

# ANCD

Australian National Council on Drugs

---



## THE BURDEN OF SUBMISSION WRITING AND REPORTING FOR ALCOHOL AND OTHER DRUG NON-GOVERNMENT ORGANISATIONS

## ACKNOWLEDGEMENTS

The Australian National Council on Drugs would like to thank all participants who made this project possible by completing the survey. A list of the organisations that participated is provided in the appendices.

Thanks also go to the peak bodies that assisted by sending the invitation to participate out through their mailing lists. A list of these peak bodies is provided in the appendices.

Special thanks to the Australasian Therapeutic Communities Association (ATCA) and its Board, in particular the following people who assisted with the development and implementation of the survey:

- Gerard Byrne (The Salvation Army)
- Carol Daws (Cyrenian House)
- Barry Evans (The Buttery)
- Janice Jones (Executive Officer of the ATCA)
- Lynne Magor-Blatch (Private consultant)
- Garth Popple (WHOS)

## EXECUTIVE SUMMARY

This report presents the results of a survey that was conducted by the Australian National Council on Drugs (ANCD) and represents the first direct investigation of the impact of submission and reporting requirements from funding bodies among alcohol and other drug (AOD) non-government organisations (NGOs) in Australia. The survey specifically sought information on a number of different aspects; including time spent by organisations completing funding submissions and complying with reporting requirements in the previous twelve month period.

The survey was sent to the Chief Executive Officers of AOD NGOs in Australia via the mailing list of the peak AOD NGOs in Australia.

Information from 71 AOD NGOs in Australia was analysed. Responses were received from every state and territory. Of the organisations that responded, nearly half were small organisations with an annual budget of less than \$1.5 million each. Of these nearly half received less than \$500,000 annually.

Key Findings identified by the survey include the following:

### SEEKING FUNDS

1. On average each organisation completed 11.4 submissions to funding bodies in the previous twelve months period.
2. Of these submissions 41% were made to Australian government departments while 29% were made to state or territory government departments and 30% were made to other bodies.
3. The average number of hours spent on completing an 'average' sized submission was 105 hours.
4. On average each organisation spent approximately 1,197 hours or 31.5 weeks work completing submissions in the previous twelve month period. This equates to the work of 0.7 of a full time staff member.
5. More time is spent by small organisations in writing up their submissions compared to medium/large sized organisations.
6. 46% of respondents indicated that insufficient time had been provided to complete funding submissions.

### REPORTING ON FUNDS RECEIVED

7. On average each organisation reported on 11.3 funded programs/projects in the previous twelve month period.
8. 38% of reports were prepared for Australian government departments while 40% were prepared for state or territory government departments and 22% were prepared for other funding bodies.

9. 50% of reports provided to the Australian Government departments were required six monthly, 26% were required three monthly and 24% were required every twelve months.
10. Of the reports prepared for state/territory governments and other funding bodies, approximately 38% were required six monthly; 37% were required twelve monthly and 25% were required three monthly.
11. Organisations spent an average of 42 hours preparing one 'average' size report.
12. On average each organisation spent as a minimum 474 hours or 12.5 weeks reporting back to funding bodies in the twelve month period. This equates to the work of 0.3 of a full time staff member. Given however that organisations were required to report more than once each year for over 75% of programs/projects, the actual figure is likely to have exceeded this amount.

## IMPACT OF THIS PROCESS

13. A majority of respondents indicated that submission and reporting requirements had impacted on accounting practices, accessing additional expertise, data collection and accreditation processes and changes to services provided.
14. 42.5% of organisations indicated that submission and reporting requirements had a negative impact on the employment of additional staff within their organisation.
15. 70% of organisations indicated that submission and reporting requirements had resulted in additional costs within their organisations.
16. 96% of organisations indicated that multiple funding bodies had resulted in additional work needing to be undertaken.

While acknowledging that this was not a representative sample, from comments made by respondents it is apparent that NGOs, and in particular small organisations, are struggling with the burden of submission and reporting requirements. NGOs welcome the opportunity to access additional funding but view the process as becoming increasingly complex and time consuming with no additional funding being provided to accommodate reporting and administrative requirements.

Many NGOs are already reporting sacrificing frontline staff in order to appoint administrative staff to meet compliance requirements with some even making choices between the standards they set and whether they provide services at all.

## WHAT IS REQUIRED FROM HERE?

In response to this situation, new thinking is required if AOD NGOs are to continue to play an important role in providing services on behalf of and for the whole community (Spooner and Dadich, 2009). It is important to note however that this report contains information that is merely one component of a larger issue involving compliance with funding bodies. It is in this context that the following suggestions have been made to funding bodies by NGOs who took part in this survey.

- Development of a two-stage submission process such as an initial expression of interest followed by a formal submission process where there is intention to fund the program/project.
- Submission and reporting requirements to include funding and support for additional costs incurred, e.g. administration, evaluation and the development and maintenance of standardised databases required for reporting purposes.
- Funding needs to be approved at least three months prior to commencement dates of new or ongoing funding.
- Less frequent reporting times e.g. yearly reporting preferable.
- Streamlined, standardised, online reporting templates consistent across all government departments to be established and provided.
- A separate NGO liaison unit which manages all government submissions and reporting for all departments to be established.
- Accounting requirements to be simplified in line with standard Australian accounting practices and in keeping with standard accounting packages used by NGOs.
- Organisational audits which include individual program/project details to be accepted in place of the information currently required as part of administrative and accounting practices.
- Key performance indicators to be streamlined to be more meaningful and reportable and kept to a finite number of no more than six.
- Standardised nationally recognised registration/accreditation processes to be accepted and, once completed, be recognised as covering issues such as governance and risk management thus excluding the need to report on these items separately.

# INTRODUCTION

## BACKGROUND

The burden of complying with government funding, accountability, reporting and submission processes for non-government organisations (NGOs) in the alcohol and other drugs (AOD) sector has been consistently raised by NGOs at agency consultation forums conducted on a regular basis around Australia by the Australian National Council on Drugs (ANCD). These concerns have also been echoed in discussions with those members of the ANCD who have direct involvement in the operation of NGOs, as well as the peak body for many of the residential alcohol and other drug rehabilitation services, the Australasian Therapeutic Communities Association (ATCA).

In the ANCD report, *Non-Government Organisations in the Alcohol and Other Drugs Sector: Issues and options for sustainability* (2009), Spooner and Dadich highlight the difficulties of compliance for NGOs. In the report, the authors reveal that when agencies were asked about the impact of compliance on their organisation, the majority of respondents found funding requirements a significant burden, to the point that many said it drew resources away from service delivery. It was also noted that smaller organisations appear to suffer most from the administrative burden.

This perspective is further supported by comments made by Lyons (2009, pp.vi & vii) who writes, "Australian non-profits that receive government funding also complain of burdensome reporting requirements. In most programs, government funding of non-profits has been accompanied by increasing reporting requirements that have never been independently justified, nor subject to the regular government reviews designed to reduce the regulatory burden on businesses. This movement towards greater control is partly a response to increasing government expenditure on services provided by non-profit organisations, but is also a product of the dramatic change in public sector management generated by governments' embrace of what Australians call 'economic rationalism' and the new public management. Growing numbers of ministerial staff have increased the oversight of departmental officials. This has often created tensions and made the latter increasingly risk-averse".

From the information at hand, it is apparent that NGOs are adversely impacted by funding requirements. To assist the ANCD in raising this issue with funding bodies a survey was conducted amongst a number of AOD NGOs around Australia to gain a broader understanding of this impact, in particular the extent and degree of the impact of complying with submission and reporting processes from funding bodies. The survey specifically sought information about time spent on completing funding submissions and complying with reporting requirements once funding has been granted.

## QUEENSLAND STUDY

In preparing for this survey the ANCD reviewed the report “How long is a piece of red tape?” (Ryan et al, 2008) that reports on a study recently undertaken with fourteen Queensland non-profit grant recipients. The grant recipients kept logs to record government generated paperwork as they completed forms over a 12-month period in 2005. The grant recipients also provided, through a series of interviews, their experiences of government paperwork and in particular grant submission and reporting processes.

## KEY TERMS

### *Non-Government Organisations (NGOs) and non-profits*

In this report, the terms NGO and non-profits refer to organisations that are private, self-governing, non-profit and non-government that exist to achieve public benefit.

