

Guide to Application for OGCIO Sponsorship

1 Eligibility

Under normal circumstances, only non-profit making organisations registered in Hong Kong are eligible to apply. Also, projects receiving other sources of funding from Government are normally not eligible to apply. The OGCIO reserves the right to allow exceptions for other organisations with specific background to apply for sponsorship, e.g. private universities.

2 Project Assessment

2.1 Vetting Criteria

The OGCIO will form an Assessment Panel to evaluate the proposals based on the following criteria:

- (a) whether the Applicant is well-established and have experience in successfully implementing industry support or community projects;
- (b) whether the objective of the proposed project is closely aligned with the selected theme as described in the invitation letter/OGCIO's website;
- (c) the capabilities, expertise and experience of the project team;
- (d) whether the requested amount is reasonable and realistic, as well as the cost-effectiveness of the project in achieving its professed objectives;
- (e) the commitment of the applicant, and whether and to what extent the applicant will put up resources from its own or other sources to support the Project;
- (f) track record in implementing and managing past OGCIO sponsorship projects (if any). This does not preclude organisations that have not managed OGCIO projects in the past from applying; and
- (g) Any other criteria as set out in OGCIO's website or correspondences to invite sponsorship proposals.

3 Financial Arrangements

3.1 Disbursement of Funds

Applicants may propose a funding schedule in the application form. The OGCIO reserves the right to decide on the schedule of disbursing project funds to the Applicant. At least 10% of the payment will be settled after satisfactory completion of the Project, and OGCIO's acceptance of the Project final report and audited accounts.

3.2 Suspension or Termination of Funding Support

The funding support of OGCI0 may be suspended or terminated if, for example, there is a lack of satisfactory progress, delay in submitting progress reports, a slim chance of completion, a breach of the terms and conditions of the Agreement, or the OGCI0 sees fit to terminate the Project in public interest. The Applicant may have to return all/part of the sponsored amount.

3.3 Budget

(a) Scope of Funding

Only expenditure directly incurred for the Project during the Project period can be supported by the OGCI0. The following items directly incurred for the Project may be funded:

- (i) Manpower - Only the salary (including employer's contributions to the Mandatory Provident Fund) of the additional manpower directly incurred for the Project will be funded. Monthly time sharing record should be maintained for manpower charged on a pro-rata/hourly basis.
- (ii) Equipment - Only the cost of procuring or leasing of additional equipment for implementing the Project can be charged to the OGCI0. Applicants are encouraged to use existing equipment or to lease the additional equipment required.
- (iii) Other direct costs directly incurred for the Project, such as promotional and travelling expenses.

(b) The OGCI0 will not cover the following types of expenses -

- Entertainment
- Food and beverages
- Flight tickets of business class or above
- Venue cost
- Project management or overhead costs¹

(c) The Applicant should list all sources of funding for the proposed Project, including its own resources or other funding sources. Applicants should note that their commitment is one of the assessment criteria. If the applicant receives other additional or new sources of funding before/ during/ after the project period, the applicant should notify and report to the OGCI0.

(d) The OGCI0 reserves the right to require Applicants to return any mis-spent amount together with the interest income accrued to the OGCI0.

¹ "Project management or overhead costs" refer to the costs of the existing staffing establishment and administrative overhead of the sponsored organisation for the overall supervision and management of the sponsored project, which is the responsibility of the sponsored organisation. Only additional staff costs reasonably incurred in the implementation of the sponsored project will be taken into account in considering the proposal.

3.4 Books and Records

The Applicant should keep a proper and separate set of books and records for each Project. Accrual basis of accounting should be adopted for all Projects. The books and records should be maintained in such a manner as to enable the production of Statement of Income and Expenditure and Balance Sheet in respect of each Project. All transactions of a Project should be properly and timely recorded in the books of accounts.

The books and records of the Project should be kept by the Applicant for at least 1 year after completion of the Project or termination of the Project Agreement, or as otherwise specified by the OGCIO. The OGCIO and the Director of Audit will have unhindered access to the books of accounts and records.

