

THE CIVIL SOCIETY FUND
PROGRAMME

GUIDE TO THE ADMINISTRATION OF PROGRAMMES



Photo: Pernille Bærendtsen

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1. VALIDITY OF THE GUIDE

Please note that this guide will be continuously updated in response to any changes in the rules, or if anything in the text turns out to be unclear. The governing body of the Danish organisation is responsible for always using the latest version, which can be found on www.cisu.dk/skemaer.

2. HOW TO USE THE GUIDE

When you receive a grant from CISU, you commit yourselves to meeting a series of conditions and demands, as regards to the way in which the funds are to be managed. In this guide you can read about:

- Your obligations concerning accounting, monitoring, and reporting.
- How to administer the grant in practice.

It is important that you read this guide carefully and pay attention to whether you are complying with the rules throughout the course of the intervention. If you fail to administer the grant correctly, you may – in the worst-case scenario – be obliged to pay it back.

If, at a later stage, you wish to seek support from the Civil Society Fund for another intervention, the application will be assessed in view of your track record i.e., how you have managed and reported on previous grants.

3. WHO IS RESPONSIBLE FOR THE GRANT?

Grants from CISU are awarded to the Danish organisation featuring as the applicant. The governing body of the Danish organisation is fully responsible for the funds being managed according to the rules and in accordance with the basis on which they have been granted.

For the governing body, this entails the following obligations, among others:

- The money must be spent on the purposes described in the application.
- Steps should be taken to prevent corruption and misuse of funds.
- Financial procedures need to inspire confidence, including proper internal controls as well as bookkeeping and accounting in keeping with sound practices in this field. This means that both the intervention and the applicant organisation must be subject to external auditing.
- No entity which is party to the grant can be listed by the UN or EU as a terrorist organisation.
- Significant problems and irregularities in the intervention must be reported as soon as possible.
- Reports, accounts, and other obligatory documents regarding the intervention must be submitted on time.

4. AFTER FUNDING HAS BEEN GRANTED

4.1. Contract with CISU

After approval of a grant, a signed contract is sent via “Vores CISU” to the grant holding Danish organisation. Among the contract obligations is to fulfil the requirements and conditions set out in this guide. The contract also informs the deadlines that must be met as regards to the grant.

The contract must be signed by the grant holder, either by hand or digitally, and returned to CISU via “Vores CISU” before the intervention can begin implementation. Only when CISU has received the signed contract may the first instalment be disbursed.

4.2. Cooperation agreement with local partners

It is a condition for receiving a programme grant that cooperation agreements are drawn up between the Danish organisation and its local partners. Copies of the signed cooperation agreements must also be uploaded on Vores CISU”. This procedure must be completed before the second instalment can be disbursed.

It is obligatory for the cooperation agreement to contain the following clauses:

Anti-corruption clause:

“No offer, payment, consideration or benefit of any kind, which could be regarded as an illegal or corrupt practice, shall be made - neither directly nor indirectly - as an inducement or reward in relation to tendering, award of the contract, or execution of the contract. Any such practice will be grounds for the immediate cancellation of this contract and for such additional action, civil and/or criminal, as may be appropriate. At the discretion of the Danish Ministry of Foreign Affairs, a further consequence of any such practice can be the definite exclusion from any tendering for projects, funded by the Danish Ministry of Foreign Affairs.”

PSEAH clause:

“The Danish MoFA has a zero tolerance for inaction approach to tackling sexual exploitation, abuse and harassment (SEAH2) as defined in UNSG Bulletin ST/SGB/2003/13 and the definition of sexual harassment in UNGA Resolution A/RES/73/148. The Implementing Partner, and its sub-grantees, will take appropriate measures to protect people, including beneficiaries and staff, from SEAH conducted by its employees and associated personnel including any sub-grantee staff and take timely and appropriate action when reports of SEAH arise. In the event that the Implementing Partner receives reports of allegations of SEAH, the Implementing Partner will take timely and appropriate action to investigate the allegation and, where warranted, take disciplinary measures or civil and/or criminal action.

