

2024

Fund Management Policy, Guidelines and Procedure

Social Investment Fund Sector

Authority of Social Contribution - Maan







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Terminology, Context, Purpose and Scope



1.1 Terminology (for the use of this policy only)

Ma'an	Authority of Social Contribution.
DCD	Department of Community Development.
DOF	Department of Finance.
Project /s	Social Projects funded by Ma'an that predominantly aim to serve and benefit the community of Abu Dhabi.
Committee	Application review Committee assigned by Ma'an to act as governance level committee of members who have advisory to the grant's applications
Grantee	The applicant who is awarded a grant by Ma'an
Milestones	Key stages of the project/s as per the grant's payment schedule
Ma'an Pillars	Ma'an internal business units/sectors: CEV, MSIA, SIF
ADSE	Social Enterprises in the emirate of Abu Dhabi
NFPs	Non-for Profits operating in Abu Dhabi and the UAE
Restricted Contributions	Financial contributions dedicated to specific initiative/project initiated by Ma'an and partners 'if any'.
Unrestricted Contributions	Contributions sourced during Together We are good (TWAG 2020) campaign, interest income, or where the contributors do not specify project.
Social priorities	Social priorities as illustrated in Ma'an's Law No. 6 of year 2019, and to what Ma'an has accordingly committed to as may be amended from time to time.
Social Fund	The Ma'an pillar primarily responsible for fundraising and allocating funds.
Social Investment	The employment of contributions in supporting projects with a purely social return and/or financial return that is directed either to solving community challenges or to sustaining the same social project.
operational and management expenses of the projects:	obligatory/ essential amounts to be spend on enablement and/or implementation of the project/s, in which should not exceed 15% of the projects value .



1.2 Context

The Authority of Social Contribution- ("Ma'an") is established by Law No.6 of 2019.

According to article 4 subsection 1 and 7 of this Law, two of Ma'an's mandate includes the authority to:

- "Collecting financial and in-kind contributions provided by the government entities, establishments, institutions, the private sector and individuals, as part of their responsibility towards the community, to spend or direct the same for community service to serve the community, to spend or direct the same for community service.".
- "Creating and managing a portfolio with aiming to attract social contributions from various sources and investing them in social projects, which contribute to facing the social challenges and needs, in coordination with the relevant entities.".

1.3 Purpose

The Policy applies to all the Ma'an Divisions And any entity requesting funds from Ma'an and aims to provide guidelines to efficiently and effectively allocate, disburse, and direct funds

This document outlines the key steps and considerations for allocation of fund available at Ma'an amongst approved Social Priorities,. The purpose of this document is to clarify and reinforce details governing the diverse aspects of the fund management, and in particular the following components:

- 1- Primary Responsible Ma'an Team(Primary SIF team implementing the deployment of funds).
- 2- Application Process for Fund Request.
- 3- Fund Request Eligibility Criteria.
- 4- Fund Type: Restricted and Unrestricted funding process and evaluation process for each.
- 5- Allocation of Interest Earned on Contributions
- 6- Reporting and Monitoring Mechanisms.
- 7- Governance Structure.

Each of the above components will be articulated in more detail in the sections that follow. This document outlines the means, methods, and governance through which the funding project/s are delivered. This document emphasizes the following:

- Assuring providing grants funding to government, private and third sectors entities to support them delivering social services and value to the wider community within governed process.
- Assuring fair and clear process for all the grants requested through the Committee (assigned to review the fund requests) and whose members evaluate and advise on the received applications, or without the committee in terms of restricted fund.



- To provide the necessary funding support to the eligible entities who pass the screening and evaluation stages according to the predefined criteria and contingent to Committee's approval.
- To convey a clear process and procedure for the grant's management to stakeholders.
- To confirm the key obligations, responsibilities, and authorities of each stakeholder.

1.4 Responsibility of Implementation

The Social Investment Fund (SIF) is responsible for assuring the right implementation of its project/s processes, procedures, and for conducting the annual planning for funds deployment.

- The SIF is responsible for receiving and evaluating applications received as funding requests, and allocating the funding for the approved requests based on the criteria approved & making recommendations on each application to the committee.
- The Committee is responsible for reviewing projects grants requests that will utilize the allocation of unrestricted contributions based on the recommendations of SIF, and for making recommendations to the Director General to accept/reject these grants requests. The Director General of Ma'an is the sole authority for approval, rejection, and amendments of funds allocations.
- At the discretion of the Director General of Ma'an certain exemptions and waivers of the process may be granted for certain funding requests
- SIF is responsible for preparing the grants agreements of an awarding and managing the funds allocation flows inclusive of any milestones associated with the payments.
- The SIF team will evaluate the adherence of the grantee to the agreed milestones,
- The Finance Section at Ma'an is responsible for disbursing the grants to the grantee according to the approved milestones.
- For some projects, a third party may be appointed to manage the projects. In that case, the respective Ma'an Division will be responsible for identifying and engaging the third party to manage the project/s and overseeing their project/s management and assure deliverables are satisfactory to the agreement standards, milestones, terms and conditions.
- For restricted contributions the social fund team will allocate the funds in accordance with the fundraising policy and procedures.

