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**GRANTS POLICY OF THE
ARMENIAN YOUNG LAWYERS` ASSOCIATION NGO**

GRANTS POLICY

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CHAPTER 1. AWARDING OF GRANTS

- 1.1 The awarding of grants by the “Armenian Young Lawyers’ Association” NGO (hereinafter referred to as “Organization”) is aimed at supporting separate programs and initiatives contributing to the Mission of the Organization.
- 1.2 If the Organization provides sub-grants in the framework of the grant provided by a Donor Organization (hereinafter referred to as “Donor”), the provisions of this Policy contradicting the conditions set by the Donor, do not apply. If it is envisaged in the framework of the grant provided by the Donor to provide sub-grants to the organizations previously determined by the Donor, then the Organization carries out the awarding of the amount specified by the Sub-grant project budgets in accordance with the sub-grant contracts preliminarily signed with these organizations. In this case the Organization implements the monitoring, evaluation and receipt of the reports of these sub-grants in accordance with the present Policy.
- 1.3 The small grants by the Organization in the framework of the EU-funded “Multi-Faceted Anti-Corruption Promotion” Project are regulated under the Rules of Procedure specified in the Annex 2 of this Policy.
- 1.4 The terms “grant”, “donor”, “grantee” in this Policy should also be respectively understood as “sub-grant”, “sub-grant donor” and “sub-grantee”.

CHAPTER 2. ELIGIBILITY TO APPLY FOR GRANTS

- 2.1 Sub-grants may be awarded to non-profit organizations which have got state registration as specified by the RA Law.

CHAPTER 3. SELECTION PROCESS

- 3.2 The evaluation and selection shall be carried out by the respective Grant Commission of the Organization composed of project experts and invited advisors.
- 3.3 The oversight, monitoring and evaluation of the grant project is implemented by a designated responsible person(s).
- 3.4 The projects shall be evaluated through the following criteria:
 - Long-term influence,
 - Sustainability,
 - Tangible results,
 - Strategic importance,
 - Number of beneficiaries.
- 3.5 Preference shall be given to the projects involving in-kind contributions or using additional financial sources.

CHAPTER 4. COMPOSITION OF GRANTS COMMISSION

- 4.1 The Grants Commission shall consist of three to five members – grants officer who will also be the President of the Commission, other members of the Commission are appointed by the President of the Organization. Employees of the Organization, as well as experts invited from other organizations may be involved in the Commission. Other people may also be involved in

the Commission by the decree of the Organization President, but the number of people involved in the Commission shall not exceed five.

4.2 In case necessary, the Organization may engage experts and/or observers at the Commission sessions, but they won't have voting rights and right to take part in the evaluation of applicants.

- Experts are workers in the applicant organizations and in the field of projects proposed by them or practitioners in the field. Their objective is to provide information and clarifications to the members of the Commission on various problems and issues in order to make the decision-making processes well-informed. Experts study the applications which deal with their field of expertise.
- Observers are individuals outside of the Organization who take part in the selection process, ensuring justice and impartiality, and the opportunity for all the members to express themselves during the discussion. Observers may be grant managers who are invited to enable "experience-sharing" and expressing opinion on the selection process. They are not required to study the applications.

4.3 Prior to the competition the Commission members and experts sign a certificate on the absence of conflict of interests.

4.4 All the grant decisions are approved by the Grant Commission of the Organization.

CHAPTER 5. BUDGET

5.1 The amount of the grant depends on the sum of money available for the grant purposes of the Organization.

5.2 The aggregate changes in the expenditures of the budget by the grantee shall not exceed ten percent (10%) of the total budget. The changes of the sum exceeding 10% of the total budget or the objectives of the grant shall be preliminarily approved by the responsible person of the Organization.

5.3 The budget shall present in details the entire volume of support required for the grant project.

5.4 The budget shall include project costs, salaries, costs of equipment, administrative costs, office supplies, transportation costs, per-diems, banking service fees and other possible costs during the project implementation.

5.5 The budget shall not include regular costs of public services, including electricity, water supply, gas, telephone, land and property fees.

5.6 The budget shall present information on the personal or other contributions, if any, by other institutions or sources provided for the activities of this project.

CHAPTER 6. PAYMENT OF THE GRANT

6.1 The Organization, in its discretion may make direct payments to the vendor of products or services, to be selected by the grantee or on its behalf.