Any violation of this clause will be ground for the immediate termination of this Agreement.”

Anti-Child labour clause:

“The Implementing Partner shall abide by applicable national laws as well as applicable international instruments, including the UN Convention on the Rights of the Child and International Labour Organisation conventions. Any violation will be ground for immediate termination of the Agreement.”

Anti-terror clause:

“If, during the course of implementation of this Project/Programme, the Implementing Partner discovers any link whatsoever with any organization or individual associated with terrorism, it must inform the Danish MoFA immediately and explain the reasons for such transfer, including whether it was made or provided knowingly, voluntarily, accidentally, unintentionally, incidentally or by force. The Implementing Partner agrees that it and/or its implementing partners (including contractors, sub-contractors and sub-grantees) will take all reasonable steps to secure that no transaction made in relation to the Project/Programme will – directly or indirectly – benefit a person, group or entity subject to restrictive measures (sanctions) by the UN or the EU. Any violation of this clause is ground for immediate termination of the Agreement returning to the Danish MoFA of all funds advanced to the Implementing Partner under it.”

The cooperation agreement formalises the intervention in question and should reflect the reciprocal nature of the partnership. Accordingly, it is important that it describes the responsibilities and obligations as well as the rights of all parties involved. On CISU's website you can find inspiration to draw up a cooperation agreement.

4.3. Disbursements

When a programme is approved, only the budget for the first year is finally granted. The budget for the whole programme period is approved, but the funding of the following years is conditioned by the overall financing basis for the Civil Society Fund. The yearly grants for the following years will only come into force, when a written undertaking concerning the continuation of the intervention has been given from CISU.

To obtain a disbursement, the form "Request for payment on account" must be used, which is available on CISU's website. The first instalment of the grant can be paid out no earlier than one month before the intervention begins, and only after CISU has received a signed contract from the Danish organisation. Please note that each disbursement may cover a maximum of six months of activity. The requested amount must adhere to the approved budget for the programme.

There are no set deadlines for disbursement requests, which may be uploaded via "Vores CISU" at any time of the year. The processing time is approximately one week, although the procedure may take longer in times of holiday (Christmas, Easter, Winter break and summer holiday).

4.4. Bank account requirements

The grant funds must be distinguishable from the Danish applicant organisation's and the local partner organisation's other funds. This can be ensured either by setting up a separate bank account or by means of the accounting system used. However, if an organisation is receiving several grants funded by CISU and/or the Danish Ministry of Foreign Affairs, the same bank account can be used for all of them, if it is possible to differentiate between funds from each of the various grants.

If the grant funds have not been deposited in a separate bank account, it is incumbent on the organisation to enter into a written agreement with the bank that any unspent grant funds deposited at any time belong to CISU, and that the bank is not entitled to set off this amount against the organisation's possible debt to the bank or to seize any part of it.

Such an agreement with the bank may say: "As previously agreed, it is hereby confirmed that the bank will not set off deposits in the aforementioned account against any type of credit balance. The bank renounces this right based on the premise that the account balance consists of funds disbursed by CISU or of interest accrued on such funds."

If a separate bank account is set up, it must be used for transfers to and from the local partner, as well as spending in Denmark.

When you have a grant from CISU's funds, separation of duties in your organisation is required. In relation to the bank, it means that you cannot have a sole power of attorney for the bank account, to which the grant is deposited. Therefore, there must always be at least two people approving a payment at the bank.

4.5. CISUs requirements for financial management

When you receive a programme grant from CISU, you and your partner(s) must ensure that the funds are managed properly in all phases of the programme:

- When you plan and adjust the programme (budgeting)
- During the implementation of the programme (bookkeeping and supporting documents)
- When you follow up on the programme (reconciliations and financial reporting)

The requirements for the organisation's policies and procedures in connection with this are in accordance with the nature and size of the grant, as well as the organisation's professional and administrative capacity.

The Danish organisation must comply with CISU's requirements for financial management from the beginning of the intervention. The local partner(s) has six months from when implementation begins to live up to the financial requirements, and reporting on this matter must be submitted to CISU in a progress report.

