

SUB-GRANT MANAGEMENT GUIDELINE

Table of Contents

1	Introduction	1
2	Background.....	1
3	Purpose of sub grant provision.....	2
4	Process of sub grant provision.....	2
4.1	Partner assessment	2
4.1.1	General assessment.....	2
4.1.2	Programme assessment.....	3
4.1.3	Finance/Admin/HR assessment.....	3
4.2	Proposal assessment	3
4.3	Proposal selection committee and its function	4
5	Cooperation agreement.....	4
6	Cooperation agreement amendment.....	5
7	Kick off workshop.....	5
8	Sub grant implementation.....	6
9	Monitoring mechanism	6
9.1	Project progress update	6
9.2	Monitoring visit	6
9.3	Key monitoring areas.....	6
10	Financial internal review.....	7
11	Technical assistance/capacity building.....	7
12	Project close out.....	7
12.1	Project completion status	7
13	Joint initiative procedure.....	8

SUB-GRANT MANAGEMENT GUIDELINE

1 Introduction

This sub grant management guideline has been developed to provide guidance on how to manage the sub grant provided to the implementing partners, and to provide the implementing partners with information about the sub grant selection process.

TI Cambodia shall advertise or announce through the request for the application or in the public media. TI Cambodia has a strict procedure in selecting its own implementing partners.

However in some circumstances, TI Cambodia will not advertise or announce through the request for the application, but the implementing partner may approach TI Cambodia by themselves aiming at making partnership with TI Cambodia or TI Cambodia will approach the implementing partners whom TI Cambodia finds to be a suitable implementing partners on the basis of similar objective/goal and have strong potential in working together to achieve the common goal of both side. This is when working in partnership with the government, and other CSO and CBO who are willing to implement the joint initiative activity with TI Cambodia. Please refer to the procedure for joint initiative activity in the last page this document.

2 Background

Transparency International is the global civil society organisation leading the fight against corruption. It brings people together in a powerful worldwide coalition to end the devastating impact of corruption on men, women, and children around the world. TI's mission is to create change towards a world free of corruption.

Transparency International Cambodia (TI Cambodia) was founded in July 5, 2010 and has officially registered with the Royal Government of Cambodia in July 2011. It is a National Chapter of [Transparency International](#). The mission of TI Cambodia is to work together with individuals and institutions at all levels to promote integrity and reduce corruption in Cambodia.

Transparency International Cambodia's strategic activities are in line with the United Nations Convention against Corruption (UNCAC)'s core chapters on preventive measures, law enforcement, international cooperation and implementing mechanism to promote and strengthen measures to prevent and combat corruption and to promote integrity and social accountability.

3 Purpose of the sub grant provision

The purposes of providing sub-grant to partners are:

- To have strong partnership with the implementing partner who has similar objectives and activity with TI Cambodia;

- To work in partnership with partners to deliver the expected outcome and output defined in the strategic goals of TI Cambodia.

TI Cambodia's implementing partner may include, but not limited to, civil society, private sector, community based organisations (CBOs), community service organisations (CSOs) and the government.

4 Process for sub –grant provision

4.1 Partner assessment

Before providing sub grant to the implementing partner, it is required to carry out a proper assessment to decide whether or not the implementing partner has the capacity to deliver the expected outcomes, and be accountable for the effective and efficient usage of fund.

Partner Assessment shall be based on a wide variety of factors including, but not limited to, general assessment, programme assessment and finance/admin/HR assessment.

4.1.1 General assessment

It seeks to know the general information relevant to the partners being assessed. This should include the following information:

- Name of the organisation
- Contact details
- Contact person
- Type of organisation
- Organisation registration
- Age of the organisation
- Type of the organisation
- Number of the employee
- Sources of fund/who are the donors?
- Yearly fund receipt, etc.

4.1.2 Programme assessment

This section seeks to evaluate the partner's organisational programme management in which the following information shall be included.

