



# Early childhood grants management procedure

**Version:** 1.0 | **Version effective:** 15/07/2021

## Audience

Early Childhood and Education Improvement Division

## Purpose

This procedure outlines the responsibilities and processes for the consistent management of grants administered by the Department of Education (the department) through the Early Childhood and Education Improvement Division (ECEI). This procedure applies to all centrally-based and regional staff involved in the end-to-end management of grants, including grant program design, administration and evaluation.

## Overview

ECEI provides grant funding, including subsidies such as those payable under the Queensland Kindergarten Funding Scheme (QKFS), to ensure all children and families across Queensland have access to high quality early childhood education and care services. Types of grants may include but are not limited to; grants that provide for the delivery of services; grants that help fund infrastructure or assets; or grants that strengthen capabilities of families, children and the sector.

This procedure sets out the mandatory management and operational processes required to support the administration of all grant programs. The practical steps, decision points and control arrangements will vary depending on the grant program's size, scope, risk and complexity and are set out in internal documents including process maps, work instructions, templates and guides (DoE employees only).

This document builds on the broad guidance about the administration of grant programs contained in the [Queensland Treasury Financial Accountability Handbook 2019](#), Volume 6 - Grant Management.

## Responsibilities

### Early Childhood Investment Board

- provides strategic guidance, direction and oversight of significant investment decisions for ECEI.
- provides advice to the Deputy Director-General, ECEI, on strategic financial investment, policy and implementation proposals that:

- involve high risk to the Government; and
- are a change in government policy.
- provides advice and direction on financial and program investment principles, frameworks and practices to ensure return on investment.
- advises on high level strategic issues relating to financial sustainability, efficiency and value, revenue assurance and strong resource management.
- assesses the performance of existing ECEI investments and program initiatives.

### **Deputy Director-General**

- Refer funding/investment proposals to the Early Childhood Investment Board.
- Approve grant program specifications, budget, grant recipients (Grantees) and funding arrangements.
- Approve Kindergarten Program Provider applications.
- Authorise Service Agreement variations and terminations.
- Strategic stakeholder engagement and management.

### **Assistant Director-General and Executive Directors (delegated authority)**

- Execute Service Agreements and variations.
- Approve grant recipients (Grantees) and funding arrangements.
- Authorise the release of payments in QGrants as per the [Finance delegations matrix](#).
- Authorise Service Agreement variations and terminations.
- Approve alternative application processes for grant submissions.
- Approve content changes to Early Childhood Grants Management Policy and Procedure.
- Strategic stakeholder engagement and management.

### **Directors and Managers**

- Validate grants budget and cost centre expenditure.
- Ensure sufficient and appropriate contract management practices are operating to ensure the program delivers its objectives.
- Ensure grant claims and payments are accurately recorded and can be substantiated.
- Specified Directors positions can authorise the release of payments in QGrants as per the [Finance delegations matrix](#).
- Resolve discrepancies or disputes regarding grants management in a timely manner.
- Directors can authorise to withhold or recoup funds based on the Periodic Financial Return.
- Periodically review grants management activities to identify opportunities for continuous improvement and better practice.
- Operational management of stakeholder relationships.

## All staff involved in administering grants

- Comply with policies and procedures that govern grants management activities
- Maintain appropriate and accurate records in the approved record keeping system to support each decision in the grants management process and enable departmental reporting.
- Comply with financial, system and internal control procedures and requirements when completing grant management activities.
- Comply with legislative, financial and operational delegations.
- Disclosure of any relationships or interests which may or could be perceived to impact on the impartial administration of the grant program.
- Exercise proper diligence, care and attention when assessing and processing claims for payment to identify and report suspected fraudulent use of grant funds and/or non-compliance with grant funding terms and conditions.

## Process

End to end grants management should follow the cycle outlined in the [Early childhood grants management framework](#).