The Danish organisation is required to go through the requirements for financial management with the local partner(s) both during the application process and during implementation of the programme to ensure that the requirements are adhered to.

The following are CISU's requirements for financial management:

1. WRITTEN PROCEDURES

- 1.1. The procedures for your financial management must be written down. The larger the grants you have from CISU, the more detailed CISU also expects the procedures to be. At a minimum, the procedures must describe how you meet CISU's requirements for financial management.
- 1.2. The procedures must describe the separation of functions/duties in the organisation. That is the personal separation (two or more) between the access to dispose, approve, bookkeep, and pay.
- 1.3. For organisations that make larger purchases, the procedures must describe amount limits and process for approvals of purchases. E.g., must the person with budget responsibility always approve a purchase, before the purchase takes place. A major purchase must be approved by at least two people and be based on more offer.

2. BUDGETS

- 2.1. Budgets and budget changes are approved by those responsible in the organization. Who is responsible should be clear from the organisation's statutes or from written procedures.
- 2.2. If the organisation has either A) fixed operating expenses, B) multiple donors/income sources, or C) salaries paid of CISU-funds, the organisation has drawn up an overview of the organisation's expected total expenses and from which sources the expenses are covered.

3. BOOKKEEPING AND SUPPORTING DOCUMENTS

- 3.1. Accounting system
 - The Danish and local partners with budget responsibility above DKK 500,000 bookkeep the project's income and expenses in an electronic accounting system.
(NOTE: Excel is not an accounting system but a digital tool).

- The Danish and local partners with budget responsibility under DKK 500,000 bookkeep the project's income and expenses in an electronic accounting system *or* in a cash book.
If a cash book is used, entries must not be deleted – an incorrect entry must be supplemented by a new separate entry. This also applies if Excel is used as a cash book.
- 3.2. There is a clear link between the registrations in the accounting system and the project budget. The chart of accounts is the basis for being able to show the link, as it shows which budget lines are associated with the various accounts.
- 3.3. Supporting documents
- All supporting documents are approved in accordance with the organisation's approval procedures.
 - It appears from the supporting document who approved it and from which account and/or budget line the expense is covered.
 - All supporting documents must be linked to the specific expense/income in the accounting system when they are posted. Therefore, a number is written on physical supporting documents, and electronic supporting documents are directly attached to the relevant expense/income in the accounting system.
- 3.4. If the CISU grant has paid for inventory, the organisation has an inventory list that describes the number and value for all assets above a certain value (e.g., computers, printers, cameras, cars, motorbikes).

4. RECONCILIATIONS

- 4.1. Bank reconciliations are done monthly and must be checked and approved by someone else than the person who made the reconciliation.
- 4.2. Reconciliations of the cashbox are made monthly and checked and approved by someone else than the person who made the reconciliation. The cashbox is locked and managed by another person than the bookkeeper.
- 4.3. The checkbook must be kept in a locked place and checks must not be signed in advance.

5. FINANCIAL REPORTS

- 5.1. Financial reports must compare the approved budget with the expenses for a specific period. Deviations between the actual and budgeted expenses must be commented on in the report.
- 5.2. Financial reports are prepared at regular intervals, but at least three times a year. The reports must be approved by someone else than the person who made the report.
- 5.3. The local partner shares financial reports with the Danish partner to follow up on over and under-spending and may request budget changes in the project.

5. GRANT ADMINISTRATION

5.1 Changes in the programme

Funds received from CISU must be spent in accordance with the basis on which it was granted, i.e., as set out in the approved application and budget, as well as other documents that were presented to obtain the grant. Nevertheless, it can be necessary to make unplanned changes during the programme.

The following types of changes require prior approval from CISU:

- Changes in the outcomes, partnerships, or target groups of the programme, e.g., if there is a need to cancel or add activities that will affect the realisation of the outcomes defined for the programme.
- Specific changes regarding the approved budget. See next section on budget revisions.

