



## PARTNER SERBIA SUB-RECIPIENT MONITORING POLICY

Belgrade  
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## **POLICY**

The purpose of the sub-recipient monitoring policy is to provide strong controls over sub-recipients (grants awarded to local non-profit organizations, and funds distributed to partners based on cooperation on project implementation) to be certain that all mandatory requirements and provisions specified or referenced in the award flow down, all costs incurred are in accordance with the applicable cost principles, and all sub-recipient activities are carried out in line with program goals and objectives.

## **PROCEDURES**

### **ASSESSING THE FINANCIAL CAPACITY OF THE ORGANIZATION**

1. The organization that is Partners Serbia's (PS) sub-recipient must have full financial capacity - organizations must have formal accounting records and cannot be under process of bankruptcy.
2. PS's Financial and Compliance Officer will conduct Search of Debtors in Enforced Collection. Search of data on debtors is based on the account number, registration number or tax number and can be approached via website of the National Bank of Serbia (NBS), available at [NBS](#).

## **AGREEMENT**

1. For small awards (under \$1,000) a Memorandum of Understanding can be used.
2. Larger awards for periods longer than six months should have a sub - grant agreement or agreement on cooperation on the project.
3. The mandatory element of the agreement is article which states that "Partners Serbia will accept expenditures as eligible if they are in accordance with a donor's policy and If donor do not reject that expenditure as ineligible".

## **GRANT MONITORING**

### **FINANCIAL REPORTING**

The Financial and Compliance Officer is responsible for monitoring sub-recipients' financial compliance with all mandatory requirements and provisions specified or referenced in the award and ensuring that all costs incurred by the sub-recipient are in accordance with the applicable cost principles.

1. For projects longer than three months, all sub-recipients will be required to submit interim financial reports. Depending on project length and activity timeline, financial reports will be due from sub-recipients on a monthly or quarterly basis. All copies of receipts should be submitted with interim financial reports. For Financial Report Template, please see Annex 1.
2. All sub-recipients will be required to submit a final financial report. The final financial report shall be in the format approved by Partners Serbia and include an expense report of all costs or expenses incurred and copies of receipts for all expenses.
3. When submitting a financial report, all sub-recipients are required to submit a Cash on Hand Statement and Estimated Budget in the format provided in Annexes 2 and 3.

## **ALLOWABLE COSTS**

The allowability of costs incurred by the sub-recipient will be determined in accordance with the donor's cost principles.

The sub-recipient may charge to Partners Serbia only allowable costs incurred during the period of performance of the award. All costs incurred by the sub-recipient before the start date of the award are not authorized and are at the sub-recipients' risk.

Partners Serbia will make a reduction for any disallowances or indebtedness by the sub-recipient, as needed.

#### **PAYMENT**

Payment shall be made on sub-recipient bank account based on Request for payment no later than 60 days following the receipt of the Request.

#### **ACCESS TO DOCUMENTATION**

In compliance with applicable regulations, including Serbian Law on Accounting, all sub-recipients will be required to provide access to any books, documents, papers and records of sub-recipient which are directly pertinent to the award, for the purpose of making audits, examinations, excerpts and transcriptions. The materials described above shall be made available by the sub-recipient, at all reasonable times, for inspection, audit or reproduction until: The expiration of three (3) years following the date of final payment under the award or the expiration of three (3) years following the data of final settlement resulting from a termination or partial termination of the sub-recipient's contract.

#### **NARRATIVE REPORTING**

The Project Manager is responsible for programmatic monitoring of the sub-recipient under each project. Partners Serbia may, at any time, review the progress of the Work and decide whether to continue or to terminate the WORK at that time in accordance with the Termination section of each sub-recipients' contract. Each sub-recipients will be required to provide timely responses to requests for information needed to report to the donor on progress achievements of deliverables.

1. For projects longer than three months, interim narrative progress reports will be required. Depending on the project length and activity timeline, narrative progress reports will be due from all sub-recipients on a monthly or quarterly basis.
2. All sub-recipients will be required to submit narrative reports in a format in line with the specific donor's request. In cases where the donor does not provide a specific reporting format, Partners Serbia's narrative reporting template will be used. For Narrative Progress Report Template please see Annex 4.
3. All sub-recipients will be required to submit a final narrative progress report.

#### **TECHNICAL COORDINATION**

Technical coordination for all sub-recipient awards will be the responsibility of the Program Manager. The sub-recipient will report to the Program Manager on all matters about the award.

#### **MODIFICATION**

Any modification or extension of the sub-recipient's grant period must be documented with an official amendment to the sub-recipient's grant agreement.

