

Guidelines for Completing AusAID Return

The funds available to Rotary from AusAID is dependent on Rotary's total contribution to overseas aid. It is therefore important that the contribution from all clubs is recognised. Rotary Australia World Community Service Ltd (RAWCS) is an accredited AusAID NGO (Non Government Organisation) aid agency for Base Funding

The contribution Rotary makes is measured in terms of AusAID's Recognised Development Expenditure (RDE) conditions. The conditions are spelled out in detail in AusAID's "NGO Package of Information (NGOPI) - Funding Schemes - Module 4, available from AusAID's Website http://www.ausaid.gov.au/ngos/pdf_dump/module4.pdf (pages 104 to 150 in this PDF document).

It is strongly recommended that these Recognised Development Expenditure (RDE) Explanatory Notes are read in full before completing this return. However below is a summary of the key points.

The RDE is the amount of money that each Australian NGO raises in a financial year and remits overseas for development assistance, emergency relief or rehabilitation activities. RDE can also include volunteer and in-kind contributions, and money spent in Australia on development training. The RDE is used by AusAID to:

- confirm that an agency can meet appropriate accreditation standards; and
- calculate an accredited agency's Indicative Planning Figure (IPF), which is the upper limit of funds that an agency may request from the AusAID NGO Cooperation Program (ANCP) to provide matching grants to eligible overseas development activities in one financial year. The RDE worksheet is to be submitted to AusAID by RAWCS between 1 January and 30 March each year.

(Note: The matching grants above refer to AusAID matching grants not The Rotary Foundation matching grants.)

Disbursements:

RDE is calculated by adding up eligible disbursements to overseas project costs and community education, and deducting the ineligible components of the disbursements, eg Australian Government grants, overseas donations, administration costs, and donations for political, religious or welfare activities.

The RDE calculation includes disbursements to:

- Overseas Projects
- Other Project Costs
- Community Education

Overseas Projects

Overseas project disbursements are limited to cash, gifts in-kind and volunteer services (eg FAIM) provided to overseas aid and development projects. Cash and gifts need to be sent overseas. The cost of sending gifts overseas can be included.

Contributions to overseas projects can include salaries of staff working overseas that might be paid from Australia; the cost of acquiring property, plant and equipment in Australia that is then sent overseas (for example, a computer); and transportation costs to send gifts overseas.

Agencies may also count **some recurrent cost** contributions for education and training activities in their RDE calculations. Agencies wishing to count recurrent education and training costs in their RDE must be able to demonstrate to AusAID in a written statement attached to the RDE worksheet that these costs are vital components of the activity.

Other Project Costs

Other Project Costs should include the direct costs of project administration spent in Australia, including project design, development, monitoring and evaluation, and training of field staff in Australia.

Community Education

Community education includes the cost of producing and distributing materials, the cost of conducting educational campaigns in schools and the wider community, and the cost of personnel involved in these activities. Educational materials and campaigns which include the opportunity (as a minor aspect of the campaign), for the community to provide financial or other support to the organisation may be included as a community education cost. However, costs must be proportionate to the extent of the fundraising elements involved and up to a limit of 10% of the total cost of the community education materials charged to fundraising costs. The method for allocating the proportion of fundraising costs must be clear and be available to the auditor during the annual audit.

Disbursements deductions

Disbursements relating to the following must be deducted from the RDE

- Grants from AusAID,
- Grants from other Australian sources including from other government departments or organisations where the original source of the funds is Australian Government grants or where the source organisation would claim those funds in its RDE - (ANCP Members).
- Grants from other overseas sources.
- Funds sent overseas for **political, evangelistic, or welfare** activities, as they are not in accordance with the development intentions of the aid program.
- Administration and/or promotion costs of international or regional affiliates, including funds sent to international or regional affiliates in Australia for administration, fundraising, and/or promotion of the organisation.
- Funds that are not recorded in the annual audited financial accounts of an NGO, including the value of voluntary and in-kind contributions, as well as funds spent on other activities in Australia (other than development education).

In-Kind Contributions

The value of in-kind contributions, which may include goods or gifts provided for development activities or volunteer services, may contribute to up to half of an agency's

RDE figure, ie. the total of volunteer and in-kind contributions cannot exceed the cash contributions.

Gifts In-Kind

The market value of any in-kind contributions of gifts or goods that are appropriate, useable and necessary for overseas projects is admissible for RDE and matched funding calculations. The values included under this heading should be material and the annual audited financial statement must include a full statement disclosing the method of valuing those items. NGOs should be able to provide full particulars of goods sent overseas.

The basis of fair value is "The amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction". Both useability and marketability are joint considerations in determining fair value. (The fair value of impaired or encumbered assets is, or is likely to be, less than similar but unimpaired examples of those assets).

Volunteer Services

Agencies may also value the services of Australian volunteers. With some restrictions, volunteer services may be professional or non-professional, in Australia or overseas.

The following volunteer service in-kind contributions may be included:

- volunteer contributions in Australia and overseas for the delivery of overseas development projects;
- volunteer contributions in Australia for the delivery of community (development) education projects. (Please note that this disallows community education costs if fundraising costs exceed 10% of the total cost);

Volunteer contributions can only be claimed if the amount is reported as a note in the annual audited financial statement of the NGO.