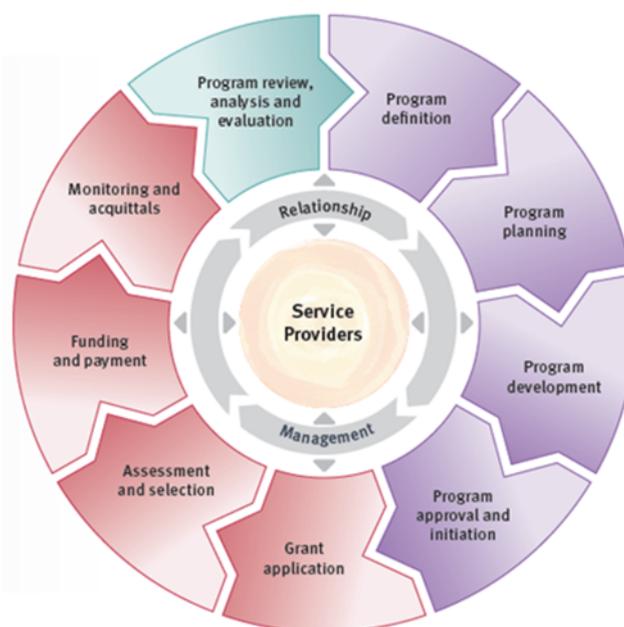


Image 1 Early childhood grants management framework

## 1. Grant program design

Grant programs and initiatives are designed by the Strategy, Innovation and Programs (SIP) unit within ECEI. SIP works collaboratively with stakeholders, internal and external to the department, to ensure grant programs are designed to achieve policy objectives and deliver benefits to recipients in an efficient, effective and economical manner.

### 1.1. Define grant program

Program designers within SIP must:

- Undertake research and planning to identify and define new grant programs that are evidence-based and aligned to the strategic objectives of the department and ECEI investment principles.
- Consult and collaborate with the Grants Management and Funding (GM&F) Unit as well as other key stakeholders internal and external to the division, to co-design the grant program.
- Define the scope of the grant program, taking into account:
  - program objectives that are specific, realistic and measurable
  - evidence/background for investment
  - link to Government and departmental objectives
  - funding type (e.g. capital, recurrent, non-recurrent)
  - program budget
  - funding source (Australian Government or State)
  - target group/cohort
  - eligibility and selection criteria
  - service model parameters, and
  - service provider selection process (e.g. open, negotiated, targeted).

### 1.2. Program planning and development

Program designers within SIP will:

- Identify any overlap or duplication of grant programs being administered by other funding bodies (e.g. other Queensland Government agency, the Australian or local governments).
- Identify and address general and program specific risks for the whole grant program, from planning to evaluation. Risk mitigation strategies and controls must be developed, documented and adopted in accordance with the department's [Enterprise risk management framework](#).
- Develop performance measures that reflect the size, complexity and risk associated with the program in consultation with the other areas of the Division.
- Develop program documentation in collaboration with other areas of the Division to support the eligibility and implementation of the program. Example of the documentation may include but is not limited to: funding requirements, category guidelines and service particulars outlined in service agreements.

### 1.3. Program approval and initiation

Program designers within SIP will:

- Determine whether the grant / program reaches the threshold for a 'major investment' requiring consideration by the Early Childhood Investment Board.
- Prepare a General Briefing Note to the Deputy Director-General to seek approval for grant program specifications and budget, noting that:

- appropriate delegates have been engaged in the process
- government priorities, targets, commitments and ECEI investment principles have been considered; and
- financial implications and cost centres have been endorsed by the Executive Director, Governance and Corporate Services.
- Prepare a General Briefing Note to the Assistant Director-General, Early Learning and Development to approve promotion of the grant program and application and assessment processes. Attachments for approval must include, but are not limited to:
  - funding information paper
  - application form
  - application guidelines (for QGrants)
  - assessment plan
  - communication and media documentation, and
  - resolution and appeals process.
- Notify relevant ECEI work units to:
  - publish and promote the grant funding program as directed, including the grant application form and associated materials (Governance and Corporate Support), and
  - manage enquiries relating to the grant program, including provision of high-level advice and support regarding application lodgement (SIP and GM&F).

## 2. Grants administration

The administration of grants, including subsidies, is managed by the Grants Management and Funding (GM&F) Branch within ECEI. Where appropriate, consultation and collaboration with other divisions and departments will be undertaken to maximise program benefits and ensure efficiencies and transparency in processes and decision making.

