

SEDIBENG DISTRICT NPOs/CBNPOs HIV & AIDS FUNDING POLICY

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DEFINITION OF TERMS

AIDS	Acquired Immuno-Deficiency Syndrome
CBNPO	Community Based Non-Profit making Organisation
FBO	Faith Based Organisations
HIV	Human Immuno-deficiency Virus
MTEF	Medium Term Expenditure Framework
MFMA	Municipal Finance Management Act
NPO	Non-Profit making Organisation
STIs	Sexually Transmitted Infections

1. BACKGROUND

HIV & AIDS still remain the number one threats to human developmental gains achieved over ten years of democracy. The democratically elected government inherited grey areas which were glaring in the field of NPOs and CBNPOs financial assistance/funding where in most instances funding benefited certain individuals in the society. Before 1994, despite escalating HIV infections rates, the majority of the people did not benefit from the funding that was made available by the government.

It was until 1998, when the National Department of Health realized that it could not win the battle against this scourge without the assistance of external stakeholders that NPO Funding guidelines were drastically and extensively revised. This culminated into more NPOs and CBNPOs from previously disadvantaged groups tasting funds to pursue their beloved work of assisting their fellow families and comrades.

NPOs and CBNPOs have been proven to be critical vehicles in assisting the government to reduce HIV infections and help manage the impact of AIDS. This however needs a well articulated and synergized programme of action within which measurable output would be derived.

2. PROBLEM STATEMENT

In the midst of the escalating infection rates, the District needs to consolidate HIV & AIDS interventions and programmes aimed at ameliorating the lives of the community of Sedibeng. These programmes need to clearly ensure that outputs are measurable in an effort to measure the degree of success.

Currently the District has high prevalence of HIV infection and already is experiencing more and more deaths as a result of the impact of Aids, especially of indigent families. This situation brings a stage of uncertainty in relation to socio-economic development.

The Provincial Department, for some time now has been funding NPOs/CBNPOs to carry HIV and Aids activities. However, new developments in the HIV & AIDS fraternity warrant that Local

Authorities also play a role in assisting NPOs/CBNPOs that are engaged in activities that are not health related like Home Based Care, Hospice and Palliative Care. During this period when Provincial Health Department has been funding NPOs/CBNPOs, the following problems have been identified with little success in addressing them:

- Delays in assessing and approving NPOs/CBNPOs, which leads to skewed funding that is not in line with either the Province or the Local Authority financial years.
- Late transfers of funds to NPOs/CBNPOs which in some instances lead to misappropriation of funds and lack of accountability by NPOs/CBNPOs
- Local Authority not in a position to influence priorities for funding based on the needs on the ground, leading to irrelevant funding (priorities for funding differ every year)
- Lack and ineffective monitoring of NPOs/ CBNPOs by Local authority staff as funding comes from Province

3. BENEFITS OF NPO/CBNPO FUNDING

- The District will have decisions on NPOs/CBNPOs interventions
- The District will fund NPOs/CBNPOs based on needs on the ground
- Monitoring of NPOs/CBNPOs will be effective
- Improved rapport between NPOs/CBNPOs and the District
- Involvement of wards in assessing and monitoring NPOs/CBNPOs work

4. PRINCIPLES FOR NPO/CBNPO FUNDING

- The District aims to benefit the community at large, people infected and affected by HIV & AIDS, children, orphans and previously disadvantaged groups
- The District commits to principle of openness, transparency, fairness, and trust and cost effectiveness. This should be reflected in the District commitment to ensuring strict equality of opportunities and equity.
- The District gives recognition and preference to organisations committed and actively involved in transformation process of the District and the country.

- The District accords special attention to special projects
- The NPOs/CBNPOs concerned address the District priorities
- The organisation be non-racial and non-sexist
- The organisation be non-profit making
- The organisation be accountable to its:
 - Mission i.e. serving the interest of the community
 - Organisational structure
 - Finances
- In the production of media messages, close attention be given to the content, literacy and language
- The organisation be a legally constituted body, with functioning and management committee
- The organisation must have a potential or demonstrate capacity to execute the intended project
- The organisation must be able to provide evidence of its financial stability together with its current financial status where possible. The organisation should also have no proven history of financial mismanagement or misappropriation
- The organisation must adhere to the principle of integrity, sustainability and skills transfer

5. CALL FOR PROPOSALS

- As part of ownership of the programme, NPOs/CBNPOs shall be budgeted for and funded by the Council/DLG/AIDS Unit
- Funding shall be in line with the Municipal Finance Management Act and shall form part of the MTEF
- Call for proposals (through Local print media) shall follow within 7 days after the approval of the budget for new financial year.