- Organisational programme objective/outcomes
- Target audiences/beneficiaries
- Organisation main activities
- Political affiliation
- Monitoring and evaluation mechanism
- Strategic plan/fund raising strategy/sustainability

4.1.3 Finance/admin/HR management Assessment

It measures an organisations 'capacity to plan, manage, and account for funds provided and the level of internal controls used to ensure that funds are used effectively and efficiently in the implementation of the programme described in the Cooperation Agreement.

The assessment includes an in-depth interview with key staff, with questions covering all areas of financial/admin/HR management. The questions help to identify gaps in partners' financial/admin/HR policies and procedures, areas which pose risks to their abilities to manage or control funds and areas where technical support may be required. The followings shall be included in the assessment:

- Finance/Admin/HR management
- Bank and cash control
- Accounting system
- Payroll
- Budgeting and financial reports
- Internal control
- Documentation and filing

4.2 Proposal assessment

The proposal assessment shall be made following the satisfactory assessment of the implementing partner (both programme and finance/admin/HR). It shall cover the project proposal and its budget plan. The assessment is typically undertaken by both the programme and finance/admin/HR staff of TI Cambodia by assessing the project proposal papers, and having a direct interview with the responsible person of the implementing partner. In the most

appropriate way, the programme and budget sections shall be reviewed by both TI Cambodia programme and operations staff to ensure the quality of the assessment.

Therefore it is important that the implementing partner shall submit a proposal application to TI Cambodia in a due time proposed by TI Cambodia.

4.3 Proposal selection committee and its function

Proposal selecting committee member comprises of

- Director of Programmes
- Director of Operations
- Finance Manager
- HR/Admin Manager
- Relevant Programme Manager/Officer

The number of the Committee members will be varied based on TI Cambodia programme. The number and members of the committee shall be proposed and ensured by the Director of Operations before the start of the proposal assessment, and approved by the Executive Director. The minimum number of the Committee members is three (3) comprising of representatives from programme and operations.

The Director of Programmes shall play a key role as the proposal selection manager or his appointee who shall sign on the proposal assessment document. This document shall be sought for the final approval from the Executive Director before signing the cooperation agreement with implementing partner. The proposal selection document shall state very clearly whether to accept the proposal or not at this stage, i.e., based on the score given and the overall conclusion of the committee in the Proposal Assessment document; shall there be any condition set for this approval; shall there any improvement needed during the implementation of the project/what actions are needed; shall there be any technical support from TI Cambodia during the implementation of the project, or any other recommendations from TI Cambodia?

5 Cooperation agreement

Once the decision has been made to proceed, TI Cambodia and the partner must sign a Cooperation Agreement before any funds are disbursed. Cooperation Agreement will be prepared in duplicate, and each copy is to be retained by TIC and partner.

TI Cambodia (the Director of Programmes, Director of Operations and TI Cambodia involved staff) shall go ensure the accuracy of cooperation agreement document with the partner prior to the signing.

6 Cooperation agreement amendment

During the period of the implementation, it may be necessary to change the scope of a cooperation agreement. If it occurs, TI Cambodia should be informed immediately and if consensus is reached, the partner shall include details of the requested changes and rationale, after which TI Cambodia will prepare an amendment to the cooperation agreement, which will require both TI Cambodia and partner's signatures. Reasons for cooperation agreement amendment may include:

- Activity is no longer feasible to conduct and the agreement is to be terminated;
- The budget is inadequate to carry out the activity; and
- Nature of activity has changed.

7 Kick off workshop

Kick off workshop/training shall be arranged as soon as the cooperation agreement is signed between the TI Cambodia and implementing partner. The main purpose of the workshop/training is to give the full information of the requirement for the use of fund from TI Cambodia as well as TI Cambodia's back donors.

