

## **Elder Academy Development Foundation**

### **Funding Guidelines - Other Categories**

1. All organisers receiving funding support for implementing the elder academy scheme under other categories (hereinafter referred to as “the responsible party”) must comply with the requirements set out herein.

#### **(1) Funding guidelines**

2. The responsible party must spend the funding directly on the estimated expenditure items set out in its application and for organising courses/activities under the programme. Under no circumstances may the funding be used for any other purposes. To allow greater flexibility in using the funding when the responsible party needs to make virement of funding between approved expenditure items, which is limited to those items included in the application form, no prior approval of the Committee on Elder Academy Development Foundation (the Committee) is required if the amount of virement involved does not exceed 25% of the approved amount and the virement will not have any adverse effect on the implementation of the programme. Written approval of the Committee must be obtained if the amount involved exceeds 25% of the approved amount, or substantial amendments or changes to the approved programme (e.g. changing the nature of the programme and adding expenditure item(s) not included in the approved programme) will have to be made. Non-compliance with the requirements may result in withdrawal of funding. The Committee may require the responsible party to return the funding granted.

3. The responsible party must plough back any profit generated from the programme (including interest income and the fees collected from participants) into the programme, and first exhaust all other financial resources before using the funding.

4. The funding must not be used for activities or matters of the following nature:

- (i) primarily for profit-making purpose;
- (ii) mainly one-off consumer events (e.g. banquets, trips);

- (iii) services or projects currently receiving or eligible for government subvention or subsidies from other organisations;
- (iv) involving beneficiaries and venues outside the Hong Kong Special Administrative Region of the People's Republic of China (HKSAR);
- (v) for the payment of staff (i.e. staff employed by the responsible party of the elder academy concerned) salary (except with the approval of the Committee);
- (vi) involving non-essential expenditure of no direct benefit to participants;
- (vii) for the promotion of any individual/organisation/body in order to achieve fame or for the personal benefit of an individual; and
- (viii) in breach of existing government policies.

5. The funding is valid only for a specified period.

6. Any unspent balance, after deduction of the total expenditure approved for the programme, must be returned by a crossed cheque to the Trustee of the Elder Academy Development Foundation (the Foundation) within three months upon expiry of the specified valid period.

7. If justified, and with the approval of the Elderly Commission (EC), the Committee may claw back any funding already granted.

## **(2) Programme Implementation**

8. In the event of premature termination of the programme during the preparation or implementation stage, the responsible party must inform the EC in writing immediately and state the reasons.

9. The responsible party must ensure that staff recruitment is processed in an open and fair manner. Proper publicity methods of open recruitment (e.g. placing recruitment advertisements in newspapers and with the Labour Department) must be

adopted to widely disseminate the information to eligible persons. Throughout the recruitment and selection processes, a system of declaration of interests with written guidelines should be put in place to avoid any conflicts of interest. If the funded party intends to recruit programme staff through procedures other than open recruitment, sufficient justifications and prior written approval from the Secretariat of the Committee are required. The responsible party is also required to put in place a selection mechanism and file all recruitment and selection records for inspection by the HKSAR Government as and when necessary.

10. The responsible party should meet the principles of transparency, fairness, openness and value for money in making procurement with the funding. The responsible party is advised to make reference to the Corruption Prevention Best Practices issued by the Independent Commission Against Corruption, which is available for download from its website (<http://www.icac.org.hk>), for guidance on procurement where appropriate..

11. The responsible party, its co-organiser(s) and staff are required to complete the Declaration and Undertaking by Staff Involved in Procurement of Goods and Services to declare any interest when making procurement of goods/services for an approved programme, and are prohibited from soliciting, accepting or offering any advantages during the preparation for or implementation of a programme. If there is a conflict of interest, the responsible party must decide whether the co-organiser(s) or staff concerned should abstain from involving in the procurement exercise and record the reasons for its decision. The Declaration and Undertaking by Staff Involved in Procurement of Goods and Services (in Word format) is available for download from the website of the Elder Academy (<http://www.elderacademy.org.hk/en/doc/index.html>).

12. Open bidding should be adopted in procurement of goods and services by the responsible party to ensure openness and cost-effectiveness. For procurement of goods or services with a value of more than HK\$5,000, at least two quotations must be obtained. For procurement of goods or services with a value of more than HK\$50,000, at least five quotations must be obtained.

13. All the quotations and documents in relation to the procurement for the programme must be retained for seven years for inspection by authorised persons of

the Labour and Welfare Bureau (LWB), EC, the Committee, the Trustee of the Foundation and the Audit Commission as and when necessary.

14. The responsible party must provide in the Fixed Asset Record Form information of the installations and equipment (e.g. digital cameras and tablet computers) procured for the programme. Upon completion of the programme, the responsible party is required to inform the Committee of the disposal of the installations and equipment (e.g. whether the installations and equipment will be given to another elder academy for running similar programmes or be written off due to damage) and submit supporting documents which must be duly signed and certified correct by an authorised person of the responsible party. The Fixed Asset Record Form (in Word format) is available for download from the website of the Elder Academy (<http://www.elderacademy.org.hk/en/doc/index.html>).