Every year SIF will prepare its deployment strategy, and allocation mix plan project/s to ensure alignment with MA'AN' three years strategy. The strategy needs to be vetted and approved by the Director General and subject to annual review and update including the approval of allocation of interest earned on contributor funds.



1.5 Allocation of Unrestricted Contributions

The most important component for the success of allocating resources is the suitability of the allocation mix as annual planning. The allocation mix includes determining a percentage dedicated to each direction and delineates how the total funds will be divided amongst the different directions annually.

The funds available and to be deployed for each social theme/ are not a static number and accordingly, the percentage is an important criterion to set aside funds at each stage of development and fundraising will be discussed with the Executive Directors of the concerned pillars, and presented by the Executive Director of Social Investment Fund sector to the Director General of Ma'an based on annual basis and can be revisited quarterly.

To deploy funds to any approved project/s by DG from Maan internal divisions, the concerned Ma'an Division needs to submit to the Executive Director of the Social investment Fund Sector an application, the "Funding Request" to enable SIF to evaluate the request before allocation fund recommendation.

In the event the Social Investment Sector is submitting the Funding Request, the Funding Request must be reviewed directly by the Director General for approval.

1.6 Allocation of Restricted Contributions

- The restricted contributions will be allocated in accordance with the Fundraising Policy
- The SIF Contributions Management director will inform the SIF Fund Management director for each restricted contributions and the project information and partner who will receive the fund
- The Flows Section Manager will contact the grantee (receiver of the fund) to share the information about the funds received and request information and evidence where funds will be utilized
- The payment milestones will be as per the agreement with grantee

1.6 Identification and Filing

- The Master of this document shall be retained by the SIF Fund Executive Director.
- This document along with the relevant forms/ documents is accessible through the shared folder.

1.7 Distribution

This document will be distributed to all business functions Directors and key stakeholders.



1.8 Roles & Responsibilities

The division of responsibilities amongst all those concerned can be summarized as follow (refer to funding process in Section 2&3)

Director General

1. Approve this Policy along with the relevant elements, including (but not limited to) funding cashflows projectionsfunding allocation mix, etc.
2. Approve the funding caps for other Ma'an Pillars of CEV and ISC.
3. On an on-going basis approve or reject Funding/Allocation Requests from Executive Director of Social Investment Fund Sector
4. Approve any relevant policies and procedures required to implement this Policy.
5. At the start of every year the DG will approve allocation of unallocated funds, including but not limited to: ATM channels, AD pay channels, unrestricted community contributions, and others ...etc.

Executive Director of Social Investment Fund Sector

1. Endorse a long-term strategy (In keeping with Ma'an strategy horizon) against which funds can be disbursed and provide any amendments or recommendations thereon from time to time for the Director General's approval based on Ma'ans' strategy.
2. Direct development of this Policy and oversee its implementation along with any suggested amendments.
3. Review and endorse Funding Requests prior to presenting to the Committee
4. Provide proposals to Director General, regarding this Policy including allocation mix and adjustments thereto based on discussions with Strategic Office and other relevant Ma'an pillars
5. Propose the projects to which the interest earned on contributions is allocated.
6. Review and endorse any relevant policies and procedures to implement this, Policy.

Director of Fund Management Division

1. Prepare the long terms deployment strategy and get it endorsed by Executive Director of Social Investment Fund and approved by Director General
2. Oversee reporting of funds disbursed against each project/s and the impact created.
3. Propose any changes to this Policy or long-term funding strategy.
4. Suggest amendments to the allocation mix from time to time depending on the results and in line with the Social Priorities based on discussions with Strategic Affairs Office in line with Ma'an strategy.
5. Prepare relevant policies and procedures to implement this, Policy.
6. Review and propose an evaluation strategy to the Executive Director of Social Investment Sector for approval.

Executive Directors/Director of other Ma'an Divisions

1. Submit Funding Requests to Executive Director of Social Investment Fund Sector after submission and approval by Director General on the Project/s.
2. Internal Governance Committees of other Sectors will carry out the evaluation and approving of sub projects for internal cap approved by DG and later by the Social Investment Fund.



3. Every payment request must be verified and approved by the Executive Director/Director of the pillar and share Social Investment Fund with all required supporting documents.
4. Each pillar will share periodic update on the progress of sub projects each month or when necessary.
5. Responsible for all deliverable and payment achievement to project fund by contribution and manage by the pillars
6. Approving mapping all projects to contributors
7. Proposes to the Director General the allocation of unallocated funds, including but not limited to: ATM channels, AD pay channels, unrestricted community contributions, and others ...etc.