Changes that do not involve any of the above points need not be approved by CISU in advance but should instead be informed and justified in the subsequent progress or final report and in the accounts.

Requests for changes are uploaded on “Vores CISU” using the form “Request for change of period and/or budget for programme”, which is available on CISU’s website www.cisu.dk/skemaer. CISU needs to receive the request well in advance of the requested change.

The organisations are generally obliged to inform CISU promptly at any time in case of significant changes to or deviations from approved plans and/or budgets.

5.2 Changes in the budget

The programme must be implemented within the framework of the approved budget. Nevertheless, it can be necessary to modify the budget during the programme.

Reallocations between the cost categories A1 (DK Partner Direct Activity Costs), A2 (Local Partner Activities, Local Partner Investments, Local Staff and Local Administration), and A3 (DK Partner Support Costs) can be undertaken as follows:

- Reallocations between country/regional and outcomes are permissible up to a limit of 10 percent of the smallest of the main budget lines affected if the reallocations will not affect planned outcomes.
- The organisation must in connection with reallocation between countries and outcomes always consider whether the budgetary changes lead to substantial changes in the planned activities and outcomes and, if so, revise detailed programme documentation and the corresponding Results Frameworks.
- It is not possible, without prior approval, to reallocate funds from Local Partner Activities (A2) to either DK Partner Direct Activity Costs (A1) or DK Partner Support Costs (A3).

Changes that do not need prior approval by CISU should instead be informed and justified in the subsequent status or final report and in the accounts.

Requests for budget changes are uploaded on “Vores CISU” using the form “Request for change period and/or budget for programme”, which is available on CISU’s website www.cisu.dk/skemaer. CISU needs to receive the request well in advance and not after the intervention has been completed.

5.3. Spending of unallocated funds (15 percent)

In the budget, an amount of max. 15 percent can be allocated as 'unallocated funds'. Unallocated funds should be used to:

- Seize new opportunities, or
- react to new situations, or
- respond to acute demands or challenges within the programme, and
- to cover unforeseen expenses.

The spending of unallocated funds must always be in pursuit of the programme's overall objective, and they may be used without prior approval from CISU for activities that clearly supplement or innovate the programme activities. You may transfer funds from this budget line to one or several of the other main budget items if the need arises.

Transferring from the unallocated funds need **only** approval by CISU if:

- You want to spend the unallocated costs to reformulate the intervention and expected outcomes.
- The transfer changes the proportionality between the cost categories A1 (DK Partner Direct Activity Costs), A2 (Local Partner Activities, Local Partner Investments, Local Staff and Local Administration), and A3 (DK Partner Support Costs) more than 10 percent.

Please note: All allocations of the unallocated funds must be notified and justified in the next coming progress report (with a revised budget) as well as in the final accounts.

Be aware that this budget line should also cover unforeseen expenses (former known as 'Budget margin'). It is the responsibility of the grant holder to ensure that there are sufficient funds on this budget line to cover unforeseen expenses throughout the program year. Unforeseen expenses might typically be caused by currency fluctuations raising the costs of the intervention, or by other conditions making purchases or other payments related to the activities more expensive than expected at the time of budgeting.

5.4. Spending of Programme Information Activities in Denmark

The maximum annual budget for Programme Information Activities in Denmark (A5) is 2 percent of grand total. The information activities must be described in the application.

5.5. Spending of fee for administration in Denmark

The budget reserves up to 7 percent of the direct costs as a contribution towards administration in Denmark. In the accounts, this administration fee must always be calculated as a percentage of actual spending of the grant. Accordingly, if you spend less than the amount budgeted, there will be a lower amount available for administration in Denmark.

The following costs are typically considered to be covered by the administration fee:

- Administration and accounting of the organisation itself (i.e., not related to programme activities)
- Visits and monitoring visits not part of activity-specific monitoring
- Recruitment and selection of personnel unrelated to any specific intervention
- Contact/dialogue with CISU (other than participation in coordination of activities financed under the programme grant)
- General compliance and administrative and legislative reporting tasks in relation to the organisation

- (e.g., VAT, audit),
- General budgeting and accounting tasks,
 - The organisational leadership's involvement in development cooperation (leadership refers to members of the various governing bodies).