6.2 The Organization shall make the grant payments in the terms and procedures specified by the grant contract.

CHAPTER 7. RESTRICTIONS FOR THE USE OF GRANT

7.1 The grant amount shall not be used:

- The grant funds or the equipment acquired by those funds shall not be transferred in the form of a grant or technical assistance to other organization or an individual without written permission by the Organization.
- Grant funds shall not be used for payments to business partners or for personal needs of family members.
- Grant project expenses may not be carried out beyond the specified dates of grant implementation.
- Grant project costs beyond the specified dates for grant implementation shall not be paid from grant funds.
- The project may not finance humanitarian or charitable activities.

CHAPTER 8. TERMINATION OF THE GRANT

- 8.1 The Organization is entitled to terminate prior to the end of specified period, fully or partially the provision of the grant, if it is found out that the grantee failed to carry out the provisions of the grant contract.
- 8.2 As a result of the failure to implement provisions of the grant contract by the grantee, the decision of termination may be made for the following reasons, the list is not exhaustive:
- Failure to submit the required narrative reports,
 - Failure to submit the respective financial reports and documents,
 - Shortcomings in the performance of financial records,
 - Use of grant funds for the costs not approved by the Organization,
 - Submission of falsified documents or false information on a fact relating to the grantee organization or the grant,
 - Implementation of activities outside of the scope approved by the Organization.

CHAPTER 9. MONITORING AND EVALUATION OF THE GRANT PROJECT

- 9.1 The person carrying out the monitoring shall check the progress and results of the project.
- 9.2 The oversight of the ongoing work and costs shall be implemented in line with the presented project proposal.
- 9.3 The representatives of the Organization are entitled to visit the grantee organization at any time to check the process and results of the project.
- 9.4 If possible the Organization shall inform the grantee of its visit in advance, but the preliminary informing is not mandatory.
- 9.5 The implementation of the monitoring provides description of the initial situation, changes resulting from the project implementation, accompanied by respective supporting evidence, photos, etc.

CHAPTER 10. REPORTS

- 10.1 The grantee shall present a report on the project implementation, consisting of two parts (project and financial).
- 10.2 Project report

- The project report shall contain the description of the work done and the impact analysis. Interim project reports shall be presented by the responsible person after each monitoring,
- The interim report may be presented prior to the transfer of the next instalment if the money is awarded in instalments.
- The final project report shall be submitted within 30 days after the end of the project.
- The grantee shall present photos of the important activities or events in the reports for consideration.
- The grantee is obliged to present interim financial reports before the transfer of the next instalment if the money is provided in instalments.

10.3 Financial report

- The financial report shall be submitted to the Accounting office and shall consist of a detailed report of costs, accompanied by documents confirming or proving each cost, namely – invoices, receipts, service or employment contracts, bank forms etc. (see the Appendix 1).
- Final financial report shall be presented within 30 days after the end of the project.
- The procedure for the submission of financial reports is presented through the procedure set by the Appendix 1 of this Policy.

RULES OF PROCEDURE FOR THE SUBMISSION OF FINANCIAL REPORTS

1. INTRODUCTION

- 1.1 The financial report is submitted after having the project report approved by the respective responsible person of the Organization.
- 1.2 The report is submitted by the project manager and (or) the responsible accountant no later than in 5 days after the end of the given phase, and the final report – no later than within a ten-day period.
- 1.3 The report shall be sealed with the seal of the organization and signed by the project manager or accountant, approved by the head of the executive body of the organization.
- 1.4 The report shall be in a form of a table by the expenditures, comparing the actual costs with the budget costs and indicating the deviation extent and percentage.
- 1.5 The report shall be accompanied by the copies of all the accounting documents and calculations, in particular:
 - Calculatory-payment documents of the salary,
 - Payment records
 - Invoices (if available), as well as payment accounts,
 - Acts of receipt and delivery,
 - Orders and certificates on business trips,
 - Orders on the regulatory costs of gasoline,
 - Cash book,
 - Payment recommendations,
 - Bank statements,
 - Warehouse entry and exit invoices,
 - Transportation vouchers,
 - Other expenditure documents.
- 1.6 All the documents shall be submitted with the availability of the requisites required by the RA law.

2. CHECKING AND ACCEPTANCE OF THE FINANCIAL REPORTS

- 2.1 Financial reports shall be checked by the Executive Director of the Organization or by the Organization`s Grants Officer within a period of five working days. The Project manager and (or) the accountant shall be informed on the results.
- 2.2 The financial report is considered accepted in case it is signed by the Organization president and certified by the seal of the Organization.
- 2.3 In case of shortcomings the Executive Director of the Organization or the Organization`s Grants Officer shall prepare a Summary of defects and present it to the Implementer.
- 2.4 After making the corrections mentioned in the summary of defects, the financial report shall be again submitted to the Accounting office of the Organization.