### *Alcohol and Other Drug (AOD) Non-Government Organisations (NGOs)*

The term AOD NGOs refers here to organisations that are NGOs whose core business is AOD treatment, prevention, harm reduction or advocacy.

### *Small and medium/large sized organisations*

For the purposes of comparing results between smaller sized services and larger ones, the term small organisation is used to denote those services reporting an annual budget of less than \$1.5 million while the term medium/large organisations is used to denote those services reporting an annual budget of \$1.5 million or more.

### *‘Average’, significant and moderate*

The terms ‘average’, significant and moderate which are used in a number of the survey questions and appear throughout the results section are used to denote meaning reflective of that provided in common language rather than having any statistical meaning.

## METHOD

### SAMPLING FRAME AND PROCEDURE

The survey was conducted over a five-week period between December 2008 and January 2009. It was undertaken by seeking the support of all state and territory AOD peak bodies and the national AOD peak body in Australia which were asked to utilise their mailing lists to distribute an invitation from the Chairman of the ANCD to CEOs of AOD NGOs in Australia. A list of the peak bodies approached is provided in Appendix 1.

The peak bodies distributed the invitation to take part in the survey to CEOs of AOD NGOs. Where there was not a designated peak in a state or territory, i.e. ACT and NT, the invitation was sent to a number of contacts in the area who forwarded the invitation onto the sector in that territory. A copy of the e-mail sent to the peak bodies and the invitation sent to CEOs are provided in Appendix 2.

## SURVEY INSTRUMENT AND QUESTION DESIGN

A structured survey instrument was developed using 'SurveyMonkey', a software tool that enables the user to create and conduct professional online surveys.

In developing the survey questions, information was based on findings from the Queensland study (Ryan et al, 2008) and input from Board members of the ATCA who are CEOs and senior managers of alcohol and other drug NGOs. All but one of the 42 ATCA members are NGOs.

Once developed, the questions were sent out to the ATCA Board members that had been initially consulted and to the members of the ANCD for feedback. Modifications were made to the questions after receiving this feedback.

The survey consisted of eighteen quantitative and qualitative questions divided into four separate sections:

- Organisational details
- Submission process
- Reporting process
- Overall process.

An introduction explaining the purpose of the survey and the process for completing it was also included at the beginning of the survey.

## RESPONSE RATE

Of the invitations sent to NGOs across Australia, 118 responses were received. Of these responses, 47 could not be included in the study as respondents had not completed key questions and where not able to be contacted to obtain additional information. A small number of respondents could also not be included as they were not from NGOs. After adjustment, responses from 71 organisations were included in the sample. A list of the organisations that participated according to state/territories they were located in is presented in Appendix 3.

## DATA ANALYSIS

Quantitative data were analysed by Survey Monkey software and qualitative data were collated according to a number of common themes.

In an effort to estimate the time spent in preparing and reporting over the 12 month period for each organisation further calculations were made utilising the results from Survey Monkey to estimate the actual total time spent completing all submissions and reports and how this equated to staffing resources for the twelve month period for each organisation. Calculations have been based on a 38 hour working week.

## RESULTS

Results are reported in five sections: organisational details, submission process, reporting process, overall process and open ended questions.

### ORGANISATIONAL DETAILS

#### State/territory in which the respondent organisation operates

All states and territories were represented in the responses received. More detailed information relating to the break down according to states/territories is provided in Appendix 3.

#### Size of the organisations

Respondents were asked to indicate the size of their organisation's annual budget. 15 (21%) reported an annual budget of less than \$500,000, 18 (25%) an annual budget of at least \$500,000 but less than \$1.5 million, 11 (15%) an annual budget of at least \$1.5 million but less than \$3 million, and 27 (38%) an annual budget of \$3 million or more.

Figure 1 presents the number of NGOs according to whether they were small (organisations receiving an annual budget of less than \$1.5 million) or medium/large (organisations receiving \$1.5 million or more).

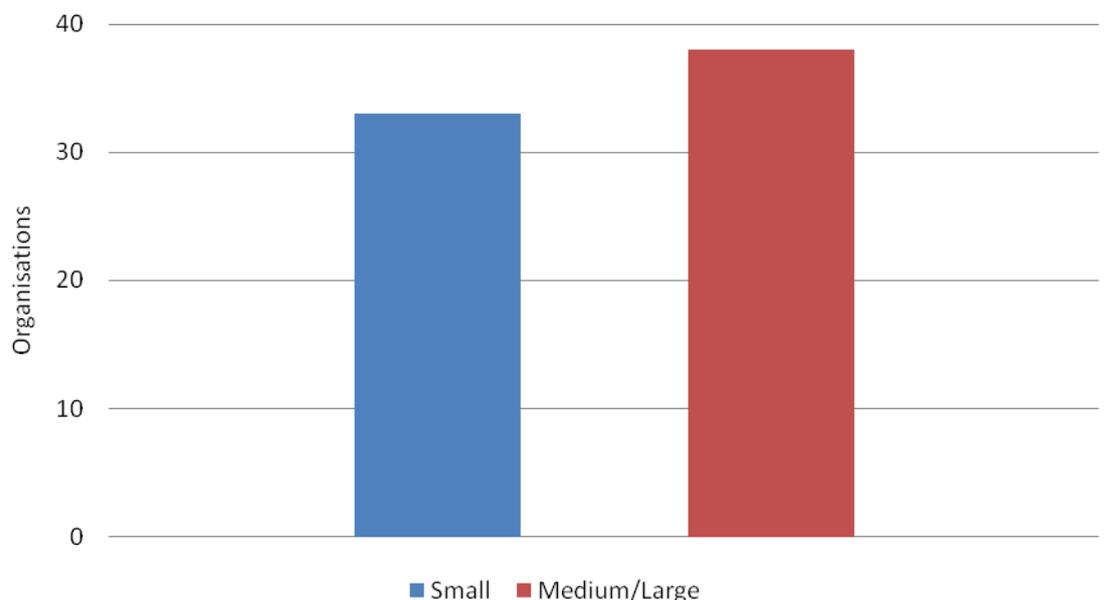


FIGURE 1. NUMBER OF PARTICIPATING ORGANISATIONS ACCORDING TO SIZE

The distribution of small organisations was 33 (46%) compared to 38 (54%) for medium/large organisations.

## SUBMISSION PROCESS

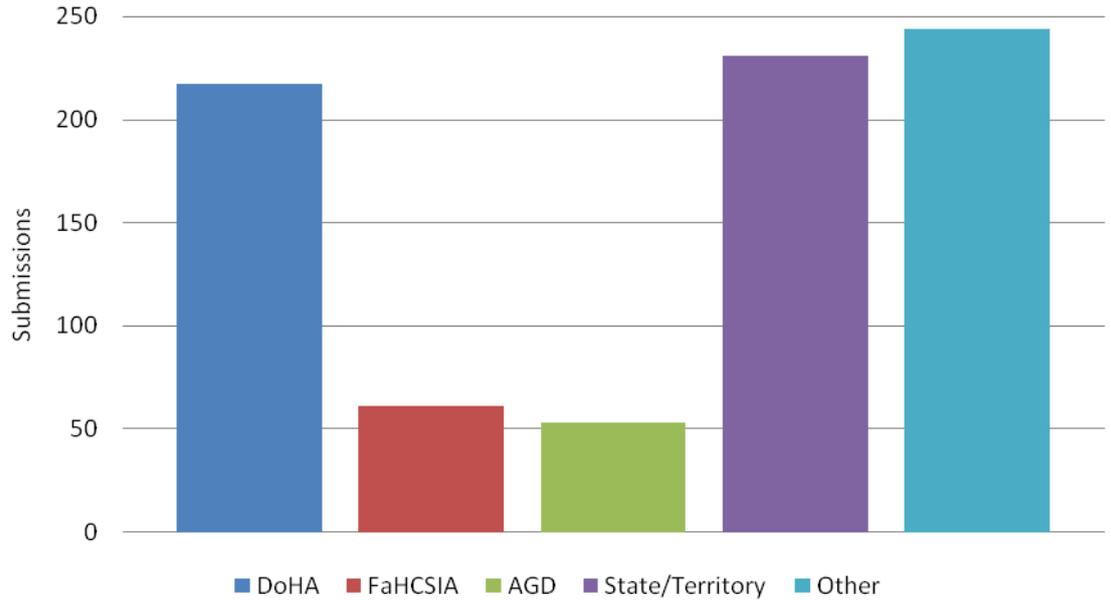
### Number of funding submissions prepared in previous 12 months

Respondents were asked to indicate how many funding submissions their organisation had prepared in the previous 12 months for specified funding bodies. Among the 71 responding organisations, a total of 806 submissions were prepared in the previous 12 months. This equates to an average of 11.4 submissions per organisation.