Strategic Affairs Office:

1. Endorsing Allocation Mix
2. Endorsing funding cap allocated to other Ma'an pillars.

Legal Affairs Office:

1. Initiate resolution letters for their respective approved project/ss and submit them to the Director General for approval.
2. Review the Grants Letter of Awards of the project/ss initiated by the Social Investment Team and obtain Director General's approval.
3. Review the agreements initiated by the Social Investment Team for each approved project/s.
4. Reviewing and endorsing this policy

The Primary Functions



2.1 The Primary Function

The primary Function at Ma'an responsible for implementing the components of this document is the Fund Management Division within the SIF Sector. The fund management Division, comprises of two sections, each with responsibilities in relation to the funding project/s encapsulated by this document:

2.2 Investment Section: is tasked with:

- Receiving / collating applications for funding project/ss
- Conducting initial review of received documentation for suitability and alignment with the funding criteria.
- Communicating and engaging with applicants to receive satisfactory information and inform of the progress of the application.
- Conducting in-depth information gathering and analysis for applications that progress to full due diligence.
- Liaising with internal and external stakeholders while conducting the due diligence
- Evaluating the application in the light of the information gathered through due diligence.
- Preparing the presentation for each application, along with a recommendation and associated rationale to the committee and then to Director General of Maan.
- Recording and conveying the decisions of Director General of Maan to the applicant.
- Implementing the approved recommendation of Director General of Maan in respect of the approved applications for funding.
- Preparing the formal and/or legal documents, inclusive of the conditions and metrics/KPIs, under which the applicant entities will be provided with funding.
- Liaising with the applicants while finalizing the agreements for funding and specific terms and conditions.
- After approval of the agreement conveyed it internally and to the relevant stakeholders

2.3 Flows Section: is tasked with:








- Receiving approved applications from the Investment Section, complete with all requisite applicant details and a signed agreement.
- Collect an accurate cashflow spending plan from each applicant for both real-time spending and future forecasts.
- Ensuring actual funding and payment schedules for each application executed and aligned as per confirmed Ma'an deployment plan and payment schedules.
- Liaising with the Ma'an Finance section for the necessary approval and formal sign offs prior to deployment of the approved funding to each of the applicants through Unrestricted and Restricted Contributions.
- Periodic follow up with each applicant to collate the output, outcome, and impact data as per the funding agreement with the applicant.
- Supervise the contributions received through Contribution Management, ensuring alignment with the redirections of Unrestricted Contributions, and Restricted Contributions in terms of source of fund and its management and approvals process.
- Collaborate with Contribution Management to gather and validate all data pertaining to Fundraise Projects, Fundraise Amount, and Stakeholders.
- Providing reports on the social impact achieved by each applicant, including statistics and details of beneficiaries.
- Reporting the deployment info and other metrics to the Strategic affairs office and Ma'an management.

In addition, the Social Fund Sector is responsible for the planning and coordination of the required approvals by the request committee, DG office, and other internal and external stakeholders (as applicable).