### *Types of grants*

ECEI provides:

- Queensland Kindergarten Funding Scheme subsidies to approved Kindergarten Program Providers in the long day-care and community kindergarten sectors;
- Early Years Services (EYS) grants to small local services, state-wide organisations and other entities (e.g. local government) to deliver a range of early years services across the state; and
- other grant funding programs in response to emerging departmental and divisional objectives.

### 2.1. Process grant applications

- All grant funding applications must be submitted using the approved form and process.
- Alternative lodgement arrangements may be available under special circumstances, as approved by the Executive Director, GM&F provided the request is made in writing prior to the application closing date.

- Grant funding applications will be received and processed by the GM&F Branch.
- A completeness and eligibility check will be undertaken for all applications and only those applications that satisfy all criteria will be progressed for assessment.
- A guide to processing:
  - EYS applications in QGrants is available at Content Manager (CM) 16/528457 (DoE employees only); and
  - Guides to processing KPP applications in QGrants can be found at CM 14/121073 for long day care services and CM 17/44788 for kindergarten services (DoE employees only).

## 2.2. Assess applications and select program provider

### *Assessment*

- Grant applications will be assessed against specific eligibility requirements and/or selection criteria specified in the approved program specification (including the Queensland Kindergarten Funding Scheme: Funding Requirements).
- Where an Assessment Panel is appointed, the Panel, will after the assessment and moderation process recommend applicants for approval by the Deputy Director-General, ECEI (or the Assistant Director-General, as the delegated authority).
- The Assessment Panel will comply with terms and conditions set out in the Assessment Plan, specifically in relation to:
  - the function of the assessment panel;
  - the role of the assessment panel members;
  - the assessment criteria;
  - the assessment process;
  - member's obligation to maintain confidentiality;
  - member's obligation to disclose any conflicts of interest; and
  - member's obligation to comply with the Queensland Government Code of Conduct (Queensland Government employees only).
- Applications will be assessed in accordance with the approved Assessment Plan, ensuring that all recommendations and decisions are appropriately documented and recorded in the approved record keeping system.
- Decision-makers must clearly demonstrate that grant decisions are equitable, transparent and represent value for money.

### *Selection*

- A competitive, merit-based selection process is the preferred option for selection. Where an alternative method is proposed, assessors must document why this approach has been used.
- Short-listed applications may be sent to nominated officials (e.g. regional ECEC Directors) for comment regarding suitability and risk, before final decisions are made.

- Prepare a General Briefing Note to the Deputy Director-General, ECEI (or the Assistant Director-General, as the delegated authority) to approve the list of recommended applicants and funding expenditure. Attachments for approval must include, but are not limited to:
  - Schedule of Recommended Services (CM 21/258299 – DoE employees only)
  - Assessment Report or Performance and Financial Assessment Report (where applicable)
  - letters of advice to successful and unsuccessful applicants
  - KPP Approval Certificate (if applicable), and
  - communication material, as required (e.g. media points).

#### *Communication*

- The status of applications must be updated by the grant administrator in QGrants at every decision point (e.g. eligible/recommended/approved).
- Applicants must be notified of the outcome, whether the grant application was successful or unsuccessful.
- Unsuccessful applicants must be provided the opportunity to receive feedback about why they were unsuccessful.
- Any complaints received about a grants management activity or decision will be managed in accordance with the department's [Customer complaints management policy](#).

### **2.3. Prepare funding arrangement and process payments**

#### *Funding arrangements*

- QKFS funding is administered through the KPP services' acceptance of the Standard Terms and Conditions on application and each time a claim is submitted. Due to the low value and high volume of transactions, separate service agreements are only prepared for the Central Governing Bodies and large long day care providers.
- All Early Year Services funding arrangements, including renewals, variations or terminations, will be prepared and administered by GM&F's Applications and Contract Execution (ACE) Team.
- Grant recipients must enter into a formal Service Agreement with ECEI which specifies the arrangements under which the grant is provided, received, managed, and acquitted.
- The Service Agreement will contain information including, but not limited to:
  - Queensland Government Standard Terms and Conditions
  - Service Agreement start and end date
  - roles and responsibilities
  - funding information
  - service particulars
  - funding information
  - required milestones/deliverables (if applicable)
  - payment schedule

- performance measures, and
- reporting requirements.
- Service Agreements will be executed by an Executive Director within the Early Learning and Development Branch as the delegated authority.
- Supplementary agreements may be required for specific matters relating to assets purchased with grant funding, such as a Motor Vehicle Specific Security Agreement.
- Any variation or termination of agreements must be approved by the Deputy Director-General or the delegated authority via a General Briefing Note.
- Once funding arrangements have been approved, the ACE Team must notify relevant staff within GM&F to prepare for payments, monitoring and reporting.