Figure 2 presents the number of total funding submissions prepared for each of the specified funding bodies over the previous 12 months. In total, 331 (41%) of all submissions were made to Australian government departments. A total of 217 (27%) submissions were made to the Department of Health and Ageing (DoHA); 61 (8%) to the Department of Family, Housing, Community Services and Indigenous Affairs (FaHCSIA); and 53 (6.6%) to the Attorney Generals' Department (AGD). A total of 231 (29%) submissions were made to State or Territory Government bodies.

A total of 244 (30%) submissions were made to 'other' funding bodies. The majority of these were non-government bodies such as the Alcohol, Education and Rehabilitation Foundation, philanthropic groups (e.g. the Myer Foundation, Telstra and Ian Potter Foundation), the Cancer Council, Wesley Mission, bank grants, research bodies (i.e. National Centre for Education on Training and Addiction (NCETA) ), community funds, Fosters, Rotary, Beyond Blue, and Rio Tinto.

Of the 806 submissions prepared in the previous 12 months, 597 (74%) were prepared by medium/large organisations and 209 (26%) were prepared by small organisations. Of the 331 submissions prepared for Australian government departments, 266 (80%) were prepared by medium/large organisations and 65 (20%) were prepared by small organisations.

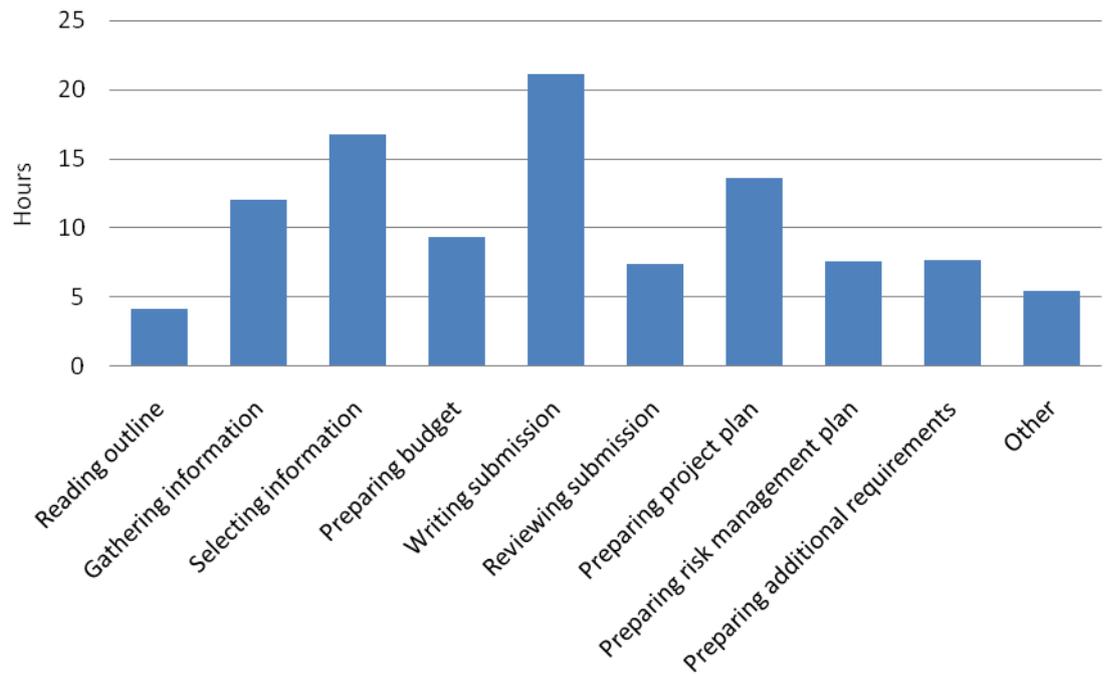


**FIGURE 2. NUMBER OF SUBMISSIONS PREPARED FOR SPECIFIED FUNDING BODIES IN PREVIOUS 12 MONTHS**

Number of hours spent on completing an ‘average’ size submission

Respondents were asked to consider an ‘average’ size submission from those reported in the previous question and to estimate the number of hours spent on completing different components of the submission process. The average number of hours spent on completing an ‘average’ sized submission was 105 hours.

Figure 3 shows a breakdown of the average amount of time spent on each of the different components of preparing the submission. An average of 21 hours (20%) was spent on writing the submission, 16 hours (15%) selecting the information for inclusion, and nearly 14 hours (13%) preparing the project plan.



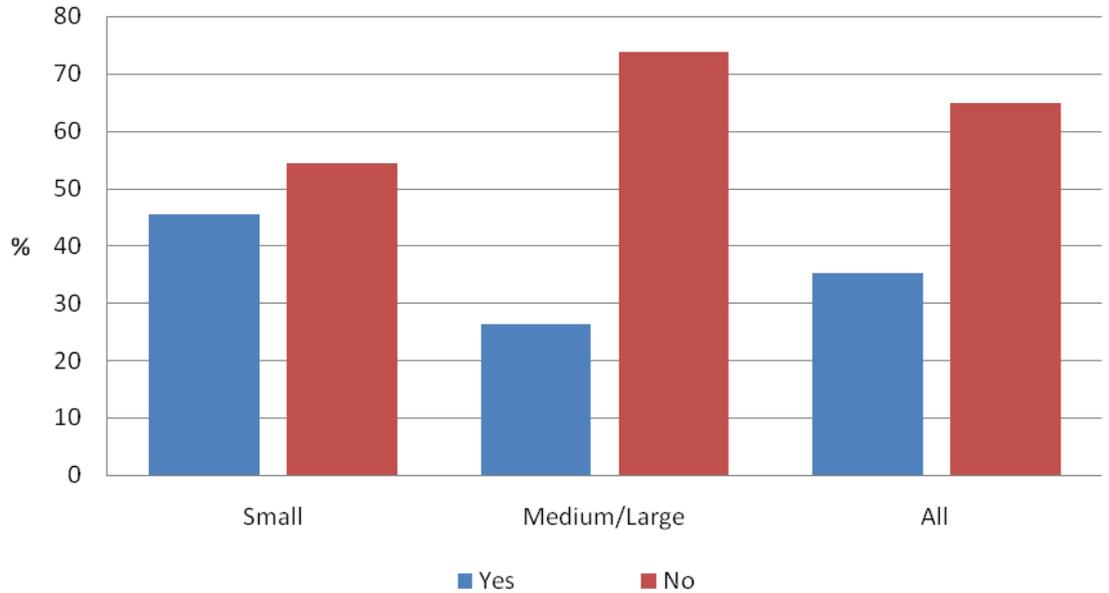
**FIGURE 3. AVERAGE NUMBER OF HOURS SPENT ON SPECIFIED TASKS RELATED TO PREPARING FUNDING SUBMISSIONS**

Differences were found between small and medium/large organisations in terms of the average number of hours spent on an ‘average’ sized submission. Small organisations spent an average of 121.3 hours to complete a submission while medium/large organisations spent an average of 90.1 hours. One major contributor to this difference was the amount of time spent on selecting the information for inclusion in the submission. Small organisations spent an average of 22.8 hours (19%) on this component whereas medium/large organisations spent an average of 10.2 hours (11%).

#### The amount of notice provided to complete submissions

Respondents were asked whether their organisation, on average, receives enough notice to complete funding submissions. Figure 4 presents the proportion of small, medium/large and all organisations according to their response. Overall, 46 organisations (65%) indicated that there was not enough time provided to complete submissions.