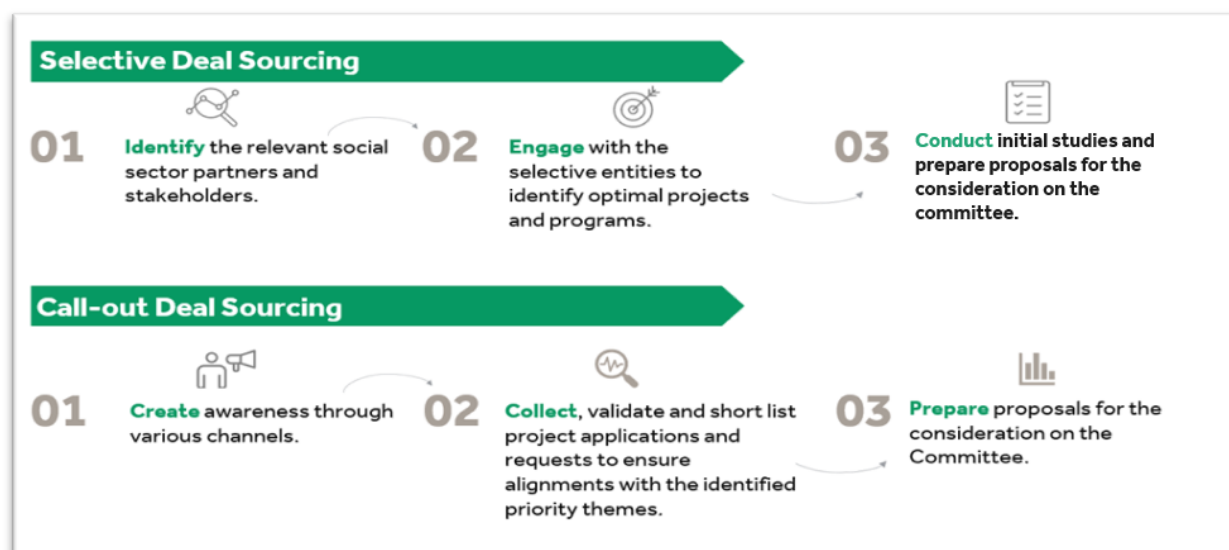


Applications For Funding

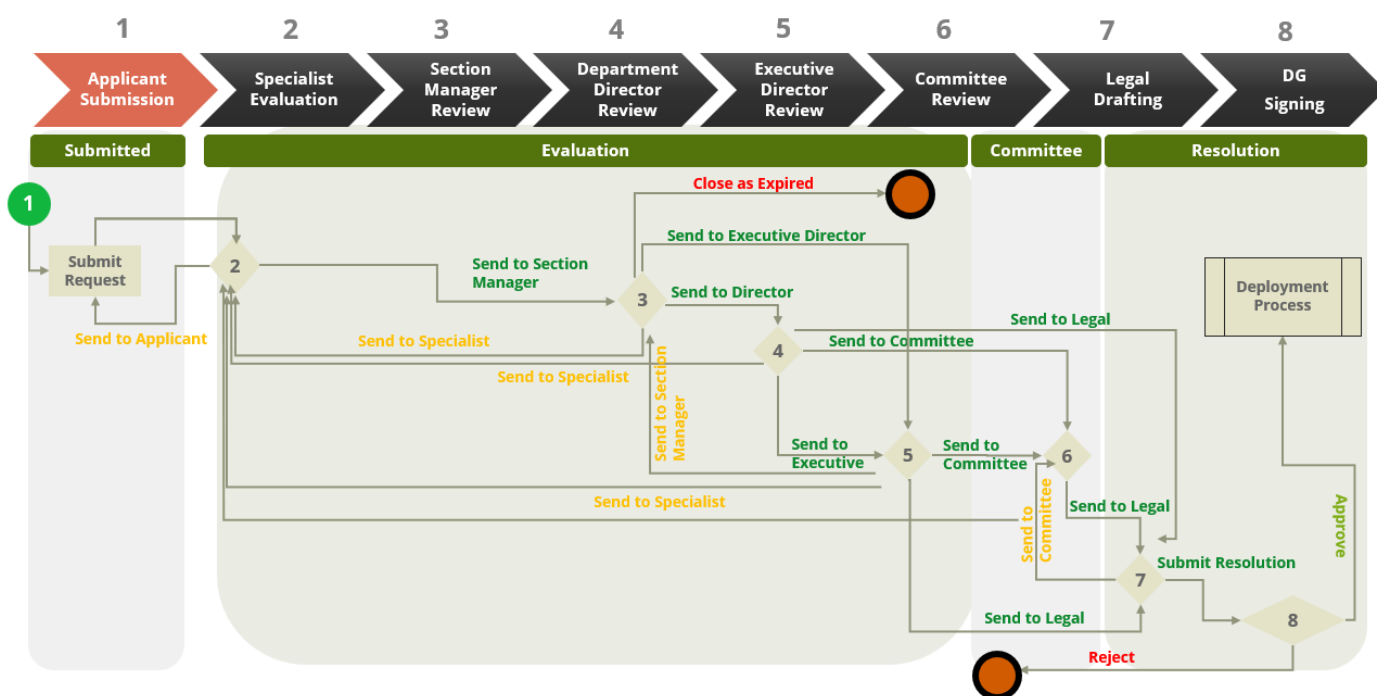
3.1 Deal Sourcing: the activity that aims to collect and engage to get applications or funding requests from various stakeholders. It can be through applications received on the platforms and can also be conducted through engagement and/or forming strategic partnerships with concerned entities to form a pipeline of project/s.

Government	Third Sector	Private Sector
Government entities 	Foundations 	Private Sector Entities 
SOEs (State Owned Entities) 	Associations 	Small and Medium Enterprises (SMEs) 
Ma'an Pillars 	Charities 	Startups 
	Not for Profit Organizations 	
	Social Enterprises 	

Applications sourcing is either conducted via either a selective approach, whereby Ma'an would be actively approaching and selecting stakeholders to support social project/s that fulfil current community needs, or via a call-out approach, whereby Ma'an invites interested third sector participants including social enterprises, nonprofits, and other entities to apply via the Ma'an online platform. In all cases, applicants are required to register and submit their project(s) on the online funding applications platform, to enable the evaluation by SIF to commence.



3.2 Unrestricted Contribution: The chart below illustrates the full steps (cycle) from receipt of application to the closure of the funding and follow-up arrangements. The fund request process takes 60 working days (or any further future direction from the Executive Management) from receiving the complete request to share the decision with applicants.