POLICY
ON SMALL GRANTS AWARDED IN THE FRAMEWORK OF THE EU-FUNDED “MULTI-FACETED ANTI-CORRUPTION PROMOTION” PROJECT

1. INTRODUCTION

In the framework of the EU-funded “Multi-Faceted Anti-Corruption Promotion” Project (hereinafter referred to as “Project”) 20 small grants (hereinafter referred to as “Grants”) shall be awarded to those CSOs which have taken part in the three-day anti-corruption trainings organized by the AYLA in the framework of the Project.

Grants shall be awarded in four rounds, with five grants being awarded in each round. The envisaged total budget for the small grants amounts to a maximum of 25 000 000 AMD. 20 grants shall be awarded, 10 of which worth up to 1 000 000 AMD each, and the other 10 worth up to 1 500 000 AMD each.

In case of conflict between the provisions of this Appendix and the present Policy, the provisions of the Grants Policy of the “Armenian Young Lawyers’ Association” NGO shall prevail.

2. CRITERIA

The grants awarded in the framework of the Project shall be assessed by the Grants Commission taking the following criteria into consideration: previous experience in undertaking monitoring, watchdog activities and journalistic investigations; the relevance of the proposed grant project to the anti-corruption aspects of the current RA Government Program, the Strategic Program of the RA legal and judicial reforms for the years of 2012-2016, the RA current Anti-Corruption Strategy, the issues of education, healthcare, state revenue collection, police system (in terms of provision of services to the citizens), social and environmental issues; the extent of co-financing; impact of the proposed grant project on the anti-corruption reform agenda and the development of the Anti-Corruption CSO coalition.

The overall framework for assessing grant proposals shall be as follows:

| Criteria | Score |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| The relevance of the proposed grant project to the anti-corruption aspects of the current RA Government Program, the Strategic Program of the RA legal and judicial reforms for the years of 2012-2016, the RA current Anti-Corruption Strategy, the issues of education, healthcare, state revenue collection, police system (in terms of provision of services to the citizens), social and environmental issues | 30 |
| Coherence of the project proposal – is it realistic in terms of results to be achieved and timeframe for achieving them? | 30 |
| Potential impact of the proposed grant project on the anti-corruption reform agenda and the development of the Anti-Corruption CSO coalition. The opportunity for developing cooperation between the media, civil society and the society to eliminate various displays of corruption. | 15 |
| Previous experience of the applicant and capacity to implement the proposed Grant project, as well as the implementation of the grant project with a group of two or more organizations. | 15 |

| | |
|-----------------------------------------------|-------------------|
| Extent of co-financing / in-kind contribution | 10 |
| <i>Total</i> | <i>100</i> |

3. APPLICANTS

The Civil Society Organizations – Non-governmental organizations and non-state foundations (hereinafter referred to as “CSOs”) and Media organizations with state registration and functioning in Yerevan and RA Regions, which have taken part in the three-day anti-corruption trainings organized by the AYLA in the framework of the Project in 2014 and have received a participation certificate, may apply to the Grant project.

Separate units of the CSO may not separately apply for the grant project.

Media organizations may only present a grant project application jointly with CSOs, where they cannot be the main applicants.

In case of a joint grant project application, the relationship of the cooperating parties, the distribution of responsibilities and competences shall be set, as well as commitment letters from all the contracting parties shall be attached.

In the selection of CSOs and Media organization the preference shall be given to the CSOs and Media Organizations which have a respective experience in anti-corruption, rights-protection, legal and environmental activities, implementation of monitoring, investigations and public watchdog in these fields and coverage of legal topics.

In the cases when the application is submitted within the limits of 1 500 000 AMD, the preference shall be given to those applications which have been received from a group of 2 or more CSOs and Media organizations.

4. BALANCE

In evaluating the received grant project proposals the balance between the projects from Yerevan-based CSOs and those registered outside Yerevan shall be ensured, with the aim that no less than 10 projects shall be awarded to CSOs registered in the RA regions.

Regard shall be given to the projects by women-run CSOs, as well as projects which focus on issues particularly relevant to women (e.g. corruption issues in maternity hospitals, etc.).

5. BUDGET LIMITATIONS

Bearing in mind the limited size of the budget for each grant, requests to fund equipment and capital expenditure will not be encouraged. Minor capital expenditure of less than 100 000 AMD may be approved if relevant to the project proposal.

The aggregate changes in the budget expenditures by the grantee shall not exceed ten per cent (10%) of the total budget. The changes of the sum exceeding 10 % of the total budget or changes of the grant objectives shall be preliminarily approved by the Responsible person of the Organization.