### *Payments*

- Grant payments will be made in accordance within the approved program specification and executed service agreement (including the Queensland Kindergarten Funding Scheme: Funding Requirements).
- The Assessments Team will recommend whether funding can be released for executed service agreements under EYS programs.
- Grant payments are administered by the Grants Support Team within GM&F and are paid via electronic transfer in QGrants.
- System controls are in operation to ensure that the payment process steps of determining that a payment is eligible, recommended and approved in QGrants are appropriately segregated.
- Authorisation to release payments in QGrants is issued by a delegated officer in accordance with the department's Finance Delegations Matrix.
- It is the Grantees responsibility to ensure all account information in QGrants, including bank details, is up to date with effective security controls in place.

### *Withholding or recovery of funds*

- Grantees must advise GM&F via email of any errors in their claim/payment as soon as detected.
- If the error results in an overpayment, the Grants Support Team will issue a Recipient Created Adjustment Note (RCAN) to the service to recoup the incorrectly claimed funding.
- The Assessments and/or Assurance Review Team will make recommendations to withhold or recover funding.
- The Director, Grants Management (Director, GM) or the Executive Director, GM&F will review each request taking into account the requirements of the service agreement and appropriate funding guidelines.
- Unless there is an agreement between the department and the grant recipient, any unspent funds at the end of the funding period (Service Agreement end date) will be recovered by the department.

## 2.4. Monitor performance and acquit funding

### *Monitoring*

The Relationship Management Team within GM&F will actively monitor the performance of funded services to ensure that expenditure, activities and expected outcomes are being or have been achieved, in accordance with the terms of their Service Agreement.

Monitoring and contract management activities will include, but are not limited to:

- implementing universal, targeted and intensive methodologies of contract management
- undertaking service visits and meetings (virtual, telephone, face-to-face) to proactively support the delivery of early childhood programs, services, initiatives and activities; and
- providing information and advice to enhance program delivery and reporting.

The Relationship Management Team will liaise regularly with service providers, ECEI stakeholders and the regions to:

- ensure that the monitoring strategy effectively accounts for variations in program delivery; and enables compliance with Service Agreement terms and conditions including objectives and reporting deadlines being achieved; and;
- oversee financial and operational risks that may impact a service's capacity to deliver program objectives.

### *Assessment and acquittal*

Grant recipients must submit financial and performance reports both progressively over the term of the Service Agreement and at its conclusion. These reports are used by the department to evaluate the performance of grantees in achieving program objectives as well as their compliance with provisions of the executed agreement. The (Director, GM and Executive Director, GM&F are the only positions delegated to grant extensions to reporting timeframes.

The submission of outstanding financial and performance reports is monitored by the Grants Support Team. A non-compliance process, managed by the ACE Team, will be invoked for grant recipients that do not meet their contractual reporting obligations.

The Assessments Team within GM&F will assess periodic performance reports and financial acquittal reports in accordance with the requirements of the funding guidelines.

Officers responsible for managing grants will:

- exercise due diligence, care and attention when assessing and processing claims for payment to identify and report suspected fraudulent use of grant funds and/or non-compliance with the QKFS Funding Requirements, short-form Terms and Conditions (for LDCs) or Service Agreement Standard Terms (for CGBs and EYS) and the Community Services Act 2007 or other legislation; and
- refer inadequate claims or suspicious behaviour by kindergarten and long day care services to the QKFS Assurance Team for further review.

Where a funded provider has not met their contractual obligations, the matter will be referred to the ACE Team to determine the appropriate contractual remedy. The Director, Grants Management and the Executive Director, GM&F will determine and implement the appropriate remedial action.

### *Reviews*

The department may undertake a range of assurance reviews to ensure a service is complying with its contractual obligations, including targeted, desktop and full review processes with a site visit component. These reviews will be undertaken by a designated team within ECEI using a risk-based framework.

