

Community Grants

Auspicing Information and Guidelines



Auspicing Arrangements

Auspicing is the management of grant funds for individuals and organisations that are not incorporated or have limited administrative infrastructure. The role of an auspicing organisation is usually to support the applicant with project development and application submission, and, if the application is successful, will provide support by monitoring the project, receive/administer the funds and take responsibility for ensuring the acquittal and other required reporting is submitted as outlined in accordance with the conditions of the funding agreement.

An auspicing organisation is accountable for the administration of Council funds and therefore is obligated to ensure that funding is expended within the requirements of the funding agreement. They are also responsible for ensuring the applicants financial, legal and public liability risk is appropriately arranged.

Unincorporated not-for-profit groups and individuals applying for over \$3,000 must have their application 'auspiced' by an incorporated auspicing organisation. Arrangements with an auspicing organisation must be made prior to application, to ensure support of the entire project. Evidence of these arrangements must be submitted with the application.

If the application is successful, applicants must notify their auspicing organisation of any approved variances in project plan, timeframes or budget, meet any agreed reporting timeframes and keep itemised receipts when project money is spent.

Auspicing organisations may charge a grants administration fee to perform this role. This grants administration fee must be listed as a cost in the submitted project budget. If in-kind support is provided, this must also be documented in the project budget.

What is an auspice agreement?

An auspice agreement is a legally binding contract. It sets out the legal obligations of both the auspicing organisation and the applicant toward each other in relation to the administration of funding.

It is recommended that applicants have a written agreement with their auspice organisation to ensure both parties are aware of their obligations. There are the benefits of entering into a formal relationship with an auspicing organisation:

- By discussing the project and the nature of the parties' relationship at an early stage, the expectations and differences of opinion of each party should be clear. Going through the process of formalising the relationship and negotiating various matters will give the applicant and auspicing organisation clear expected outcomes.
- The formalised relationship (the written document) will be a reference point for the parties for the duration of the relationship, both generally and in times of disagreement.

It is incorrect to think that if it isn't written down, there is no legal responsibility. The courts can and will recognise an oral (verbal) agreement between two parties as constituting a legally enforceable contract, and will enforce the terms of an oral agreement. One of the benefits to writing the agreement down is that there is clear understanding and evidence of what each party agreed.

Public Liability Insurance

It is a requirement of the Alexandrina Council Community Grants Program that grant recipients be covered by an appropriate public liability insurance policy. It is the responsibility of the grant recipient to arrange appropriate insurance or make arrangements through their auspicing organisation (according to the nature of the project/activity and the insurance policies held by the auspice organisation). It provides coverage in the event of a claim made against them arising from their project/activity.

Leases, Licences and Permits

It is the responsibility of the applicant to ensure in-principle support has been gained prior to the project commencing and all required leases, licences and permits are obtained prior to the commencement of the project/activity. The auspicing organisation should ensure all required documentation is verified.