Volunteer contributions for NGO overhead purposes cannot be included. This includes training of agency staff or volunteers in Australia or overseas, project submission costs (including design and appraisal) for Government grants, or general research.

How to Calculate Volunteer Services

The value of volunteer contributions is estimated according to the Australian market pay rates and conditions under which Australian NGOs would hire the staff were they not volunteers. To identify an appropriate pay level, the NGO should:

- assess which job description best fits the service provided by the volunteer;
- base the rate of pay on the permissible amount that is closest to that which it would actually pay were it purchasing the services. Where a range is indicated, this provides the minimum and maximum which can be used; otherwise the figure given applies;
- not inflate salary rates. In marginal cases, or when any doubt exists, a conservative approach should be taken to estimating the volunteer contribution and lower rates of pay applied; and
- offset the volunteer contributions by any payments in the nature of wages to the volunteers (the offset does not apply to payments in the nature of living allowances).

The amount claimed for RDE/project subsidy purposes is thus the salary sacrifice element if the volunteer would have been paid an Australian NGO market rate.

Appropriate records of volunteer and professional contributions should be maintained, such as type of service provided, time sheets, estimated rates of pay, salary offsets. These should be checked by the auditor before inclusion in the annual audited financial statement.

ANCP Matching Funds: Volunteer Services and In-Kind Contributions

NGOs may count up to half the cost (50%) of their matching contribution to ANCP projects and ADPlans on the basis of volunteer and in-kind contributions. These contributions may be overseas (e.g. Training support) or in Australia (e.g. project management, preparation of training materials).

Please note that Australian volunteers should not be used overseas where local staff can be hired for the same purpose. For AusAID funding, local staff can be costed in project budgets. Any local costs, such as accommodation, and on-cost payments for volunteers, for example superannuation and insurance, should be calculated separately for project budget purposes.

Completing the AusAID Returns

The returns should be completed and signed by club auditors. This should be done when the club accounts are audited. The returns should then be sent to:

PDG Len Goodman
Rotary Australia World Community Service
AusAID Liaison Officer
PO Box 156
Charnwood, ACT 2615

If you have any inquiries with regard to completing the AusAID return please contact me on (02 6258 1598). However inquiries relating to any other RAWCS matters should be made to the District RAWCS Committee. Contact details are available in the appropriate Rotary District Directory.

PDG Len Goodman
Rotary Australia World Community Service
AusAID Liaison Officer
(02) 62 58 1598 (h) 0409 442 345 (Mob)
(02) 6258 0161 (f)
Emails lgoodman@ozemail.com.au

Attachment 1

Volunteer Job Descriptions and Rates of Pay

The rates of pay are basically tied to similar Commonwealth Public Service scales to provide a benchmark to easily available and independent standards. These will be reassessed periodically. Indicative rates for volunteer contributions appear in the tables below.

Project Assistant:

- works in Australia under supervision, not overseas;
- worker assisting with project delivery (eg. packing community education kits, organising community education speaking tours, sorting medical supplies for overseas delivery);
- paid at the equivalent to the entry level of Australian Public Service Level 1.

Project Officer/Technician:

- provides middle level technical services in Australia or overseas (eg. computing skills, on-the-job training, electrician), sometimes under very difficult conditions (eg. relief driver, emergency worker);
- usually operates under professional and management supervision;
- pay scale equivalent to Australian Public Service Level 3

Middle Professional:

- provides middle level professional services in Australia or overseas, eg. agricultural adviser, nurse, project cycle specialist, management trainer, community educator, teacher;
- usually operates under supervision or in clearly defined roles, but may double as team leader for small projects overseas;
- pay scale equivalent to Australian Public Service Level 4,

Project Manager:

- administrator responsible for project management, **finance**, monitoring and reporting. May work in Australia or overseas;
- has some independence but is subject to supervision and standard procedures;
- most NGO managers in Australia would **fit** here;
- pay scale equivalent to Australian Public Service Level 5

Team Leader:

- leader overseas on substantial complex emergency, rehabilitation or development activities;
- provides high level professional and management input, manages team, deals with local situation and authorities;
- has considerable authority to take independent decisions on project operations;
- pay scale equivalent to Executive Level 1.

Higher Professional:

- provides high level professional advice and services overseas requiring advanced professional qualifications and experience, eg. doctor, lawyer;
- takes independent professional decisions;
- supervises other professional and technical staff;
- may double as team leader;
- pay scale equivalent to Executive Level 2.

Rates of Pay

Project Assistant	\$25,237 per annum
Project Officer/Technician	\$32,292 - \$35,342 per annum
Middle Professional	\$36,195 - \$39,627 per annum
Project Manager	\$40,352 - \$43,165 per annum
Team Leader	\$55,942 - \$60,451 per annum
Higher Professional	\$65,326 - \$73,085 per annum

Weekly Rate	= Annual Rate x 6/313
Daily Rate	= Annual Rate x 1.2/313
Hourly Rate	= Annual Rate x 0.1633/313