3.3 Restricted Contribution

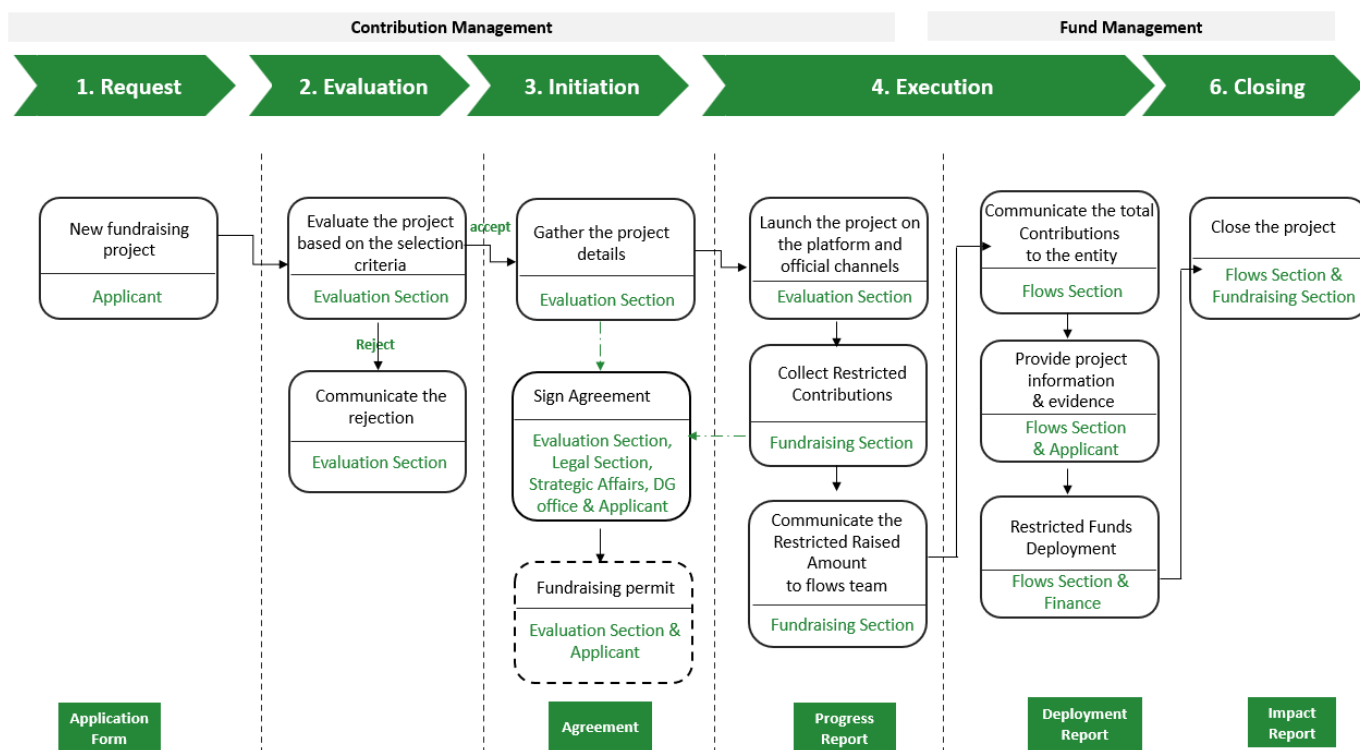


Figure 1: High-level fundraising request process

3.4 Payment Process for Restricted/Unrestricted

Social Investment Fund provides financial assistance to external entities as well as internal pillars for supporting various social projects. The Flow section receives payment requests from different parties, both internal pillars and external entities.. Financial assistance can be derived from either unrestricted or restricted contributions. However, the standard operating procedures for preparing payment requests to release funds are identical though the request derived from different entities or sources.

Once the Flow Section receives a payment request,

1. Flow Specialist prepares the payment request after receiving and examining all supporting documents relevant to the projects.
 - a. Mainly, to process a payment request an applicant required to submit an invoice as per the milestones specified in the agreement, IBAN letter, incorporation documents along with other supporting documents s as per the needs and nature of the project/s and the agreement.
 - b. The Flow specialist would examine all documents along with agreements and all the supporting documents..
2. Send payment request to get the final approval from Flow Section Manager and Fund Management Director.



3. The duly signed and approved payment request will be shared with the Finance Section attaching all supporting documents for further proceedings.
4. Once the funds are released to the external entities/beneficiaries from Ma'an bank accounts, Flow Specialist will inform the external entities/beneficiaries and properly document all communications.



Eligibility

4.1 The applications are screened for alignment with a list of predetermined themes, social priorities, beneficiary group, and location. These are periodically provided by the Strategic Affairs division of Ma'an.

Those applications that pass all initial screening conditions progress to the full due diligence phase. Applications that do not meet the criteria will not proceed with detailed due diligence and to the Committee, and the applicant will be informed accordingly.

If applications meet the criteria, full due diligence is then carried out. The due diligence culminates in a scoring methodology, and a written brief to the Committee, which highlights key information on the application received, along with a recommendation by the social investment Fund team on the merit of the application.

After the application is qualified and eligible for funding, the social investment section finalizes the source of fund for the project with account, and if from restricted \unrestricted contributions name of the project and approve it from the sector executive director.

Refer to appendix 7 for details about excluded uses/costs, allowable costs, and evaluation criteria.