The kick off workshop/training should cover, but not limited to, the following:

- Purpose of the cooperation agreement
- TI Cambodia/Donor requirement
- Project implementation, monitoring and evaluation
- Financial management
- Procurement
- Reports (Narrative and Finance)
- Project close-out
- Relationship between TI Cambodia and partner, etc.,

8 Sub grant implementation

It is the responsibility of the implementing partner who shall plan, implement and monitor the results of its project proposal approved by TI Cambodia.

9 Monitoring mechanism

Once sub-grants have been implemented, TI Cambodia will monitor and evaluate through an on-going process, both programmatically and financially, with regular review of the reports and periodic site visits. This is to foster continued technical support on programmatic and financial management. For each cooperation agreement, TI Cambodia will make at least two-four monitoring visits per year to the implementing partner's offices and in the fields.

As the best practice, the monitoring should be done with a joint visit from the programme and financial/Admin/HR/procurement staff from TI Cambodia if possible. To be more realistic, the monitoring schedule shall be included in the work plan of both programme and finance staff.

9.1 Project progress update

The implementing partner shall report regularly to TI Cambodia on project progress and financial expenditure as mentioned in the cooperation agreement.

9.2 Monitoring visit

Like any other activities, partner monitoring visits needs to be properly planned. The following are some of the areas that need to be considered when planning a partner monitoring visit:

- Agreeing on who should go during the visit.
- Agreeing on the agenda (both TI Cambodia and Implementing partner)
- Discussing the purpose of the visit
- Drawing up a schedule for the visit
- Planning a site visit

9.3 Key monitoring areas

- Management system
- Programming and achievement/impact
- Organisational Capacity, etc.

The monitoring report shall be produced following the monitoring visit.

10 Financial internal review

When necessary, TI Cambodia's Internal Auditor shall conduct financial review on financial management of the implementing partner in close collaboration with partner's finance and programme staff. The main purposes for the internal review for the fund provided by TI Cambodia are:

- Making sure that fund is properly spent in compliance with the requirement of TIC/donors;
- Assisting the implementing partner prepare for the coming external audit.

11 Technical assistance/capacity building

When necessary, technical assistance and mentoring to TI Cambodia implementing partner will be provided during the implementation of the project activities. The purpose is to achieve programme results and to strengthen the partner's capacities to deliver the expected outcome and output as specified in the cooperation agreement.

The technical assistance/capacity building may primarily be in the areas of (a) project management, (b) financial/admin/HR/internal control management, (c) organisational development, and (d) leadership/governance.

TI Cambodia will seek appropriate methodology in the diagnosis of training and technical assistance needs.

12 Project closeout

The closeout of a project is the process by which a determination has been made that all applicable administrative actions, all required works and the achievement of expected results/impacts included in the cooperation agreement.

12.1 Project completion status

All elements in the approved scope of work in the cooperation agreement shall be completed and the final project documents are acceptable to TI Cambodia.

In general, a project is ready for closeout when the following documents are met and received in a due time:

- Final reports (programme and finance)
- External audit report
- Asset transfer/disposal plan (if any)
- Final fund reconciliation

JOINT INITIATIVE PROCEDURE

TI Cambodia is the implementing agency leading the fight against corruption in Cambodia. TI Cambodia receives grant from its back donors to execute its programmes. To achieve its strategic goals, TI Cambodia shall not only implement the programmes by itself, but also jointly implement the specific project activities with the implementing partners.

The procedure for joint initiative activities are as follow:

- The implementing partner approaches TI Cambodia or TI Cambodia approaches the implementing partner directly.
- Assessment on concept note/budget (if any)
- Following identifying and accepting implementing partner, the agreement is produced and signed by both TI Cambodia and the implementing partner.
- The provision of joint initiative fund is usually given as an advance to the implementing partners.
- The implementing partner and TI Cambodia or the implementing partner implement the related joint activities based on per agreed agreement.
- Upon successful completion of each joint initiative activities, the implementing partner shall submit the activity report and expenditure report with original supporting document along with advance clearance sheet. All account and audit shall be maintained and conducted at TI Cambodia's level.