Please note: In the accounts for the programme submitted to CISU, the Danish organisation is not required to provide details on of how the administration fee has been spent. However, this information must be stated in the organisational accounts.

5.6. Transfer of funds between budget years

A maximum of 15 percent of the total grant of the programme budget of unspent funds can be transferred to the following year without prior approval.

Transfers to following years do not (within the stipulations outlined above) require prior approval, but when the accounts indicating the year's expenditure are ready, a revised budget needs to be submitted to CISU. Reallocations and transfers will have to be explained. Expenditures will subsequently firstly be taken from transferred funds and thereafter from the allocation for the year.

6. DIALOGUE, REPORTING, ACCOUNTING, AND AUDITING

Having been awarded a programme grant from the Civil Society Fund, you are committed to meeting a number of deadlines, all of which are specified in the contract with CISU, to be signed before the programme begins. If any deadlines are changed during the programme period, the Danish organisation will be informed via "Vores CISU".

Besides regular reporting to CISU, CISU wants organisations with programme grants to benefit from each other's experiences. For this reason, CISU will convene joint programme meetings, selecting a common theme for every occasion decided in consultation with programme organisations. Moreover, programme organisations are invited to participate in thematic networks hosted and coordinated by CISU.

6.1 Narrative progress reporting, mid-term review, and consultations

Progress reporting is undertaken by the Danish organisation involving its local partners and should reflect on the methods used and status on outcomes. In addition, the follow-up to any advice and conditions for approval expressed by the CISU Assessment System must be reflected on in the reporting. The reporting is based on the organisation's own monitoring systems, as these have been listed and described in the application approved by CISU.

During the four-year programme period, the grantees must send in three progress reports, one mid-term review including a follow-up meeting (see section 6.6.), and attend two programme consultations, as stated in the table below:

Year	Progress reporting requirements	Deadline to be delivered to CISU
Year 1	No reporting required	-
Year 2	Progress report and programme consultation. Focus of the consultation is also to prepare ToR for the mid-term review.	Progress report March 1 st Programme consultation no later than April 1st.
Year 3	The programme organisation and partners conduct a mid-term review, including a management response. The programme organisation must also send an updated Results Framework and budget to CISU.	Mid-term review report by May 1 st Follow-up meeting with CISU no later than one month after the final mid-term review report.
Year 4	Progress report and programme consultation. Focus of the consultation is also to discuss the possible extension of a programme grant.	Progress report March 1 st . Programme consultation no later than April 1st.

All documents must be uploaded via vores.cisu.dk according to the deadlines above.

6.1.1 Content of the narrative progress report (year 2 and 4)

For CISU to verify that the programme is on track in regard to achieving the expected results, the organisation should submit the following to CISU:

- 1) Strategic update
- 2) Performance reporting for the previous year
- 3) An updated Results Framework
- 4) Budget for the upcoming year

The documents must be in English and should be uploaded on “Vores CISU” no later than March 1.

Below is a more detailed description of the requirements for the progress report:

1) The strategic update should include a:

- *General update:* Overall strategic and organisational status (max 2 pages).
- *Specific updates:* If relevant, a description of changes to the ToC including a revised illustration. This must include a description of relevant changes to the context, the risk assessment, and consequences for the Results Framework (maximum 3 pages).
- Update on the strategic description of planned Programme Related Information (PRI) activities in Denmark as well as on popular engagement in Denmark (maximum 1 page).

2) Performance reporting for the previous year should present results achieved during the previous year. The report should not exceed 10 pages and does not need to follow a particular CISU format, as long as the points listed below are addressed.

- Progress against selected indicators from the approved programme Results Framework with a related narrative, focusing on significant results and/or major deviations from expected outcome

targets for the year and outcome-level changes. The account should include reflections on the degree of target achievement, highlighting variations in outputs affecting planned outcomes, including analysis of possible causes, lessons learned, and how these are reflected in follow-up activities/corrective actions. If relevant, it should also include an update on partnership engagement.