Schedule 1: Excluded Uses/Costs

Schedule 2: Allowable Costs

Schedule 3: Evaluation Criteria

Fund type restricted and unrestricted process and evaluation process for each:

- If the Contributions are restricted to specified projects, then restricted contributions are exempted from committee review and endorsement. The restricted fund goes directly to the project chosen.
- Mapping the unrestricted contributions to the project is carried out by the executive director after every committee or on a quarterly basis.



Governance and Reporting

5.1 Governance: a committee, the Committee, was established by administrative decree issued by the Director General of Ma'an (DG) No. 62 of 2021, amended by Decree No. 120 of 2023, to review applications for funding.

The committee comprises members appointed by the DG of Ma'an with pre a co-ordination with the Social Sector regulator (DCD), and the committee members perform their duties in accordance with a detailed Charter.

The membership of the committee and its Charter is reviewed periodically by the ED of the SIF Sector. The ED makes a recommendation to the DG of Ma'an as to any changes.

The main areas of responsibility for the committee as below:

- Review applications and make recommendations for approval in full or partially.
- Review applications and make recommendations for rejection.
- Review applications and request more information to enable thorough assessment.

The roles and responsibilities of the committee are detailed in the separate Committee Charter released in 28th of Aug 2023 with DG's approval. .

This Policy and all its content are to be reviewed and approved by the Director General.

On an annual basis, there will be a review of:

- this Policy
- the strategy proposed within this Policy.
- the project/s within each direction
- the allocation mix of each direction
- the percentage Allocation mix

5.2 Funds Allocation methodology for the projects approved by the Committee.

Contributions received before 01st January 2023 as unrestricted contributions (Together We Are Good and Social Investment Fund projects) are considered as unrestricted contributions and the pool of funds will be resorted to finance the projects approved by the Social Allocation Committee. Individual project allocation for certain contributions/contributors would be performed by the Flow team with the guidance from the Executive Director, Director of Fund Management and Director of Contribution Management. Allocation decisions for contributions are predominantly influenced by factors such as reaching out to the contributors, their preferences, and the suitability of the projects.



This needs to be performed monthly and validated and finalized in every quarter before 15 days after the end of quarter.

5.3 Evaluation and Approval of underlying projects Internal Caps for other Pillars

Internal governance committees of Individual pillars are solely responsible for evaluating and approving underlying projects for funds allocated to those pillars by the Social Investment Fund. Each pillar should source, evaluate, and approve the sub projects as per their approved mandate.

5.4 Reporting and Monitoring

Following the deployment of funds to approved applications of funding, the Flows Section within the SIF Sector conducts systematic follow up with the entities which have been provided with funding, to collate information as per the relevant conditions in the funding agreement.

The data collected is provided to the Strategic Affairs Office at Ma'an and the Director General, , which reviews the information and the adherence of the entities which have been funded to the agreed upon conditions and criteria for financial support.

The Flow team is responsible for maintaining all set of data related to the Social Investment Fund operational activities including but not limited to approved allocations, deployment of funds, contributions (both Cash & In-Kind), targeted and actual beneficiaries, allocation of projects for individual contributions and real time project status update.

The sourcing of above-mentioned data/information should be formalized and documented monthly.

1. Approved applications – Social Investment section will share the Flow Team the list of projects approved by the Committee along the total requested amount, approved amount, social theme, targeted beneficiaries by end of every meeting and validated report by end of every month.
2. Deployment of funds – Flow Section will update the deployed funds daily and validate numbers with the bank statement including the Source of Funds.
3. Contributions (both Cash & In-Kind) - Flow team will update the contribution/fundraising records daily and validate numbers with the bank statement regularly.



Allocation of Bank Interest Earned on Contributions

6.1 On a periodic basis, the bank interest which has accumulated on funds in Ma'ans' contributions accounts (where interest payment is applicable) during a calendar year, shall be allocated to cover initiatives, projects, and/or activities, in addition the operational and management expenses of it.

6.2 The Fund Management division in SIF shall identify and propose a list of projects (to be proposed by SIF ED and approved by the DG for funding.

6.3 The interest amount shall be allocated towards operational and management expenses, but not limited, such as

- A- Funding the design, development, launch, or ongoing operational stages of those projects.
- B- Funding costs related to the marketing of the projects to contributors and fundraising efforts to raise funds for those projects.
- C- Funding the budget (capital expenditure or operational expenditure) of those projects.
- D- Funding resources at Ma'an (including Tech systems and IT, personnel and specialist services) which are required and necessary for the operating and/or managing of one and/or several project/s.

If applicable, amounts to be allocated to cover operational and management expenses are within the limit of 15% of the project's value.

6.4 The proposal for the projects and/or its operational/management expenses to be funded by the interest amount shall be articulated in a Memo which is:

- Proposed by ED of SIF
- Endorsed by SAO
- Endorsed by Legal Affairs
- Approved by the DG of Ma'an

Once the above endorsements and approval are in place, the SIF will proceed with the allocation and deployment of the interest amount towards the approved projects in accordance with this policy.



