a genuine and unavoidable reason, will be prevented from accessing any future Australian Government support or funding.