#### **CLOSE OUT**

The sub-recipient grant close-out period is thirty (30) days after the sub-recipient grant expiration date. During this time, the sub-recipient must reconcile expenses and verify the final balance.

## ANNEX 1

Organization name

PROJECT NAME:

Financial Report Start Date:

Financial Report End Date:

*Indicate if this is a quarterly/monthly financial report or a final financial report (Mark with an "X")*Quarterly/Monthly Financial  
Report:

Final Financial Report:

	<i>COLUMN 1</i>	<i>COLUMN 2</i>	<i>COLUMN 3</i>	<i>COLUMN 4</i>	<i>COLUMN 5</i>
Budget Category-Line Item	Total Approved Award Budget	Cumulative Expenses Prior Report(s)	Expenses This Period	Cumulative Expenses to Date (2+3)	Balance Remaining
Human Resources	€ 0.00		€ 0.00	€ 0.00	€ 0.00
Travel	€ 0.00		€ 0.00	€ 0.00	€ 0.00
Equipment	€ 0.00		€ 0.00	€ 0.00	€ 0.00
Contractual	€ 0.00		€ 0.00	€ 0.00	€ 0.00
Other Costs	€ 0.00		€ 0.00	€ 0.00	€ 0.00
<b>TOTAL</b>	<b>€ 0.00</b>	<b>€ 0.00</b>	<b>€ 0.00</b>	<b>€ 0.00</b>	<b>€ 0.00</b>

*Please note that budget variances of more than 10% of the total award or per budget category (as indicated in the Agreement) require prior approval from the Partners Serbia.*

## APPROVALS

I certify that the expenses reported herein were spent for the purposes set out in the Agreement in compliance with each provision of the Agreement

Signature and date \_\_\_\_\_

**ANNEX 2**  
**ORGANIZATION CASH ON-HAND STATEMENT**

Organization Name:  
Program Name:  
Contract Number:  
Date Submitted to the PS:


Enter total funds received from the PS to date	
Enter total funds reported in all expense reports	
Estimated Cash On-Hand for the remainder of this reporting period	€ 0
Estimated budget for the next reporting period	

<b>WIRE DISBURSEMENT FOR NEXT PERIOD:</b>	€ 0
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**ANNEX 3**  
**ESTIMATED BUDGET FOR NEXT PERIOD**

Start date of next period:

End date of next period:

BUDGET CATEGORY – will be amended in accordance with donor's policy	AMOUNT
Human Resources	
Travel	
Equipment	
Contractual	
Other Costs	
<b>TOTAL ESTIMATED BUDGET FOR NEXT PERIOD:</b>	<b>€ 0</b>

Tracker of payment with formulas	
Total amount approved in the Contract	
Cost share	
Total amount by the end of the project (from the Contract)	
Installment 1	
Installment 2	
Installment 3	
Installment 4	
Installment 5	
<b>Remaining funds</b>	<b>€ 0</b>

## ANNEX 4

## NARRATIVE PROGRESS REPORTS TEMPLATE

Monthly/Quarterly Narrative Progress Report	
<b>Project Title:</b>	
<b>Subaward Number:</b>	
<b>Contact Information:</b>	
<b>Reporting Period:</b>	
<b>Activity Updates:</b>	
1. Please list activities conducted, their locations, and number of participants. Please link all activity descriptions back to the program Scope of Work (SOW).	
2. Are the activities proceeding according to the activity timeline in the SOW? Please briefly discuss any circumstances which have or may necessitate adjustments to the workplan timeline.	
3. Project Objectives and M&E Indicators – Please discuss progress made toward all applicable program objectives and indicators below. Explain how the activities conducted have contributed to this progress – e.g. how the activity is changing or transforming its participants and community. Compare the target numbers with the actual numbers reached. Explain any reasons why established goals were not met. Please mention any changes in the data sources used to assess these indicators.	
4. Please share any success stories and other impact assessments that will help Partners Serbia understand the impact of the project and project activities. If possible, include first-person narratives or quotes from project participants or beneficiaries. Please identify any information that should not be shared publicly.	
5. Please list any challenges experienced with the project. Include a brief update on the current operating environment where the project is taking place and how that is impacting the ability to carry out activities.	
6. Please discuss any lessons learned from the project and/or recommendations at this stage.	
7. Please list any outreach or media contacts about the project during the period.	
8. Please list anticipated activities for the next period, along with locations. Include any proposed changes to the workplan or timeline and related financial issues.	
9. Please attach relevant supporting documents or products related to project activities (such as articles, meeting lists and agendas, participant surveys, photos, manuals, etc.) Please indicate if any pictures should not be shared outside of Partners Serbia and the donor.	