6. ADMINISTRATIVE COMPOSITION, PROCEDURE & PROCESS FOR FUNDING

6.1. COMPOSITION OF THE FUNDING COMMITTEE (LOCAL LEVEL)

The following people should be in the committee, chaired by the District MMC;

1. MMCs for health and welfare x 4
2. Councillors' coordinators/representatives from the office of the speakers x 4
3. Manager for HIV/AIDS X 1
4. Local Authority HIV & AIDS coordinators x 3
5. Representatives from Department of Education x 2
6. Representatives from Department of Social Development x 2
7. Representatives from the community 3
8. Community development officer 1

A quorum of 9 people is required to proceed with the meeting

6.2. CRITERIA FOR FUNDING

- The organisation should be an NPO with registration number
- The organisation should have a constitution
- The organisation should have a financial policy
- The organization's proposal should fall within the Provincial and Council's strategy and priority areas
- The organisation should have clear business plan with measurable inputs and outputs
- The organisation should have potential for skills transfer
- The organisation should have at least two years track record in HIV & AIDS

6.3. PROCESS FOR FUNDING

N.B. ALL PROCEEDINGS SHOULD BE MINUTED AND RECORDED

6.3.1. SITE VERIFICATION

Seven days (7) after the receipt of all applications, members of the committee (not less than three) will conduct site verifications. This is to assist the committee to determine and confirm existence of the organisation, physical addresses, governance and nature of their work.

6.3.2. ASSESSMENT OF APPLICATIONS

The process of assessment of applications shall be conducted within **15 days** after the closing date. During a meeting, the committee members will use the check list for the following: *availability of the application form, the constitution, NPO registration number, governance structure, financial policy, banking details and the business plan proposal with budget proposal and previous audited financial statement (if previously funded)*

Then the coordinator will present to the committee the following:

- In which ward does the CBO/NGO reside
- Brief history of the organisation including the date of establishment
- The business plan proposal with clear outputs and the budget proposal (please take note of personnel v/s service delivery. Ideally the ration should be :

Personnel 25%

Administration 15%

Service delivery 60%

- If previously funded, their performance during the past year (visibility, reporting rate, no. of beneficiaries reached for the previous financial year and their governance structure
- More than four committee members shall score applications.
- All recommendations should be prepared by the District Aids Unit for submission to DHAC recommendations , section 80 recommendations and the District Mayoral Committee approval of which once approval has been given, letters shall be written (within 7 days) to all

successful and unsuccessful applicants (for security measures, reasons for declining an application shall be given)

6.4. DISBURSEMENT OF FUNDS

- Successful organisations shall be written a letter within 7 days after the approval by mayoral committee
- Before disbursement of funds, the organisation shall sign a service level agreement. The contract shall specify the intent, target audience, target, expected output and reporting time frames.
- After the signing of the agreement, the District will publish the names of the successful applicants highlighting the following: *ward where the applicant resides, contact details and the field of operation*
- Funds will be disbursed in quarterly trenches upon satisfaction and approval of the report by the NGO funding committee.

7. UNDERPERFORMANCE/MISMANAGEMENT

- The relevant Local Municipality shall immediately inform the District and the NPOs/CBNPOs concerned in writing of any suspected irregularities within 5 days investigate the matter.
- If the alleged irregularity is serious i.e. involving mismanagement of funds, the local authority shall inform the NPOs/CBNPOs in writing of the intended visit and temporarily stop the concerned NPOs financial activities.
- Difficult cases shall be referred to the Sedibeng District committee for recommendations which may include external intervention like SAPS.

8. REPORTING

- NPOs/CBNPOs shall be requested to submit monthly reports to Local Aids coordinators by not later than the 5th of every month

- Local Aids coordinators shall meet monthly with NPOs/CBNPOs for verbal progress reports where challenges would be entertained
- The organisation shall submit written narrative and financial reports on quarterly basis on a standard reporting format

9. MONITORING AND EVALUATION

- The District committee shall meet with NPOs/CBNPOs twice in a year for debriefing
- The District shall actively involve ward councilors and sub-health committees in monitoring
- The District shall provide capacity to NPOs/CBNPOs for effective execution of their duties i.e. project management, financial management, advocacy and lobbying, business plan and report writing and sustainability