ILT FOUNDATION POLICY

GRANT ACCOUNTABILITY POLICY

POLICY REVISED: 21 March 2019

This policy is applicable to all successful grant applications made to the ILT Foundation for the distribution of net proceeds from the Class 4 gaming venues where ILT Foundation is the holder of the Operators Licence.

UNDER REVIEW

Introduction

This policy is applicable to all successful grant applications made to the ILT Foundation for the distribution of net proceeds from the class 4 gaming venues where ILT Foundation is the holder of the operators licence.

ILT Foundation was incorporated under the Charitable Trusts Act 1957 on the 9th day of August 2005. The Foundation was established primarily for charitable purposes. It distributes gaming machine profits back to community organisations that fall within the definition of authorised purposes.

Pursuant to Gambling Act 2003, ILT Foundation must distribute the net proceeds from its gaming machines only for authorised purposes specified in its licence. It must also comply with the terms of its Trust Deed.

The Gambling Act 2003 and subsequent regulations state that grants must be used for the benefit of the community. To comply with the legislation, the Foundation is required to have a policy that follows up the grants made to ensure that grantees are accountable for the monies received.

Grants Policy

The Grants Policy for ILT Foundation denotes how grant payments are made and how grant accountability should be returned, the relevant sections are reproduced below.

The Grants Policy will be followed by the employees of the ILT Foundation. In addition to the Grants Policy this Policy will be followed to ensure that the grant accountability is dealt with correctly.

Grant payments

Successful recipient organisations will receive payment by cheque with their success notification letter, or at the discretion of the Manager or by Board directive; a grant cheque may be issued at a later date. Alternatively the grant may be deposited into the recipient organisation's bank account.

Accountability

Section 5.7 (Grants Policy)

Recipient organisations will provide the accountabilities as detailed in the grant letter to prove grant monies have been expended as per the specified project.

Any outstanding grant accountability information will mean any further applications by the recipient organisation may not be considered. Information and explanation as to why the outstanding information has not been received by the ILT Foundation will be required.

Section 5.8 (Grants Policy)

In the event of non-compliance with any conditions of a grant, an equal amount of the grant is immediately repayable by the recipient organisation to the ILT Foundation.

Multi Year grants for major projects have specific reporting criteria, as set out in the Multi-Year Grant Policy.

Procedure where accountability is received

1. A grant database search will be initiated to identify the organisation who has received the grant to verify the purpose and amount of the grant.
2. Management will check receipts and other evidence of expenditure to ensure that the grant was not used retrospectively and that the entire amount of the grant has been spent on the approved project.
3. If a grant was used retrospectively, or not fully utilised, contact will be made with the grant recipient detailing the inconsistencies and the action required. This may be to provide more evidence or return part of, or the entire grant amount.
4. The accountability timeframe will be noted in the grant documentation. If the accountability is not received by the required date, a reminder will be issued. Following the reminder if no reply is received then **the procedure where accountability not received will commence.**

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Procedure where accountability not received

The following procedure will be undertaken for checking outstanding grant accountability:

1. A grant database search and manual inspection of each organisation's application will be initiated to identify those organisations that have received a grant 6 months earlier and have not returned accountability.
2. Recipients will be written to asking for an update on the project and reminding them that if the project is complete they should forward to the ILT Foundation office their accountability documentation.
3. Following the initial "update" letter if no reply is received, the grant recipient will be phoned and/or written to again advising that we have not received a reply from them. They will again be advised that it is a requirement of Department of Internal Affairs that grants are accounted for in full. Failure to do so will result in us asking for the grant money back.
4. If all the above actions fail the matter may be put in the hands of a debt recovery company. At the same time the Department of Internal Affairs will be informed of the issues of the grant and steps taken to recover the money.
5. Court action may follow.

If, at any time, there are any allegations of fraud or other potential criminal acts uncovered the Department of Internal Affairs will be informed and the matter will be reported to the police.

Grant/Scholarship Accountability Form

Included below is a copy of the grant/scholarship accountability details that is attached to each successful grant/scholarship applicant's letter, plus the grant/scholarship accountability form.

Review of policy

This policy will be reviewed annually, at the same time as the ILT Foundation's Grant Policy.