- Based on observations from the strategic update, describe any major strategic changes in the Danish organisation and its partners, including changes in contexts and the organisations' international alliances, networks, etc.
- Presentation of one case story highlighting how the programme or certain activities have made a difference.
- Report on Programme Related Information (PRI) in Denmark as well as popular engagement in Denmark. For popular engagement in Denmark, describe main activities, innovative initiatives and lessons learned. Account for the organisation's popular anchorage and outreach in Denmark, reflecting on main changes in parameters such as membership, support persons/contributors, volunteers, etc.
- Reflections on how the organisation pursues cost effectiveness.
- How have the unallocated funds been activated and for what purposes, including a reflection on how the programme partners have worked strategically towards co financing, basket funds, and joint programmes to match funding of local partners to enhance scale and influence.
- Follow-up to recommendations from reviews, financial monitoring reports/reviews, and latest programme consultation with CISU.

3) An updated comprehensive Results Framework, including:

- An account of progress at outcome level and output level.
- Proposed adjustments to the Results Framework highlighted (should be justified in strategic update or performance reporting).

4) An updated budget, using the CISU programme budget format. Please notice:

- If unspent programme funds from a previous year (e.g., 2022) are planned to be transferred to the current financial year (e.g., 2023), the current year's approved budget (2023) should be adjusted accordingly reflecting what budget lines the funds will be allocated to.
- Budget for programme activities shall be enclosed, using the organisation's own formats. This will support CISU in understanding the spending structure in the programme.
- The budget should enclose a brief budgetary note outlining e.g., significant changes in the allocation of funds as compared to the most recently approved budget.
- A separate note describing progress on the fulfilment of the own-financing requirements.

6.1.2 Mid-term review

In the third year of the programme period, the organisation is required to conduct a mid-term review of the programme. This will 'replace' the progress report for that year. There is no requirement for an external consultant, and the design and scope of the mid-term review is determined in dialogue with CISU in connection with the annual consultation in the second year.

The objective of the mid-term review is to review the two first years of the program implementation. The specific objectives are to:

- Review of the strategic approach of the program and recommend any possible adjustments.
- Review the performance and status of results so far (first two years of the current phase) of the program.
- Analyse special issues relating to the program and recommend possible actions.
- Overall review of budget performance so far and recommend possible adjustments at a strategic level.

There is no set format for the mid-term review report, but it must live up to the above objectives. However, CISU has a format that the programme organisation is welcome to use.

Deadline for the midterm review is May 1 where the programme organisation also must upload an updated results framework and budget. A follow-up meeting with CISU should be conducted no later than one month after the final report.

The cost of the mid-term review may be included in the budget. It is presumed to be more expensive to hire an external consultant compared to the use of an internal consultant.

There is no obligation to carry out a final evaluation of programme grants since CISU initiates and finances a programme review during the last year of the programme period as part of the organisation's application for a new programme grant. Should a programme organisation wish to terminate as a programme, funds for a final evaluation should be allocated in budget.

6.1.3 Programme consultation

During a four-year programme grant period, the Danish organisation must participate in two programme consultations (year two and four). The consultation with each programme organisation will be conducted no later than April 1.

The progress report will form the basis for the consultation, just as the organisation will be asked to make a brief presentation on the programme's status based on the updated Results Framework.

The consultation will, if practically applicable, be held at the office of the programme organisation, and if not, in CISU offices either in Aarhus or Copenhagen.

The standard agenda will be:

Agenda items	Related documents
1. General status of programme strategy (focus on ToC)	Strategic update
2. Programme performance (progress on results and changes to the Results Framework)	Performance report and updated Results Framework
3. Budget status and possible transfer to next year	Revised budget proposal
4. Summary of decisions	Minutes

The Danish programme organisation is responsible for the minutes from the programme consultation.

6.2 Participation in CISU thematic networks

CISU manages a number of thematic networks to encourage and strengthen experience exchange, networking, and learning between organisations working in the same thematic area.