CSR Contracts Grants (Multiplier Approach)

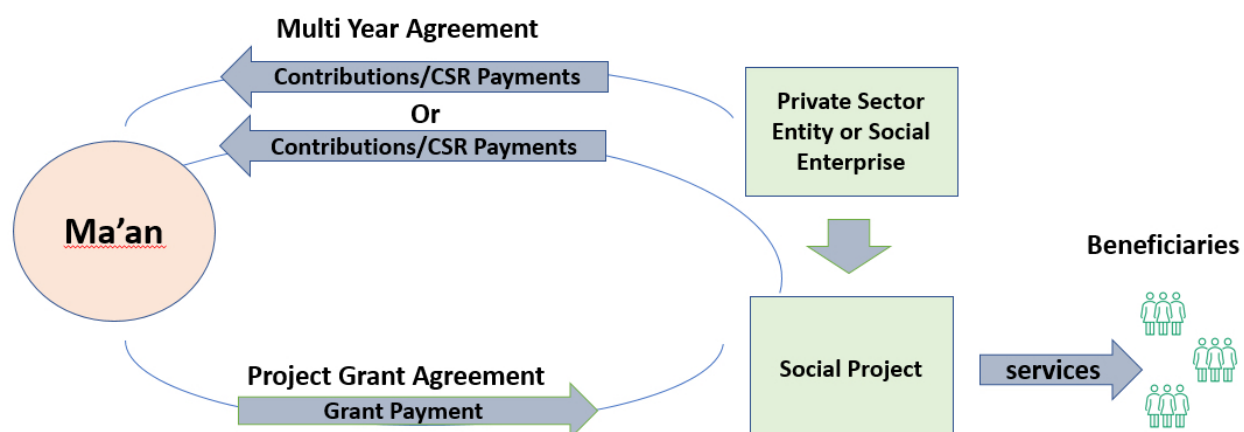
7.1 Approach Description

The approach is based upon and guided by MA'AN mandate to collect contributions and to direct these contributions to projects and establish contract arrangements. Specifically, recapping the relevant clauses under Ma'an establishment Law, Article 4, that provided the basis for the approach:

1. Collect monetary and in-kind contributions offered by government bodies, institutions and authorities, the private sector, and individuals as part of their responsibility towards the community, to be spent or directed to serve the a.
4. Regulate and put in place frameworks of cooperation between government bodies, the private sector and civil society institutions, including setting up frameworks and contractual models for social service projects and following their implementation.
7. Establish and manage a portfolio which aims to attract social contributions from different sources and investing them in social projects to contribute to facing social challenges and needs, in coordination with the relevant bodies.

Following on from the above, a viable, **two-pronged** approach is to be followed under the following guidelines:

- Ma'an to provide **grants** to qualifying entities (as per section 7.3) that can launch and/or operate projects utilizing these grants.
- **Simultaneously, but separately,** the **entity behind the project**, is to **sign an agreement with Ma'an**, as part of the **voluntary contribution** commitment of that entity, **to pay an agreed sum on a recurring basis to Ma'an to be utilized in social projects.**
- The recurrent contribution payment to be received by Ma'an **can add up over time to the grant amount, or exceed it**, depending on the arrangement.
- The contribution can be paid directly to Ma'an for onward allocation to social projects, or Ma'an may direct that the contribution is paid back into the same project to support its operations or scaling up dependent on the agreement with the project owner/sponsor.
- It's envisaged that such an arrangement would be **viable with selective entities that are not only capable of establishing and/or running social projects but have strong financial capacity to deliver the payments.**



7.2 The Primary Functions

The Ma'an CSR Contract Grant approach comprises **two key components that must exist simultaneously**: a grants component coupled with a CSR/compulsory Contribution component. The primary function at Ma'an responsible for implementing the **Grants components (restricted contribution and non-restricted contribution)** of this document is the **Fund Management Division within the SIF Sector**. In addition, the **Social Responsibility Division within the CEV Sector** is responsible for the **agreement component** if the contractual arrangement for the contribution under the social investment is with a corporate entity.

The roles of the Investment Section and Flows Section have been **previously described in this document**.

In addition, the **CSR Division of the CEV will jointly coordinate with SIF in the management of the CSR agreement** under this approach. Specifically, the coordination will comprise:

- Pursuing CSR arrangements with private sector entities in tandem with the grants application under consideration for projects sponsored by, owned, associated, or linked to these private sector entities, through engagement and relationship management.
- Pursuing and sourcing new projects that are in keeping with the principle of grants deployment in projects coupled with CSR contributions stream by the corporate owner or sponsor of the project. Preparing the formal CSR contracts, inclusive of the recurring CSR contributions, terms and conditions, and any related items, taking into consideration the associated grants arrangement and agreement.
- Liaising with Ma'an Legal affairs office, and the DG office for the necessary approval and formal sign offs or any CSR arrangements and agreements prior to formal signing/execution between the parties.
- Periodic follow-up with signatories to CSR agreements in relation to agreed payments and other agreed arrangements.