ILT Foundation Trustees:

- **Alan Geoffrey Dennis** - **Dip. Teaching Adv,**
- **Sean Peter Bellew** - **Real Estate**
- **Michael Alaifatu Mika** - **LLB, BA (History)**
- **Angela Mary Newell** - **BA, PG Dip. Arts, Dip. Teaching, LTCL**
- **Suzanne Lena Prentice** - **OBE**
- **Patric Denis O'Brien** - **ONZM**
- **Christopher William Ward** - **LLB, FNZTA, Registered Trustee**
- **Jason Lester McKenzie** - **BSR Mgmt, PG Dip. Tchg, Grad Cert Career Couns, M. Couns**

UNDER REVIEW

DETAILS AND CONDITIONS OF THE GRANT

ORGANISATION/RECIPIENT:

AMOUNT APPROVED:

PURPOSE:

GST:
This grant is an unconditional gift for the purpose of the Goods and Services Tax Act. If your organisation is registered for GST then we believe that you do not need to account for GST on receipt of this unconditional grant. If you require any clarification on this point, then please contact either our Manager, or seek professional advice.

CONDITIONS:
The ILT Foundation is governed by strict conditions imposed by the Department of Internal Affairs and the Gambling Act 2003. Therefore we are required to ask all grant recipients to meet the following obligations, which include providing **the full accountability within six months** of receiving this grant, unless other arrangements have been made with the ILT Foundation; ***or***

With regard to **12 months operating expenses**, we are required to ask all grant recipients to meet the following obligations and provide full accountability **within a 12 month period.** An accountability form is attached which is to be completed and then returned, or an alternative format (e.g. spreadsheet) may be used to provide the information required on the accountability form.

1. The funds must be applied to the purpose as set out in the grant application form, as summarised above. It is illegal to apply these funds to any other purpose.
2. When the funds have been spent on the authorised purpose, you must forward to us copies of relevant invoices, statements, or receipts associated with this grant for your project.
3. We require copies of the bank statements highlighting these payments.
4. If you do not proceed with this project or should there be a surplus of funds once the project is complete, the surplus funds must be returned to the ILT Foundation as soon as possible.

Thank you for your co-operation.

If you require any further information or comments about these requirements, then please do not hesitate to contact our office.

Lisa-Maree Fleck
MANAGER

UNDER REVIEW

ACCOUNTABILITY FORM

FOR ILT FOUNDATION GRANT

Return to»» **PO Box 1771**
Invercargill 9840

NAME OF ORGANISATION: _____

Date Grant Allocated: _____

Amount of Grant Allocated: $ ____ √

Bank Statement/Receipt attached detailing banking of grant amount ☐

Copies of Paid Invoices attached ☐

Copies of relevant bank statements showing these payments ☐

Please note invoice amounts must be exclusive of GST, if your organisation is GST registered.

Date *After Grant allocated*	**Invoice** *Name of Organisation Invoice* from	Cheque Number	Amount GST EXCLUSIVE $	Total GST INCLUSIVE $

Contact Person:

Position:

Telephone and/or Email:

Continue on separate page if necessary

UNDER REVIEW

DETAILS AND CONDITIONS OF THE SCHOLARSHIP

ORGANISATION/RECIPIENT:

AMOUNT APPROVED:

PURPOSE:

GST:
This scholarship is an unconditional gift for the purpose of the Goods and Services Tax Act. If your organisation is registered for GST then we believe that you do not need to account for GST on receipt of this unconditional grant. If you require any clarification on this point, then please contact either our Manager, or seek professional advice.

CONDITIONS:
The ILT Foundation is governed by strict conditions imposed by the Department of Internal Affairs and the Gambling Act 2003. Therefore we are required to ask all scholarship recipients to meet the following obligations, which **must be completed within six months** of receiving this grant, unless other arrangements have been made with the ILT Foundation.

An accountability form is attached which is to be completed and then returned, or an alternative format (e.g. spreadsheet) may be used to provide the information required on the accountability form.

1. The funds must be applied to the purpose as set out in the scholarship application form, as summarised above. It is illegal to apply these funds to any other purpose.
2. We require copies of the bank statements highlighting the receipt of the scholarship(s) and the subsequent payment out to the recipient(s).
3. If you do not proceed with this project or should there be a surplus of funds once the project is complete, the surplus funds must be returned to the ILT Foundation as soon as possible.

Thank you for your co-operation.

If you require any further information or comments about these requirements, then please do not hesitate to contact our office.

Lisa-Maree Fleck
MANAGER

UNDER REVIEW

ACCOUNTABILITY FORM

FOR ILT FOUNDATION SCHOLARSHIP

Return to »» PO Box 1771
INVERCARGILL 9840

NAME OF ORGANISATION: _____

Scholarship -

Date: _____

Amount of Grant Allocated: $ _____ √

Bank Statement or Receipt attached detailing banking of scholarship amount

Bank Statement showing payment being made to scholarship recipient

Date *After Grant allocated*	Bank Statements	Amount $

Contact Person:

Position:

Telephone and/or Email:

UNDER REVIEW