At the time of application, the applicant selects which thematic network(s) the organisation would like to be a part of. Programme organisations are highly encouraged to participate in the network and in the events that will be organised in the network.

The networks will start in 2023. Organisations with current grants will be contacted by CISU to be connected to a network. The thematic networks will replace the experience exchange workshops (ERFA).

6.3 Yearly programme accounts

Audited accounts for the programme for the previous year must be uploaded on “Vores CISU” once a year before the deadline July 1 (see formats at www.cisu.dk/skemaer), including a long-form audit report.

Weighted average exchange rate

At the time of annual accounts, the conversion of accounting conducted in non-Danish currency must take place at the rate at which the disbursements have been exchanged, using the so-called weighted average exchange rate. This key figure is calculated by listing all financial transfers from Denmark to the recipient country throughout the year. The total amount transferred in Danish kroner (DKK) is then divided by the total amount received in local currency, thus arriving at the weighted average exchange rate.

Transfer document (only relevant for the yearly account for year four)

If equipment, stock, fixtures etc. are donated to partners or authorities in the country of cooperation after completion of the programme, it is required to draw up a transfer document, in which the recipient acknowledges receipt. If the price of an individual grant-financed investment to be transferred exceeds the tax authorities' definition of a minor acquisition, it is obligatory to attach a signed transfer document to the audited accounts. A transfer document format is available on CISU's website.

Unspent funds, interest, and repayments

Earned interest (both in Denmark and abroad) and exchange rate gains (because of fluctuations in the rate of exchange between the Danish krone, DKK, and the local or other currencies used) can be spent on activities and the like as part of the programme. Earned interests and exchange rate gains are considered part of the grant, and the use must therefore be explained in the final report and in the yearly accounts, i.e. in the accounting report and in the income statement.

Interest paid in Denmark can be covered by the unallocated funds and should be entered into the final accounts under Activities.

Please note: It is incumbent on the Danish organisation to refund all unspent funds to CISU. This calls for being careful not to transfer excessive payments on account to local partners, as well as to pay continuous attention to spending and any interest earned in the country of cooperation. Any unspent parts of the grant as well as interest accrued in Denmark and abroad must be repaid in connection with submission of final accounts to CISU by depositing into the following bank account:

Jyske Bank, sort code 5078, account number 1159 814.

6.4 Auditing of the yearly programme accounts

The yearly programme accounts must be audited by a state-authorized or chartered auditor who is appointed by, and enters into an agreement with, the Danish organisation. The audit must adhere to CISU's Guide to the administration of programmes funded by the Civil Society Fund and the Danish Ministry of Foreign Affairs' audit instruction manual for grants above DKK 500,000.

It is incumbent on the Danish organisation to ensure that the auditor appointed confirms in writing that he or she is willing to perform his audit tasks in keeping with the provisions of the audit instruction manual. When auditing the yearly accounts, the auditor must therefore mention in the audit report that the job has been performed in keeping with Danish Ministry of Foreign Affairs' audit instruction manual, and in accordance with the applicable Standard for Public Auditing (in Denmark known as SOR), which requires the audit report to have a separate section on performance audit and compliance audit.

Furthermore, the auditor must draw up a long-form audit report, setting out his or her assessment and opinion in view of the audit conducted. The long-form audit report can be attached to the audit report or be presented separately. If the auditor has prepared a management letter, it must be attached to the final accounts along with the grant holder's response. The audit report, long-form audit report and management letter must be signed either by hand or digitally.

Receipts should not be submitted to CISU, but the grant-holder (and local partners) must store original receipts for ten years after the accounts have been approved by CISU, to be presented upon request from CISU, the Danish Auditor-General (Rigsrevisionen) or others authorised to this effect.

CISU reserves the right to inspect samples of receipts at any time, regardless of the audit etc.

Please note: An audit in the developing country of cooperation is also required. This audit must adhere to international standards as well as to the Danish Ministry of Foreign Affairs' applicable audit instruction manual.