Responses differed between small and medium/large organisations. Of the 33 small organisations who responded, 18 (55%) indicated that there was insufficient time. This contrasted with medium/large organisations where 28 (74%) of the 38 medium/large organisations who responded indicated that there was not sufficient time to complete funding submissions. Generally, it appears that organisations believe that there is insufficient time provided to complete funding submissions.



**FIGURE 4. PROPORTION OF SMALL, MEDIUM/LARGE, AND ALL ORGANISATIONS INDICATING WHETHER SUFFICIENT NOTICE IS GIVEN FOR FUNDING SUBMISSIONS**

The salary range of the person who spent the majority of time on the submission

Respondents were asked to indicate the salary range of an individual who spent the most time preparing an average funding submission in the previous 12 months. Figure 5 presents the proportion of small, medium/large and all organisations according to the specified salary range of the individual who spent the most time preparing the submission. Overall, 43 organisations (61%) indicated that this person earned at least \$61,000 per year and two (3%) indicated this person was a volunteer.

Differences existed between small and medium/large organisations in terms of the annual salary of the person who spent the most time on an average funding submission in the previous 12 months. Two small organisations (6%) indicated this person was a volunteer whereas no medium/large organisations (0%) indicated this person was a volunteer. Nine small organisations (27%) indicated that this person earned between \$41,000 and \$50,000 whereas only three (7%) medium/large organisations indicated this person earned this level of salary. Generally the person spending most time on an average sized funding submission in the previous 12 months had a higher annual salary among medium/large organisations than among small organisations.

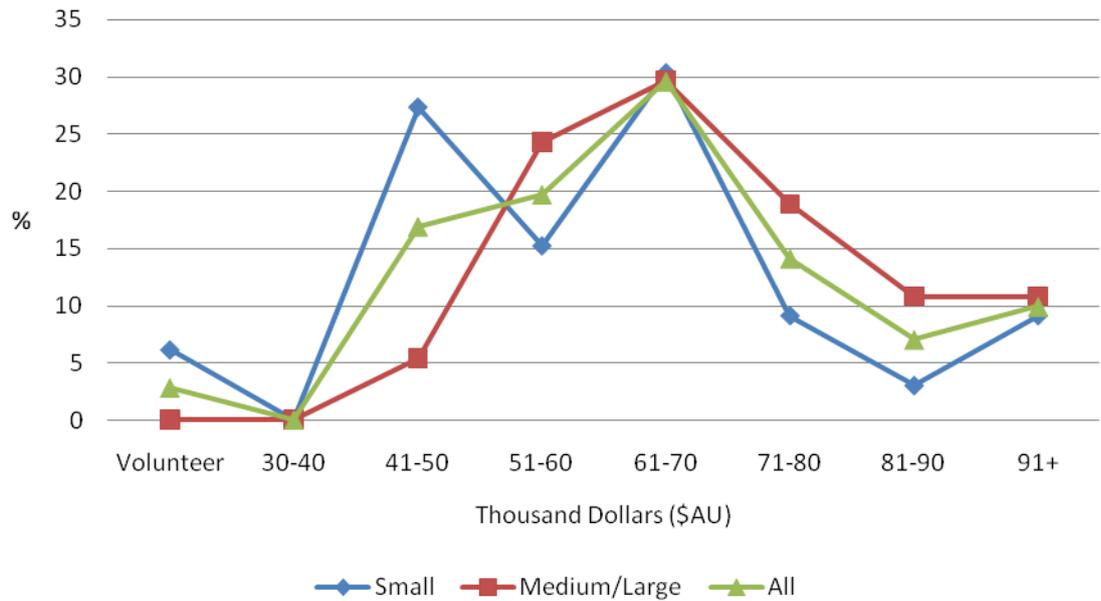


FIGURE 5. PROPORTION OF SMALL, MEDIUM AND LARGE, AND ALL ORGANISATIONS ACCORDING TO THE ANNUAL INCOME OF PERSON WHO SPENT MOST TIME ON FUNDING SUBMISSIONS

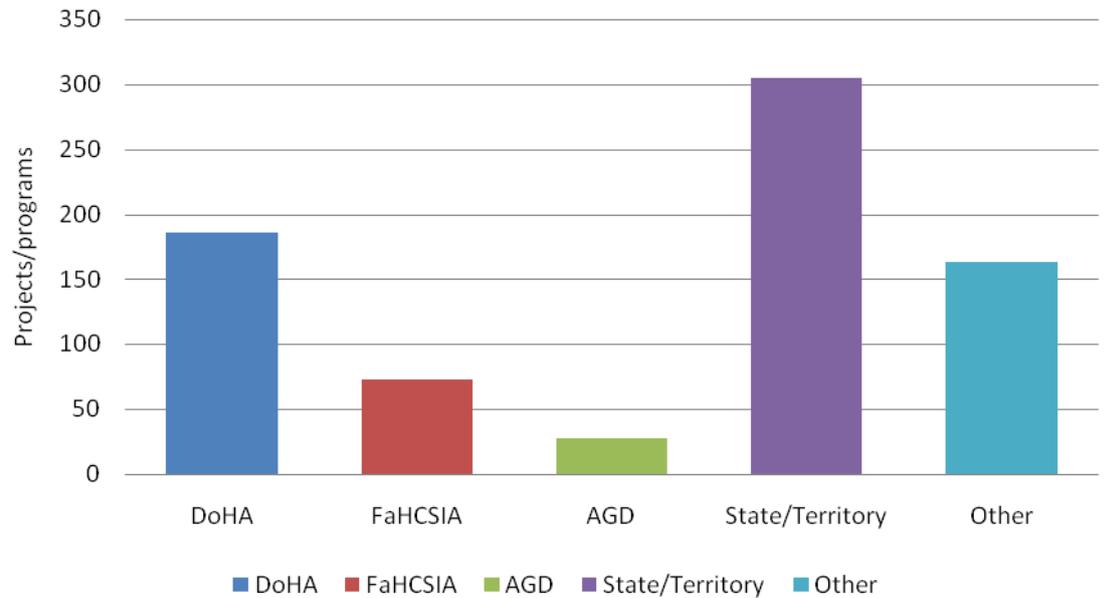
## REPORTING PROCESS

### How many programs/projects were reported against in the last 12 months

Respondents were asked to indicate the total number of programs/projects reported on in the previous 12 months to specified funding bodies. Of the 67 organisations that responded, a total of 755 programs/projects were reported against in the previous 12 months. This equates to an average of 11.3 programs/projects being reported against per organisation.

Figure 6 presents the number of projects/programs reported against in the previous 12 months by funding body. Overall, reports were submitted to Australian government departments for 287 (38%) projects/programs. A total of 186 (25%) programs/projects were reported against for DoHA, 73 (10%) for FaHCSIA, and 28 (4%) for AGD. A total of 302 (40%) programs/projects were reported against for state or territory government departments and a further 166 (22%) for 'other' bodies.

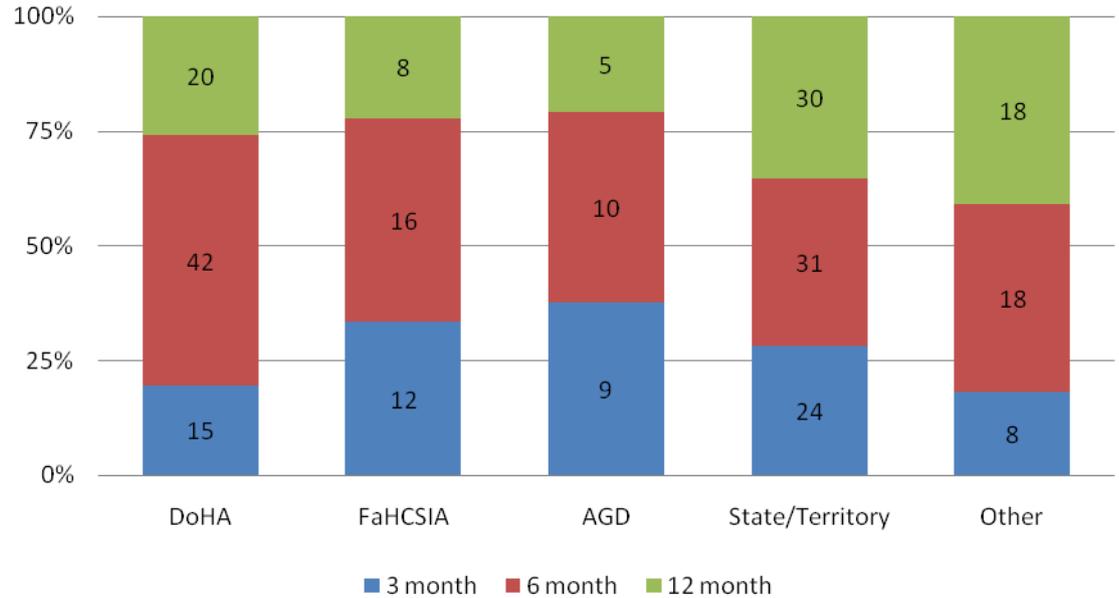
The size of the organisation impacted upon the number of programs/projects reported against in the previous 12 months. Thirty-one small organisations reported against 207 (27.4%) programs/projects and 36 medium/large organisations reported against 548 (72.6%). This equates to an average of 6.7 reports per small organisation and 15.2 per medium and large organisation. Generally, medium/large organisation reported against more projects/programs than small organisations.