## **3. Program review, analysis and evaluation**

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### **3.1. Develop an evaluation plan**

Program evaluators within ECEI will develop an evaluation plan to identify:

- Why the evaluation is being undertaken?
- What will be evaluated?
- What information/data will be collected?
- Who will lead the evaluation?
- Which stakeholders will be involved?
- What will be the evaluation approach/method?
- When the evaluation will be completed?
- What resources are required?

The evaluation plan must be documented and approved by the Assistant Director-General, Early Learning and Development. The evaluation approach should be considered in grant program design phase to ensure sufficient and appropriate information is available to support the evaluation.

Refer to the Queensland Government [Program Evaluation Guidelines](#) for more information.

### **3.2. Conduct evaluation**

Evaluators must be sufficiently skilled and independent from the grant program, and its recipients and beneficiaries to ensure impartiality and transparency. When conducting evaluations, consideration must be given to:

- the ECEI Performance and Investment Framework;
- management of risk factors;
- compliance with ethical standards (e.g. informed consent, confidentiality);
- embedding quality assurance processes (e.g. systematic, data-based inquiries);
- applying standards of evidence (e.g. quality, quantity, impact, utility);
- efficient management of documentation and data (collection, handling, accessibility); and
- ensuring flexibility to adapt or respond to emerging findings or needs.

### 3.3. Report findings and recommendations

An evaluation report must be produced to communicate key findings with internal stakeholders and decision-makers, ensuring that the content, language and mode of communication is appropriate to address the expectations and information needs of the target audience. These factors should be determined in the evaluation planning phase. The evaluation outcomes and recommendations will be considered by the Early Childhood Investment Board.

### 3.4. Developing strategies for continuous improvement

The Relationship Management Team will work with funded services to ensure they are meeting their contractual obligations and that the service delivery model is sustainable.

Discussions with funded services will have a compliance focus, informed by findings from the assessment and acquittal process.

After the end of each reporting period:

- an overview of contractual performance is to be prepared by GM&F and provided to SIP to inform program review and improvement;
- the risk rating of services is to be reviewed and updated and corrective action or additional support implemented to support at risk services; and
- an overview of grant management activities is to be prepared to confirm compliance with agreed service level standards, and to identify any opportunities to improve the efficiency, effectiveness and economy of grant administration practices.

## Definitions

Term	Definition
<b>Beneficiary(ies)</b>	A service that delivers the early childhood program and is the end recipient of a grant.
<b>Eligibility</b>	Mandatory criteria which must be met to qualify for a grant. Assessment criteria may apply in addition to eligibility criteria.
<b>Delegated authority</b>	The Director-General may give authority to officers to carry out administrative and finance functions to support the department's business.  In this procedure, a delegated authority/officer includes the Deputy Director-General, Assistant Director-General, Executive Director, or Director in the Early Childhood and Education Improvement Division.
<b>Funding</b>	An amount of funding assistance that is provided to an entity under the Service Agreement, as specified or included in a Funding Schedule. In an appropriate context, it also means all of the funding assistance payable under the Service Agreement.

Term	Definition
<b>Grant</b>	<p>Funding provided to entities (including community groups, statutory bodies, local government or commercial enterprises) that exhibit some, or all, of the following characteristics:</p> <ul style="list-style-type: none"> <li>• a transfer to a recipient in return for compliance with certain terms and conditions;</li> <li>• a transfer which may not directly give approximately equal value in return to the Government; and</li> <li>• a recipient may have been selected on merit against a set of program-specific criteria.</li> </ul>
<b>Grantee(s)</b>	The organisational entity (applicant) responsible for the grant. This is the registered legal entity with an Australian Business Number.
<b>Grant activity(ies)</b>	Refers to the project /tasks /services that the grantee is required to undertake in accordance with the executed service agreement.
<b>Grants administration</b>	The processes that an entity undertakes to achieve Government policy outcomes through grants. It includes: planning and design; selection and decision-making; the making of a grant; the management of grant agreements; the ongoing relationship with grantees; reporting; and review and evaluation.
<b>Grants management</b>	Means to efficiently, effectively and ethically administer funding to approved grant recipients in accordance with government policy outcomes.
<b>Grants management system</b>	The Department of Education's online reporting system for the electronic lodgement of data and reports under the Service Agreement Reporting Requirements (which is QGrants).
<b>Grant opportunity(ies)</b>	Refers to the specific grant round or process where a Queensland government grant is made available to potential Grantees. Grant opportunities may be open, negotiated or targeted, and will reflect the relevant grant selection process.
<b>Grants programs</b>	Those activities and operations of the grantee which are necessary to carry out the purpose of the grant.
<b>Grant recipients</b>	Refer to Grantee.
<b>Kindergarten service</b>	Kindergarten services (also referred to as sessional kindergartens) are stand-alone services that offer a kindergarten program during school hours throughout the school term.
<b>Long day care</b>	Long day care services usually operate at least 10 hours a day, Monday to Friday, for at least 48 weeks a year.

