



CUMBERLAND
CITY COUNCIL



Acquittal Guidelines

All Grantees are required to submit a completed project acquittal to Cumberland City Council in accordance with the conditions outlined in the funding agreement to demonstrate that grant funds were expended for the approved purpose. All Grantees must report to Council on the outcome(s) of their funded activity including expenditure of grant funds.

Cumberland City Council has implemented this measure to:

- Fulfil the obligation of accountability for audit
- Determine whether the use of grant funds has varied from the purpose stated in the original application
- Ensure grant funds are being used to achieve the overall goals of the grants program
- Give funded organisations an opportunity to demonstrate the achievements of their project
- Provide feedback to Cumberland City Council about the Cumberland Community Grants Program.

The project acquittal (outcome of project) and financial acquittal (how grant funds were spent) are required to ensure the obligations of both Council and Grantee have been met. They are also used to evaluate the funded activities and to monitor the effectiveness of the grant program to meet future community expectations.

The financial acquittal of grants is crucial in ensuring financial accountability and compliance.

The financial acquittal process supports the overall purpose of the grants program, including its objectives in relation to capacity building, capability building, fraud management and value for money.

A project acquittal report is due within 4 weeks of project completion. Council will provide report templates to be utilised by grantee. The project must be acquitted online via the SmartyGrants (SG) Management System.

An income and expenditure statement is to be submitted with all acquittal reports. A Financial statement is required to be submitted with the acquittal to support the expenses. The Financial Statement needs to be signed by the organisation's Treasurer.

The project acquittal report must be endorsed by a management representative of the organisation.

Cumberland City Council may request additional documentation to verify acquittal of funds. Grantees must abide by the following time frames to achieve the acquittal requirements and the Council will implement the relevant processes during this time:

1. OVERDUE, OVER 1 MONTH:

- a. A SmartyGrants (SG) email to advise that the report is overdue and advising the recipient of the completion date, as well as outlining the consequences if the acquittal is not completed. This includes a request for the return of monies and an explanation that the applicant will not be able to apply for further grants until acquittal is complete

2. NON-COMPLIANT, UP TO 3 MONTHS:

- a. One follow-up email per month
- b. One phone call at end of 3 months
- c. One formal letter
- d. Recipient to be flagged and not considered for any further funding from Council
- e. Designated with yellow flag

3. SERIOUS BREACH, UP TO 6 MONTHS

- a. One formal letter
- b. Recipient to not be considered for any further funding from Council until outstanding acquittal is completed
- c. Designated with red flag

If the final project acquittal report submitted by the grantee is not satisfactory:

- Council's Grants Officers will contact the grantee and seek further information/ explanations
- The Grantee will be required to demonstrate expenditure and/or project outcome
- If expenditure and outcome(s) are not demonstrated, Council can request a refund of the grant monies due to non-performance
- In circumstances where a large grant has been awarded, Council may work with a debt collector to reclaim monies.

Grant Officers will review both progress and acquittal reports to make an assessment whether the project met the outcomes in the funding agreement.

Grantees who have outstanding funding acquittal for a grant and who do not have an approved variation in place are ineligible for funding in future grant rounds until outstanding acquittal is completed.

Grantee must meet the acquittal requirements to be eligible for future grant opportunities offered by Council. Any unspent grant funds are required to be returned to Cumberland City Council.

Grantees will be informed via SmartyGrants (SG) of the outcome of their acquittal.