**FIGURE 6. NUMBER OF PROJECTS AND PROGRAMS REPORTED AGAINST BY FUNDING BODY IN PREVIOUS 12 MONTHS**

Frequency of reporting to each of the departments

Respondents were asked to indicate the number of 3 month, 6 month, and 12 month reporting requirements for project/programs for specified funding bodies. Figure 7 outlines the frequency of reporting by the funding body for programs/projects. Among the 66 organisations who responded, 68 (50%) of the 137 Australian government department programs/projects were reported against six monthly, 36 (26%) were reported against three monthly, and 33 (24%) were reported against every twelve months. Among these bodies, AGD had the highest proportion requiring quarterly reporting (38%) and DoHA had the highest proportion requiring six-monthly reporting (56%) and annual reporting (27%). Among the 129 programs/projects reported against for state and territory governments and other bodies, similar numbers of reports were required six monthly (49; 38%), every twelve months (48; 37%), and 32 (25%) were required three monthly.

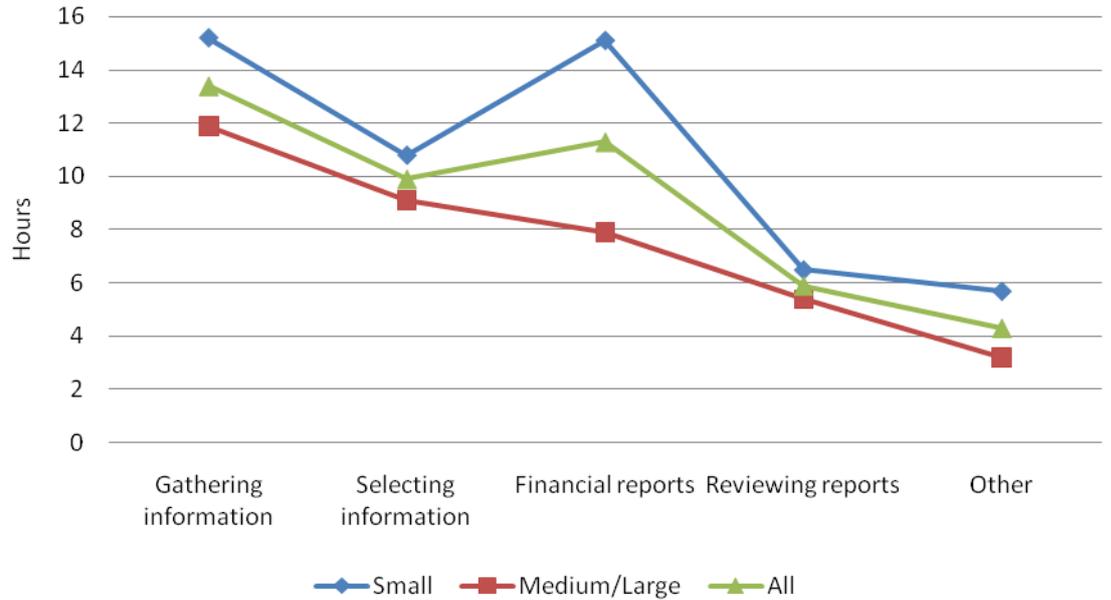


**FIGURE 7. PERCENTAGE OF ALL REPORTS TO FUNDING SOURCES ACCORDING TO FREQUENCY OF REPORTING REQUIREMENTS**

Number of hours spent on an average size report in the last 12mths

Respondents were asked to specify the average number of hours spent on a variety of tasks associated with preparing reports over the previous 12 months. Organisations spent an average of 42 hours preparing one ‘average’ size report. Figure 8 shows a breakdown of the average number of hours spent on each of the different components of reporting for small, medium/large, and all organisations. Gathering information (13.4 hours) and preparing the financial components of the report (11.3 hours) constituted the two components on which the greatest amount of time was spent.

Few differences existed between small and medium/large organisations. The major exception is the time spent on preparing financial reports. Small organisations spent an average of 15.1 hours on this task whereas medium/large organisations spent an average of 7.9 hours.

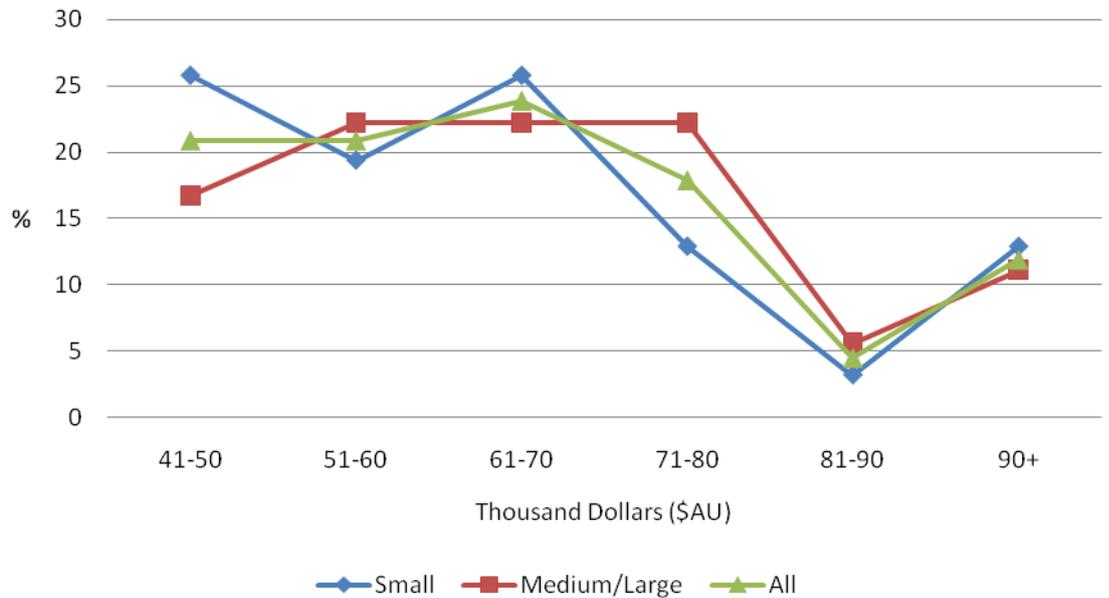


**FIGURE 8. AVERAGE NUMBER OF HOURS SPENT BY SMALL, MEDIUM AND LARGE, AND ALL ORGANISATIONS ENGAGING IN SPECIFIC TASKS INVOLVED IN PREPARING AN AVERAGE SIZED REPORT**

#### Salary range of the main person writing the report

Respondents were asked to specify the salary range of the main person undertaking report preparation in the previous 12 months. Figure 9 presents the proportion of small, medium/large and all organisations according to the specified salary range. Overall, 44 organisations (66%) indicated the main person had an annual salary of between \$41,000 and \$70,000. No organisations indicated that the main person was a volunteer or earned less than \$41,000 per year.

Few differences existed between small and medium/large organisations. The exceptions were the proportion of organisations indicating that the main person spending most of the time on an average report in the previous 12 months earned either between \$41,000 and \$50,000 and those earning between \$71,000 and \$80,000. In small organisations eight (26%) stated the main person earned between \$41,000 and \$50,000 and four (13%) stated the person earned between \$71,000 and \$80,000. In medium/large organisations, this figure was six (17%) and eight (22%), respectively.