The Budgetary requirements are presented in detail in the Chapter 5 of this Policy.

6. DURATION

Duration of each project is to be from 2 to 4 months.

7. PROCEDURES

The following procedures will govern the whole cycle of project award and implementation:

1. Announcement of the call for proposals in four rounds: Awarding of grants to a maximum of 5 projects per each round, up to an amount of 6 500 000 AMD (each round of awards will approve 5 grants, either 3 grants worth up to 1 000 000 AMD each and 2 worth up to 1 500 000 AMD each, or 2 grants worth up to 1 000 000 AMD each and 3 worth up to 1 500 000 AMD each).
2. Review of proposals submitted and compilation of a shortlist.
3. Clarification by the Grants Commission with applicants on the proposed grant projects (e.g. unclear formulations, provisions in the application or the budget).
4. Signing of grant agreements with successful applicants and organization of a training on grant management and submission of reports.
5. Announcement of successful grant projects and signing of grant agreements with successful CSOs.
6. Monitoring of Grant projects.
7. Publicizing of the project results.
8. Review of completed round of projects and lessons learned

8. GRANTS COMMISSION

The Grants Commission has been established by the procedure set in the 4.1. provision of the Grants Policy of the “Armenian Young Lawyers` Association” NGO based on the order N 5-A of 09 March 2015 by the AYLA President.

9. TIMETABLE

| # | Activity | Date |
|-----|-----------------------------------------------------------------------------------------------------------------------|-----------------------|
| 1. | Announcement of the first round of project proposals | 25.03.2015 |
| 2. | Deadline for receipt of proposals of the first round | 15.04.2015 |
| 3. | Review of proposals submitted and compilation of a shortlist; clarification with applicants of any outstanding issues | 15.04.2015-29.04.2015 |
| 4. | Publicizing of projects of the CSOs awarded a grant in the first round | 30.04.2015 |
| 5. | Signing of grant agreements with successful applicants of the first round | 30.04.2015 |
| 6. | Implementation of the first round projects, monitoring during the implementation | 01.05.2015-31.08.2015 |
| 7. | Approval of the final reports of the first round projects, announcement of the results and closure of the projects | 30.09.2015 |
| 8. | Announcement of the second round of project proposals | 01.06.2015 |
| 9. | Deadline for receipt of proposals of the second round | 15.06.2015 |
| 10. | Review of proposals submitted and compilation of a shortlist; clarification with applicants of any outstanding issues | 16.06.2015-29.06.2015 |
| 11. | Publicizing of projects of the CSOs awarded a grant in the second round | 30.06.2015 |

| | | |
|-----|-----------------------------------------------------------------------------------------------------------------------|-----------------------|
| 12. | Signing of grant agreements with successful applicants of the second round | 01.07.2015 |
| 13. | Implementation of the second round projects, monitoring during the implementation | 01.07.2015-31.10.2015 |
| 14. | Approval of the final reports of the second round projects, announcement of the results and closure of the projects | 30.11.2015 |
| 15. | Announcement of the third round of project proposals | 01.02.2016 |
| 16. | Deadline for receipt of proposals of the third round | 15.02.2016 |
| 17. | Review of proposals submitted and compilation of a shortlist; clarification with applicants of any outstanding issues | 15.02.2016-28.02.2016 |
| 18. | Publicizing of projects of the CSOs awarded a grant in the third round | 29.02.2016 |
| 19. | Signing of grant agreements with successful applicants of the third round | 10.03.2016 |
| 20. | Implementation of the third round projects, monitoring during the implementation | 01.03.2016-30.06.2016 |
| 21. | Approval of the final reports of the third round projects, announcement of the results and closure of the projects | 31.07.2016 |
| 22. | Announcement of the fourth round of project proposals | 01.06.2016 |
| 23. | Deadline for receipt of proposals of the fourth round | 15.06.2016 |
| 24. | Review of proposals submitted and compilation of a shortlist; clarification with applicants of any outstanding issues | 16.06.2016-29.06.2016 |
| 25. | Publicizing of projects of the CSOs awarded a grant in the fourth round | 30.06.2016 |
| 26. | Signing of grant agreements with successful applicants of the fourth round | 01.07.2016 |
| 27. | Implementation of the fourth round projects, monitoring during the implementation | 01.07.2016-31.10.2016 |
| 28. | Approval of the final reports of the third round projects, announcement of the results and closure of the projects | 30.11.2016 |

10. SUB-APPENDICES

The following documents are an integral part of this policy:

1. Template for announcement of grant competition round
2. Template for project proposal
3. Draft grant agreement