7.3 Eligibility of CSR Contracts Grants Projects

- Eligibility of the grants component is based on the restricted contributions and nonrestricted contributions eligibility and associated processes, in accordance with this policy and the policy relevant to the restricted contributions.

Evaluation in relation to the project would be carried out in keeping with the due diligence stated earlier in this policy under Section 4.

7.4 CSR Contract Grants

An **additional assessment** is carried out by the SIF team (and CEV team, if applicable) during Stage 2 to assess the entities who are deemed to have capacity (or the project's capacity) to pay CSR contributions (and hence evaluate the ability to receive CSR payments) and the expected value of such amounts. This additional assessment will be coordinated by the SIF team with the CEV team, and both teams jointly assess the viability of this approach along with separate standard assessments of the grant funding potential of the project.

Projects are then deemed as potential CSR Contract Grants, or as grants only.

Specifically, to be considered as a CSR Contract Grants, the following must be met:

Either:

The project owner or sponsor **has the financial stability and capacity to pay an agreed recurring financial contribution** which is equivalent or exceeds the total value of the grant awarded, for the project, or **A project being funded by a grant is expected to generate positive returns, whereby a portion of the returns (constituting recurring financial contributions)** are to be paid to Ma'an or recycled into the project (as is agreed with Ma'an in the CSR agreement), the value of which cumulatively maybe equivalent or exceeds the total value of the grant to be awarded

Concurrent with the grant agreement, a separate CSR (compulsory contribution) agreement is drafted and entered between Ma'an and the project sponsor/owner that clearly stipulates the value of terms associated with the expected contributions to Ma'an (or back into the project) and the period over which the CSR contributions will be made.

To be effective, and to ensure correct alignment, both the Grants agreement and the CSR agreement must be concluded and executed concurrently between the parties.

7.5 Governance of the Grants component

The governance of the Grants component of the CSR Contract Grant approach follows that which is stated in Section 5 of this document.



7.6 Reporting and Monitoring

Following the deployment of grant funds to approved requests for funding, the **Flows Section within the SIF Sector conducts systematic follows up with the entities which have been provided with funding**, to collate information as per the relevant conditions in the funding agreement.

The CSR Division within CEV will follow up and report on the project owner/sponsor entities adherence to the terms of the CSR agreement and engage with those entities in case of delays or failures in payment.

The data collected is provided to the Director General, the Strategic Affairs Office at Ma'an and the Social Allocation Committee.



8 - Appendix



Schedule 1: Excluded Uses/Costs

Unless explicitly approved by MA'AN

- Public relations and advertising costs are unallowable
- Bad debts are unallowable
- Salaries and consultant costs are unallowable if they are not reasonable
- Contingencies are unallowable
- Contributions and donations are unallowable
- Entertainment is unallowable
- Fines, penalties, and mischarged costs are unallowable
- Independent research and development costs that are deferred are unallowable
- Insurances where the contractor is the beneficiary and that are not at market price are unallowable
- Interests on borrowings are unallowable
- Lobbying and political activity costs are unallowable
- Losses on other agreements are unallowable
- Costs associated with M&E and with planning or executing organization or reorganization of corporate business structure, and costs associated with raising capital or change in ownership are all unallowable
- Patents are unallowable
- Costs for relocation of an employee who resigns before 12 months for reasons within his/her control are unallowable
- Taxes for financing, refinancing, or reorganizing and organization are unallowable
-
- Any cost or element that is included in the government policies and decrees related to contributions.



Schedule 2: Allowable costs (subject to validation and specific approval by Ma'an)

Staff costs: Staff costs refer to the expenses towards paying salaries. Staff costs include expenses right from the recruitment of the staff (interview, orientation etc) to their salaries. Professionally speaking, it is important to mention how much time a particular staff will provide for the project and his/her salary has to be calculated accordingly.

Operational Costs: Operational costs include those expenses that have to be met for implementing activities for a project or an organization; activities such as organizing a village meeting, conducting a training workshop, running an awareness campaign involve certain expenses. These expenses are listed under the Operational Costs in a budget.

Capital Costs/ Capital Projects : capital costs/ capital projects include expenses for buying computers, office furniture, vehicles, office building and any enhancement / development to the existing projects etc.




Core Costs: Costs here can include staff meetings, stationery and other office maintenance expenses. In some cases, the expenses towards hiring a receptionist or caretaker who is not directly contributing to the project can be listed here.



Schedule 3: Evaluation Criteria



THE EVALUATION CRITERIA

SCORING CRITERIA		Weight
	Feasibility 30%	Cost 25%
		Effort 5%
	Impact 35%	Reach 12%
		Timeframe 10%
		Sustainability 9%
		Finance Link 4%
	Probability of Success & Marketability 35%	Risk 7%
		Influence 3%
		Financial Health 11%
		Applicant Experience 7%
		Applicant Capability 7%