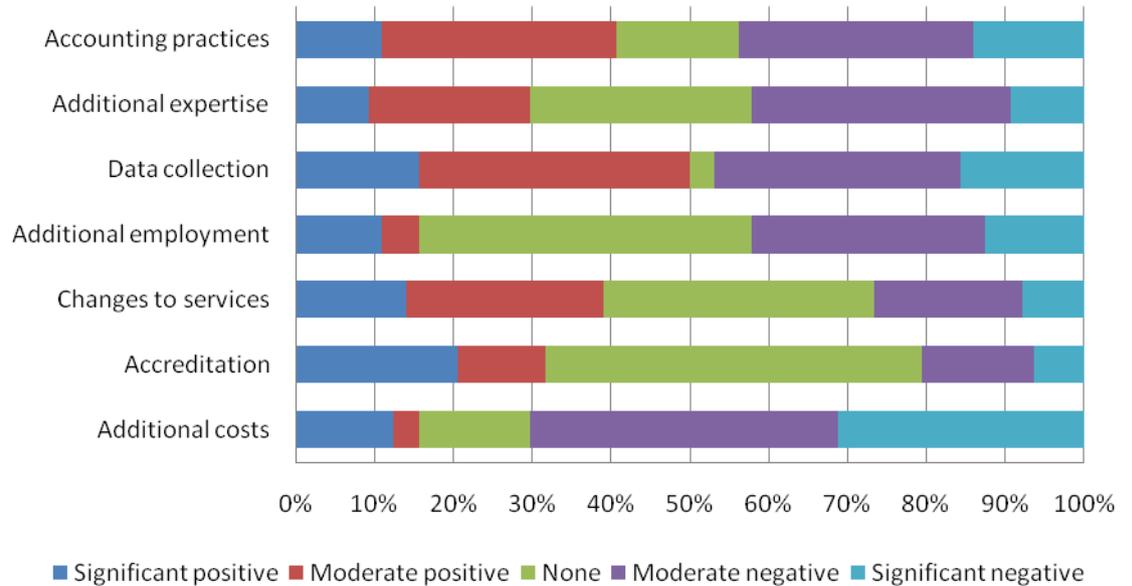
**FIGURE 9. PERCENTAGE OF MAIN PERSONS WRITING REPORTS AMONG SMALL, MEDIUM AND LARGE, AND ALL ORGANISATIONS ACCORDING TO SALARY RANGE**

## OVERALL PROCESS

### Impact of overall submission and reporting on non-government organisations

Survey participants were asked to comment on the level of impact ranging from significant positive impact to significant negative impact that the overall submission and reporting process had to the way their organisation conducts its business in a variety of specified domains: (i) accounting practices; (ii) accessing additional expertise; (iii) data collection; (iv) employment of additional staff; (v) changes to services provided; (vi) accreditation; and (vii) additional costs.

Figure 10 presents the proportion of respondents according to their responses. In summary the results for domains, other than employment of additional staff and additional costs indicated a mixed response with a majority of respondents reporting that submission and reporting had impacted on the way their organisation conducts its business. With employment of additional staff and additional costs, respondents indicated that there had been a negative impact on their organisation.



**FIGURE 10. PROPORTION OF ORGANISATIONS INDICATING THE OVERALL IMPACT SUBMISSION/ REPORTING PROCESSES HAD ON THEIR ORGANISATION**

More specifically the survey indicated:

*Accounting practices*

Of the 64 organisations that responded, 54 (84%) indicated that submission and reporting processes had impacted upon the way they conducted their accounting practices.

*Accessing additional expertise*

Of the 64 organisations that responded, 46 (72%) indicated that submission and reporting processes had impacted upon their decision to access additional expertise.

*Data collection*

Of the 64 organisations that responded, 62 (97%) indicated that submission and reporting processes had impacted upon their data collection process.

*Employment of additional staff*

Of the 64 organisations that responded, 37 (58%) indicated that submission and reporting requirements had impacted upon their employment of additional staff. For the vast majority, submission and reporting processes appeared to have impacted negatively on these organisations with 19 (30%) indicating a moderate negative impact and 8 (12.5%) a significant negative impact.

### *Changes to services provided*

Of the 64 organisations that responded, 42 (66%) indicated that submission and reporting processes had impacted upon changes to services provided by their organisation.

### *Accreditation*

Of the 63 organisation that responded, 33 (52%) indicated that submission and reporting processes had impacted upon accreditation.

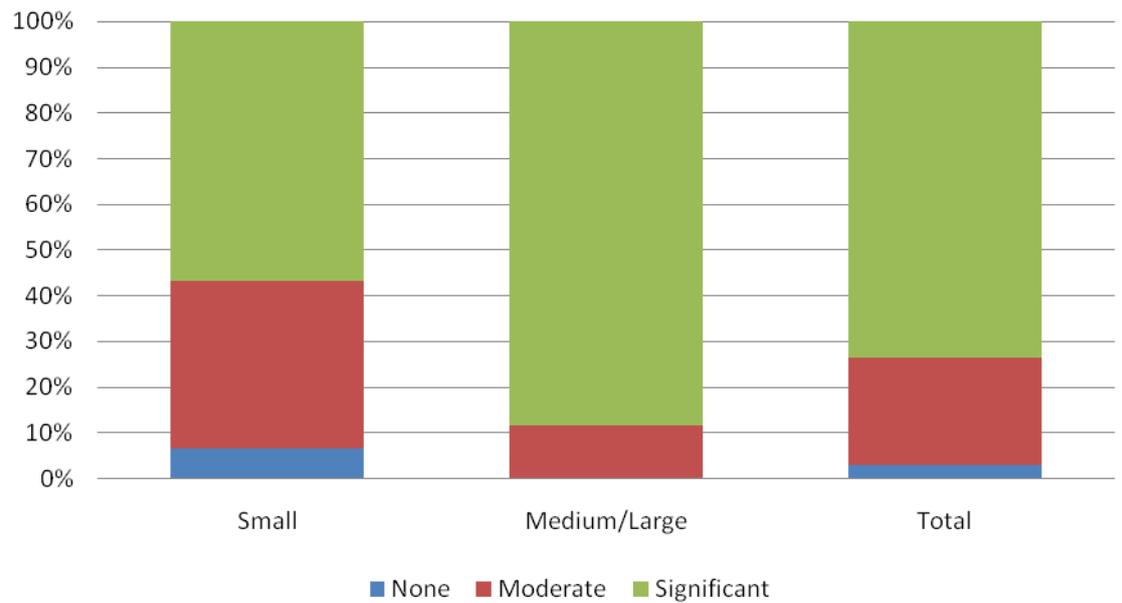
### *Additional costs*

Of the 64 organisations that responded, 53 (86%) indicated that submission and reporting processes had an impact upon additional costs to their organisation. Generally, submission and reporting processes appear to have had a negative impact on additional costs among most organisations with 25 (39%) indicating a moderate negative impact and 20 (31%) a significant negative impact.

The difference of having multiple funders to the amount of reporting work required

Respondents were asked to indicate how much difference having multiple funding bodies made to the total amount of reporting work undertaken on a scale including: none, moderate, and significant. Figure 11 present the proportion of small, medium/large and all organisations indicating the impact of having multiple funding sources on the amount of reporting undertaken. Of the 64 organisations that responded, two (3%) indicated that multiple funding sources had had no impact, 15 (23%) a moderate impact, and 47 (73%) a significant impact.

Having multiple funding sources reporting requirements impacted differently upon small and medium/large organisations. The main difference was the proportion indicating a moderate or significant impact. Of the 30 small organisations that responded, 11 (37%) indicated reporting to multiple funding sources had a moderate impact on the amount of reporting and 17 (57%) indicated a significant impact. This contrasted with the 34 medium/large organisations that responded where four (12%) indicated a moderate impact and 30 (88%) indicated a significant impact. Generally, reporting to multiple funding sources appears to have a greater impact upon medium/large organisations compared with small organisations; however, all types of organisations were generally impacted.