Term	Definition
<b>Performance measures</b>	Performance measures should demonstrate how well an organisation/service provider, government agency or service system is working. Of particular importance are performance measures that can demonstrate whether clients are better off as a result of the service or program that they used or participated in.
<b>Registered organisation</b>	An organisation that has created a Grantee account in the QGrants system.
<b>QGrants</b>	The online whole-of-government grants management system used to manage the various DoE grant programs, including Queensland Kindergarten Funding Scheme (QKFS) and EYS grant programs.
<b>QKFS Funding Requirements</b>	The Queensland Kindergarten Funding Scheme: Funding Requirements provides information about how to become and approved kindergarten provider and remain eligible for Queensland Kindergarten Funding Scheme (QKFS) subsidies.
<b>Service Agreement</b>	An agreement entered into by the Department of Education (the department) and the Grantee which details funding that will be provided by the department for the purpose of delivering services as outlined in a Funding Schedule. It is legally binding, and outlines the Grantees obligations and the specified performance measures and reporting requirements Grantees are expected to deliver upon.
<b>Subsidy(ies)</b>	A sum of money granted by the Queensland Government to Grantees to help reduce the cost of early childhood education and care in Queensland.

## Legislation

- [Financial Accountability Act 2009 \(Qld\)](#)
- [Financial and Performance Management Standard 2019](#)
- [Education \(General Provisions\) Act 2006 \(Qld\)](#)
- [Community Services Act 2007 \(Qld\)](#)
- [Public Sector Ethics Act 1994 \(Qld\)](#)

## Delegations/Authorisations

- [Delegation of Director-General's powers under Community Services Act 2007](#)
- [Delegation of Director-General's powers under Education \(General Provisions\) Regulation 2017](#)
- [Delegation of Director-General's powers as Accountable Officer under Financial Accountability Act 2009](#)
- [Financial Delegations](#)

## Policies and procedures in this group

- [Early childhood grants management policy](#)

## Supporting information for this procedure

- Nil

## Other resources

- [Early childhood grants management framework](#)
- [Code of conduct](#)
- [Enterprise risk management policy](#)
- [Enterprise risk management procedure](#)
- [Conflict of interest procedure](#)
- [Corporate governance framework](#)
- [Customer complaints management policy](#)
- [Customer complaints management procedure](#)
- [Financial internal controls policy](#)
- [Queensland Treasury Financial Accountability Handbook 2019](#), Volume 6 - Grant Management
- [Queensland Kindergarten Funding Scheme: Funding Requirements](#)
- [Queensland Government Program Evaluation Guidelines](#)

## Content manger information (DoE employees only)

- Early Years Service Applications – QGrants Internal User Guide (16/528457)
- Early Years Service Claims – QGrants Internal User Guide (16/528530)
- Internal Program Evaluation Guide for Strategy, Innovation and Planning (20/319278)
- Kindergarten Program Provider (KPP) Desktop Manual – Central Governing Bodies (17/44788)
- Kindergarten Program Provider (KPP) Desktop Manual – Long Day Care (14/121073)
- QKFS Claims Processing Desktop Manual – Long Day Care (14/127825)
- QKFS Claims Desktop Manual – Central Governing Bodies (17/44788)
- QKFS Claims Adjustment Process Desktop Manual - Long Day Care (14/127826)

## Contact

For further information, please contact:

Early Childhood and Education Improvement

Grants Management and Funding

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## Review date

15/07/2024

## Superseded versions

*Previous seven years shown. Minor version updates not included.*

Nil

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