15. If the responsible party will continue to operate upon completion of the programme, the assets funded by the Foundation including installations and equipment (e.g. digital cameras and tablet computers) can be retained for the purpose of implementing future programmes. The responsible party must fill in the Fixed Asset Record Form and submit it together with the final review report to the Secretariat of the Committee for filing.

16. The responsible party must acknowledge the support of the “Elder Academy Development Foundation” as appropriate in the implementation of the programme. It must be indicated in all press releases, publicity materials and publications that the programme is funded by the “Elder Academy Development Foundation”.

17. The responsible party must take out insurance for all participants of the programme and assume full liability, and is required to indemnify the LWB, EC, the Committee and the Trustee of the Foundation against any liability arising from the activities of the programme.

18. The LWB, EC, the Committee and the Trustee of the Foundation reserve the right to conduct on-site inspections of the activities.

### **(3) Reporting and provision of information**

19. The responsible party is required to submit review reports to the Committee on specified dates during the implementation of the programme. The reports should

cover the use of funding, and an evaluation of the progress and effectiveness of the programme.

20. The responsible party is required to submit a final review report to the Committee within three months upon expiry of the funding's valid period. The report should provide details of the programme, numbers of elderly participants, students and volunteers, effectiveness of the programme, statement of accounts, relevant documents (e.g. activity rundown and photos) and financial statements. The financial statements must be signed and certified correct by the person in charge of the responsible party before the original copies are submitted to the Secretariat of the Committee. For programme funding of \$150,000 or more, the financial statements must be audited by an independent auditor and submitted together with the audit fee receipt to the Secretariat of the Committee. The Committee will reimburse the responsible party for the audit fee as follows:

<b>Programme funding</b>	<b>Ceiling for audit fee reimbursement</b>
\$150,000 to \$1,000,000	\$5,000
More than \$1,000,000	\$15,000

The responsible party is required to procure audit service in accordance with article 12 mentioned above and provide the selected auditor with a copy of the Notes for Auditors issued by this Secretariat (Please see Annex A(1), which is available in English only) for reference. The Committee will provide reimbursement for audit fee based on the receipt submitted by the responsible party.

21. The responsible party must keep a separate set of books and accounts for the programme. All books, accounts and relevant records and information including receipts<sup>Note</sup> must be kept properly (for seven years after completion of the programme) for inspection at reasonable times by authorised persons of the LWB, EC, the Committee, the Trustee of the Foundation and the Audit Commission. The

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<sup>Note</sup> If the required receipts are not provided to prove minor expenses or procurement, a note specifying details of the expenses/procurement and activities concerned, and duly signed and certified correct by an authorised person of the responsible party has to be provided.

responsible party should make its own copies of the review report, financial statements and receipts for record purpose.

22. The Secretariat of the Committee will conduct random checks on the financial statements and the relevant receipts submitted by the responsible party so as to verify the use of funding. To facilitate the random checks to be carried out by the Secretariat's staff, the responsible party is required to have the original copies of receipts affixed to A4 size white paper and numbered corresponding with the numbering of the expenditure items on the financial statements. The responsible party should also make copies of the receipts printed on thermal paper for retention, lest the images will fade over time and make it difficult to verify the information contained therein.

23. The responsible party is obliged to provide information on the programme for the LWB, EC, the Committee, the Trustee of the Foundation and their entrusted bodies for the purpose of examining or reviewing the programme.

24. The responsible party agrees that the financial statements and relevant information it provides may be disclosed (e.g. on the internet) by the LWB, EC, the Committee and the Trustee of the Foundation for public inspection.

25. The LWB, EC, the Committee and the Trustee of the Foundation reserve the right to seek all remedies if any of the data, facts or information contained in the reports or financial statements submitted by the responsible party to the Committee is incomplete, incorrect, untrue or is intended to mislead the LWB, EC, the Committee and the Trustee of the Foundation.

#### **(4) Undertaking and responsibilities of the responsible party**

26. The responsible party is required to sign an Undertaking on the Use of Funding Provided by the Elder Academy Development Foundation to reaffirm its commitment to complying with all the requirements set out in the Funding Guidelines. The LWB, EC, the Committee and the Trustee of the Foundation reserve the right to seek all remedies for any violation of the requirements.

27. Under no circumstances will the LWB, EC, the Committee and the Trustee of the Foundation be held liable for any debt or loss arising from running an elder academy programme.

28. The LWB, EC, the Committee and the Trustee of the Foundation reserve the right to take actions against any applicant who obtains approval for funding by fraudulent means or malpractice, or any recipient for misuse of the approved funding. Such actions may include the lodging of a complaint of misconduct with the relevant authority or professional body as well as legal actions to claim for the granted funding.

**(5) Amendments to the Funding Guidelines**

29. Where necessary, the LWB, EC, the Committee and the Trustee of the Foundation may the Funding Guidelines and the organisations/bodies receiving funding support from the Foundation will be informed of such amendments.

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Secretariat of the Committee on the Elder Academy Development Foundation  
Elderly Commission

August 2020