**FIGURE 11. PROPORTION OF SMALL, MEDIUM AND LARGE, AND ALL ORGANISATIONS ACCORDING TO WHETHER THE OVERALL SUBMISSION/REPORTING PROCESS HAS HAD NO IMPACT, A MODERATE, OR A SIGNIFICANT IMPACT UPON THE AMOUNT OF WORK UNDERTAKEN**

## OPEN ENDED QUESTIONS

In addition to the quantitative questions respondents were also invited to provide additional comments on what changes to the submission and reporting process would make a difference to their organisation. A summary of these comments have been sorted according to the following headings: general comments; submission process and reporting process and are reported below.

### General comments

- Small NGOs struggle to participate in the submission process.
- Submission and reporting requirements need to be supported with the means to meet them e.g. funding, databases designed to collect data.
- More explanation is required by funding bodies as to the purpose of reporting and who the information is for.
- If submission writing and reporting remains complex and time consuming the only solution is to reduce frontline services.
- The impact on staff morale from lack of work security is detrimental.
- Funding is appreciated but the funding process is onerous.
- Feedback from the data provided in reports would be helpful.

- Use of longer term contracts

#### Submission process

- Funding opportunities to be more accessible to organisations.
- Use of the expression of interest process as a minimal process prior to preparing formal submissions.
- Combining of small grants into a larger funding round.
- Timing of submissions to not coincide with major holiday periods e.g. Christmas.
- Timelines to be realistic.
- Questions asked in the submission process to be streamlined and clearly related to the scope of the project.
- Inclusion of administration fee to cover costs of submission, reporting and evaluation costs.
- A comprehensive, centralised funding database and annual calendar of funding rounds would save a lot of time.
- Greater opportunity to present arguments to assessing committee and obtain meaningful feedback and advice on composition of assessing committee.
- Use of transparent processes for advising the sector of funding opportunities.
- Funding needs to be approved at least three months prior to commencement dates of new or ongoing funding.
- Where funding is extended and existing programs/projects are seeking a continuation of funding more streamlined submission processes should be used.

#### Reporting process

- Use of 12 monthly reporting.
- Use of streamlined, standardised reporting templates that are consistent across all government departments.
- Access to online submission and reporting templates.
- Establishment of separate NGO liaison unit which manages all government submissions and reporting for all departments.

- Provision of education and training by government to NGOs on guidelines, expectations.
- Simplified accounting requirements in line with Australian accounting standards and in keeping with standard accounting packages used by NGOs e.g. MYOB.
- Acceptance of standard organisational audits which include individual program/project details.
- Streamline KPIs to be more meaningful and reportable and keep to finite number of no more than six.
- Consistent staffing within government departments dealing with reporting of projects.
- NMDS designed to collect data more effectively for reporting.
- Recognition and acceptance of national registration/accreditation process that once completed is recognised by funding bodies as covering issues such as governance and risk management.

## DISCUSSION

This report presents findings from a survey undertaken by the ANCD between December 2008 and January 2009 to investigate the impact of submission and reporting requirements from funding bodies on AOD NGOs within Australia. The survey specifically sought information about time spent on completing funding submissions and complying with reporting requirements once funding had been granted.

Information from 71 NGOs across Australia was collected. Of the organisations that responded, nearly half were small organisations with an annual budget of less than \$1.5 million each. Of these small organisations nearly half received less than \$500,000 annually.

### LIMITATIONS

A number of limitations must be considered when examining the findings of the survey. These relate to the screening process, the items included in the survey, and the manner in which some questions were worded. Notwithstanding this, the survey does represent the first direct investigation of the impact of submission and reporting requirements to funding bodies among the AOD NGO sector in Australia. As such, it represents a necessary and important contribution to an understanding of factors influencing AOD NGOs.

### NUMBER OF SUBMISSIONS AND REPORTS

During the 12 month period the 71 participating organisations prepared a total of 806 submissions and reported on a total of 755 programs/projects. This equates to

an average of 11.4 submissions being prepared and 11.3 programs/projects being reported on for each organisation.

Organisations seek and receive funding from a range of sources however for government sourced funding, results show that organisations are seeking funding more frequently from Commonwealth government departments (41%) than state and territory governments (29%). This is an interesting, if not concerning occurrence, given that state and territory governments are identified as being primarily responsible for funding AOD services.

To compound this, funding provided by the Commonwealth as well as 'other' funding bodies is largely short term which is resulting in significant issues for organisations as established programs/projects are often not being refunded once the initial funding ceases.

## TIME SPENT ON SUBMISSIONS AND REPORTS

The findings confirmed that organisations are spending large amounts of time completing submissions and reporting on programs/projects.

Estimations for compiling submissions indicate approximately 1197 hours or the equivalent of 31.5 weeks work was spent on undertaking this task. If this is viewed from a staffing perspective this equates to 0.7 of a staff member working full time preparing submissions only.

Time spent on reporting on programs/projects was estimated to be approximately 474 hours or 12.5 weeks for each organisation in the twelve month period. This equates to 0.3 of a staff member working full time on reporting to funding bodies. Given, however, that organisations were required to report more than once each year for over 75% of programs/projects, these figures would exceed this amount.

If the time spent writing submissions and reporting on programs/projects is combined it is estimated that it would be equivalent to one full time staff member undertaking these tasks. This is a considerable amount of time to be spent, particularly when this person is typically a senior member of staff, often the CEO, and there is no guarantee that the organisation will receive funding or be compensated for the time spent preparing submissions and writing reports.

This is an even greater issue for small organisations who were found to spend more time (av 121.27 hrs) than medium/large organisations (av 90.1 hrs) on the submission process, small organisation also do not have the same access to other staff as medium/large organisations do. Given these results, it is little wonder that small organisations are finding it difficult to participate in this process.

## OVERALL IMPACTS

It is important to note that NGOs welcome the opportunity to access additional funding but view the process as becoming increasingly complex and time consuming with no additional funding being provided to accommodate for funding requirements. NGOs also report insufficient time being allowed for completing

submissions with just over a half of the smaller NGOs and nearly three quarters of medium/large organisations identifying this as an issue.

Many NGOs are already sacrificing frontline staff in order to appoint administrative staff to meet compliance requirements with some even making choices between the standards they set and whether they provide services at all. Others, in particular smaller NGOs have indicated that they may even have insufficient capacity to apply for funding. These findings are consistent with findings from Spooner and Dadich (2009).

In examining the impact that submission and reporting had on specific domains covered in the survey; namely accounting practices; accessing additional expertise; data collection; employment of additional staff; changes to services provided; accreditation; and additional costs the results were mixed. It was clear that it had impacted on all of these domains but results indicated that it had a similar negative and positive impact. This is most probably explained by the lack of clarity of what was actually being asked of the respondents. The exceptions to this were in the domains of employment of additional staff and additional costs where the impact was clearly a negative one with submission and reporting leading to increased costs and employment of additional staff.

If one adds to this mix the complexity of the different funding bodies all having their own reporting processes one can see the huge impact this is having on NGOs. Not surprisingly 96% of organisations reported that having multiple funders made a difference to the amount of reporting work they needed to do.

## CONCLUSION

While acknowledging that this was not a representative sample, from the comments made by respondents, it is apparent that NGOs, and in particular small organisations, are struggling with the burden of submission and reporting requirements. The existence of numerous funding sources, all with their own reporting requirements is clearly a major factor in compounding this situation.

## WHAT IS REQUIRED FROM HERE?

In response to this situation new thinking is required if AOD NGOs are to continue to play an important role in providing services on behalf of and for the whole community (Spooner and Dadich, 2009). It is important to note however that this report contains information that is merely one component of a larger issue involving compliance with funding bodies. It is in this context that the following suggestions have been made to funding bodies by NGOs who took part in this survey.

- Development of a two stage submission process such as an initial expression of interest followed by a formal submission process where there is intention to fund the program/project.

- Submission and reporting requirements to include funding and support for additional costs incurred, e.g. administration, evaluation and the development and maintenance of standardised databases required for reporting purposes.
- Funding needs to be approved at least three months prior to commencement dates of new or ongoing funding.
- Less frequent reporting times e.g. yearly reporting preferable.
- Streamlined standardised online reporting templates consistent across all government departments to be established and provided.
- A separate NGO liaison unit which manages all government submissions and reporting for all departments to be established.
- Accounting requirements to be simplified in line with standard Australian accounting practices and in keeping with standard accounting packages used by NGOs e.g. MYOB.
- Organisational audits which include individual program/project details to be accepted in place of the detail currently required as part of administrative and accounting practices.
- Key performance indicators to be streamlined to be more meaningful and reportable and kept to a finite number of no more than six.
- Standardised nationally recognised registration/accreditation processes to be accepted and once completed be recognised as covering issues such as governance and risk management thus excluding the need to report on these items separately.