The Danish organisation's auditor should be involved in selecting the local auditor, who must adhere to international standards and carry out compliance and performance audit as stipulated in the Danish Ministry of Foreign Affairs' audit instruction manual.

6.5 Organisational accounts

An audited report for the previous year for the organisation (annual accounts) must be uploaded on "Vores CISU" once a year. The deadline is July 1.

The following documents must be uploaded:

- The organisation's audited annual accounts for the preceding accounting year signed by a state-authorized or chartered auditor and by the main governing body.
- The organisation's annual report.
- Audit letter prepared and signed by the auditor

6.7 Final report

Once the programme has ended, a signed version of the final report must be uploaded on “Vores CISU” within six months after the end of the programme. CISU’s format must be used and is available at www.cisu.dk/skemaer. The programme organisation will receive a written response from CISU.

6.8 External evaluation

An external evaluation of the programme is not mandatory (unless the programme phase is planned as the last phase), and an eventual cost is expected to be commensurate with the size of the programme.

Please note: An external review will be commissioned by CISU in the last 12-14 months of a programme phase (see section 7).

If evaluations are planned, they must comply with Danida’s minimum requirements:

- Be independent: The evaluation must be conducted by an external, independent person. Thus, support cannot be given for evaluations, where the organisation’s employees, members or others involved in the activities conduct the evaluation.
- Contain considerations relating to the DAC’s evaluation criteria:
 - Relevance of the activity’s objective,
 - Efficiency of resources in relation to result,
 - Effectiveness in relation to meeting goals,
 - The direct and indirect impact of the activities and the sustainability of the activities.

It will not be relevant in all cases to include all the criteria. However, it is important that the organisation makes it clear, why certain criteria have been included, while others have not.

- Be publicly available on the Danish organisation’s website. Moreover, the organisation must upload the evaluation to “Vores CISU” when the evaluation is made available on the website.

7. CISU’S MONITORING VISITS

CISU may carry out monitoring visits at the Danish organisation, as per need, to become more acquainted with and assess the organisation’s administrative and technical set-up, including financial management, monitoring of the progress of the programme, professional competencies, accountability, etc.

Local partners involved in the Danish organisation’s programme-related work will usually receive one monitoring visit from CISU during the programme period. This is to gather more knowledge of how the partnership serves as a framework for the programme, to assess the outcomes and strategic framework (e.g., the Theory of Change), as well as to take advantage of learning potentials for other CISU-funded development interventions.

8. REPORTING OF PROBLEMS AND IRREGULARITIES

The governing body and/or management of the Danish organisation is duty-bound to notify CISU immediately (i.e., no later than 14 days after the incident):

- If significant difficulties arise in the implementation of the intervention, including problems regarding compliance with the budget approved.
- If significant problems arise in the organisation's relationship with the authorities in the developing country of cooperation, the partner or expatriate staff.
- If there is well-founded suspicion or detection of theft, fraud, corruption, misuse, or similar irregularities.
- If cases arise regarding sexual harassment, exploitation, and abuse (PSHEA) within the partner organisation(s).

CISU's format for reporting of problems and irregularities must be used and is available on CISU's website. The report must be submitted in writing, stating how you plan to solve and follow up on the difficulties and/or irregularities observed.

You are very welcome to contact CISU if challenges arise during an intervention, thus enabling us to guide you on how to report the problems and how to pursue a solution.

Confirmed cases of irregularities will be published on CISU's website and will be reported to the Danish Ministry of Foreign Affairs as per the ministry's guidelines.

9. OVERVIEW OF PROGRAMME DEADLINES

Deadline	Year 1	Year 2	Year 3	Year 4	Year 5
January 1	Signed contract				
March 1	Cooperation Agreement	Progress report		Progress report	
April 1		Programme consultation		Programme consultation	
May 1			Midterm review, incl. follow-up meeting with CISU		
July 1		Programme accounts year 1 + Organisational accounts	Programme accounts year 2 + Organisational accounts	Programme accounts year 3 + Organisational accounts	Programme accounts year 4 + Final report