## REFERENCES

Lyons, Mark (2009), Foreword to report by Catherine Spooner and Ann Dadich, *Non-government Organisations in the Alcohol and Other Drugs Sector: issues and options for sustainability*. ANCD Research Paper 17. Canberra: Australian National Council on Drugs, 2009.

Spooner, C. and Dadich, A. 2009, Non-Government Organisations in the Alcohol and Other Drugs Sector: Issues and options for sustainability. *The Australian National Council on Drugs Canberra, Australia*.

Ryan, C., Newton, C., and McGregor-Lowndes, 2008, How Long is a Piece of Red Tape? The Paperwork Reporting Cost of Government Grants. *The Australian Centre for Philanthropy and Nonprofit Studies Queensland University of Technology Brisbane, Australia*.

# APPENDIX 1

## LIST OF AOD PEAK AND RELATED BODIES

ACT Health -ACT

Alcohol Education and Rehabilitation Foundation (AER)

Alcohol, Tobacco and Other Drug (ATOD) - TAS

Amity Community Services -NT

Australasian Professional Society on Alcohol and other Drugs (APSAD)

Australasian Therapeutic Communities Association (ATCA)

Network of Alcohol and Other Drug Agencies (NADA) -NSW

Queensland Network of Alcohol and other Drugs Agencies (QNADA) -QLD

South Australian Network of Drug and Alcohol Services (SANDAS) -SA

Victorian Alcohol and Drug Association (VAADA) - VIC

Western Australian Network of Alcohol and other Drug Agencies (WANADA) - WA

## APPENDIX 2

### CORRESPONDENCE SENT TO PEAK BODIES AND CEOs OF NGOS WITHIN THE DRUG AND ALCOHOL SECTOR

#### E-mail message sent to peak bodies

Dear Colleagues

At a number of recent community consultation meetings held by the Australian National Council on Drugs (ANCD) the burden on drug and alcohol non-government organisations (NGOs) in complying with submission and reporting processes from funding bodies has been raised as a major concern. This concern has also been echoed in discussions with the Australasian Therapeutic Communities Association (ATCA).

Given the ANCD will be launching some major research on the NGO sector in early 2009, the membership of the ANCD has requested that a short survey be undertaken to gain a broader understanding of the impact of this issue on services.

The results of the ANCD survey will also be utilised to provide advice to governments and other funders of drug and alcohol services on reducing the level and impact of compliance.

To assist the ANCD in this process we are seeking the help of drug and alcohol peak bodies, and other appropriate drug and alcohol bodies within Australia to widely disseminate this survey to CEOs of NGOs within the sector. This can be done by copying the content of the attachment provided into the body of your email and distributing it through your networks.

We appreciate your valuable support and assistance with this. Should you have any further queries regarding this request please contact Denise Gilchrist at the ANCD on 02 61669600 or at [denise@ancd.org.au](mailto:denise@ancd.org.au)

Dr John Herron  
Chairman  
Australian National Council on Drugs

Message sent to CEOs of NGOs within the Drug and Alcohol Sector

To CEOs of NGOs within the Drug and Alcohol Sector

At a number of recent community consultation meetings held by the Australian National Council on Drugs (ANCD) the burden on drug and alcohol NGOs in complying with submission and reporting processes from funding bodies has been raised as a major concern. This concern has also been echoed in discussions with the Australasian Therapeutic Communities Association (ATCA).

Given the ANCD will be launching some major research on the NGO sector in early 2009, the membership of the ANCD has requested that a short survey be undertaken by the ANCD Secretariat to gain a broader understanding of the extent and degree of the impact of this issue on services. The survey specifically seeks information on a number of different aspects, including time spent on completing funding submissions and complying with reporting requirements once funding has been granted.

As the CEOs of these services we would value your input by having you complete this on line survey. It takes approximately 15 minutes to complete and can be accessed at

[http://www.surveymonkey.com/s.aspx?sm=JJ\\_2feoEQVEOdexY3lZfcHiQ\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=JJ_2feoEQVEOdexY3lZfcHiQ_3d_3d)

The closing date for surveys to be submitted is 21st January 2009.

We appreciate your valuable time and input. Should you require further information or assistance in completing this survey please contact Janice Jones [Janice@atca.org.au](mailto:Janice@atca.org.au) or Denise Gilchrist [denise@ancd.org.au](mailto:denise@ancd.org.au) regarding this request.

Dr John Herron  
Chairman  
Australian National Council on Drugs

# APPENDIX 3

## LIST OF RESPONDING NGOS ACCORDING TO OPERATIONAL JURISDICTION

NSW	VIC	QLD	TAS	SA	WA	ACT	NT
12 (28.2%)	15 (21.1%)	12 (16.9%)	12 (16.9%)	11 (15.5%)	11 (15.5%)	8 (11.3%)	5 (7.0%)
Addiction Treatment Foundation Inc. Adele Dundas Inc. Australian Drug Foundation Centacare, Canberra/ Goulburn DRUG ARM Australasia Family Drug Support Leichhardt Women's Community Health Centre Inc. New South Wales Users and AIDS Association Network of Alcohol and Drug Agencies Odyssey House McGrath Foundation Peppers South Coast Medical Service Aboriginal Corporation The Buttery Ted Noffs Foundation The Salvation Army Youthlink The Salvation Army Blue Mountains Recovery Services The Salvation Army - Recovery Services Headquarters Wesley Rehabilitation Services WHOS Youth Solutions	Arbias Australian Drug Foundation Barwon Youth Bass Coast Community Health Service Eastern Drug and Alcohol Service Family Drug Support Odyssey House Victoria The Buoyancy Foundation of Vic The Salvation Army Basin Centre Turning Point Drug & Alcohol Centre Upper Hume Community Health Service Western Region Alcohol and Drug Centre Victorian Alcohol and Drug Association YSAS Pty Ltd	Australian Drug Foundation DRUG ARM Australasia Family Drug Support Fresh Hope Association Inc. Goldbridge Rehabilitation Services Inc. Gold Coast Drug Council Inc. Ted Noffs Foundation The Salvation Army Brisbane Recovery Services The Salvation Army - Townsville Recovery Services The Salvation Army - Recovery Services Headquarters Turning Point Drug & Alcohol Centre WHOS	Anglicare Tasmania Inc. Alcohol Tobacco and Drug Council Inc. Centacare, Catholic Diocese of Ballarat Inc. Circular Head Aboriginal Corp Drug Education Network Inc. Family Drug Support Holyoake Tasmanian Inc. Launceston City Mission Tasmanian Council on AIDS, Hepatitis & Related Diseases The Salvation Army Turning Point Drug & Alcohol Centre Youth and Family Focus Inc.	Australian Drug Foundation Centacare Support Training and Intervention Services DRUG ARM Australasia Family Drug Support Hepatitis C Council of SA Inc. National Organisation for Fetal Alcohol Syndrome & Related Disorders SA Network of Drug and Alcohol Services South East Drug and Alcohol Counselling Service Inc. The Salvation Army Towards Independence Network of Services Umoona Community Council Inc. Uniting Care Wesley Adelaide	Australian Drug Foundation Bega Garnbirringu Health Services Family Drug Support North Metro Community Drug Service Palmerston Association Serenity Lodge Inc. The Salvation Army Bridge Programme WA WA Council on Addictions T/A Cyrenian House Western Australian Substance Users Association (WASUA) Youth Involvement Council	Alcohol and Drug Foundation ACT Alcohol and other Drugs Council of Australia Centacare, Canberra/ Goulburn DIRECTIONS ACT Drug Services for All Family Drug Support Ted Noffs Foundation The Salvation Army - Recovery Services Headquarters	Australian Drug Foundation Drug & Alcohol Service Association, Alice Springs Family Drug Support Forster Foundation t/a Banyan House Turning Point Drug & Alcohol Centre