3.5 Financial Reports

The Applicant should submit the audited final account of the Project to the OGCIO not later than 2 months after the completion of the project. The audited accounts should contain all receipts and receivables including any contribution from sponsors (whether in cash or in kind), contribution from Applicant, all income generated from the Project, residual funds and payments for the Project. The audited accounts should also comprise Statement of Income and Expenditure, Balance Sheet, Notes to the Accounts and Auditors' Report. The audited accounts of the utilisation of the income (if applicable) should comprise Statement of Income and Expenditure, List of Bank Balances, Notes to the Accounts and Auditors' Report. The accounts of a Project should be properly prepared from and in agreement with the books and records of the Project.

The project accounts must be audited by an independent auditor who must be either Certified Public Accountants or Public Accountants registered under the Professional Accountants Ordinance (Chapter 50). The audit cost is eligible for the OGCIO sponsorship.

3.6 Procurement Procedures

The Applicant should exercise the utmost prudence in procuring equipment, goods or services for the Project and must adhere to the following procedures unless OGCIO agrees otherwise:

- (a) For every procurement the aggregate value of which is more than HK\$5,000 but less than HK\$50,000, quotations from at least 2 suppliers should be obtained.
- (b) For every procurement the aggregate value of which is HK\$50,000 or more, but less than HK\$1,000,000, quotations from at least 5 suppliers should be obtained.
- (c) For every procurement the aggregate value of which is HK\$1,000,000 or more, open tendering should be used.

In the case of universities and other post-secondary institutions, they may adhere to their established/current standard procedures.

The Applicant should select the supplier that has submitted the lowest bid. If the lowest bid is not selected, full justifications must be given. All quotations and tendering documents in relation to the Project should be kept for the OGCI0 and the Director of Audit's inspection for at least 1 year after completion of the Project or termination of the Project Agreement, or as otherwise specified by the OGCI0.

3.7 Hiring of Project Staff

When hiring staff for the approved Project, the Applicant is required to abide by the principles of openness, fairness and competitiveness, and to strictly adhere to the General Guidelines on Staff Recruitment (which will be separately provided to successful applicants).

3.8 Return of Residual Funds and Income

All residual funds², bank interest accrued and income generated from the use of the OGCI0 sponsorship shall be returned to the OGCI0 within 1 month after submission of the audited final account. For the avoidance of doubt, the residual funds shall be capped at the amount of sponsorship received from the OGCI0.

3.9 Declaration of Support from Other Sources

The Applicant should declare in its proposals whether it has obtained or applied for support from other sources and specify the project components involved. If there are contributions from the commercial sector or industry, either in cash or in kind, the Applicant shall not solicit or accept sponsorships or other courtesy arrangements from undesirable sources, e.g. tobacco, alcohol, pornographic or gambling industry, etc.

3.10 Asset Ownership

Any assets acquired through the OGCI0 sponsorship shall remain with the Government during the project period. Ownership of such assets will be automatically transferred to the sponsored organiser upon satisfactory completion of the Project.

3.11 Ownership of Intellectual Properties

The ownership, copyright and all other intellectual property in all the deliverables of the project shall be vested in and belong to the Government during the project period. They will be automatically transferred to the sponsored organiser upon satisfactory completion of the Project.

The sponsored organiser shall deliver a copy of all project deliverables to the OGCI0 for retention. For the avoidance of doubts, deliverables of the Project shall include documents, reports, multimedia materials, data, models, software, computer files, plans, and any other things in their finalised and/or work-in-progress stages upon their coming into existence.

² The formula for calculating the residual funds is:

“Total sponsorship from OGCI0 + Applicant's Contribution + Other Sponsorship - [Actual Project Expenditure / Approved Project Expenditure (whichever is the less)]”

4 Project Governance and Reporting Requirement

4.1 Project Management Team

The Applicant shall nominate a Project Coordinator and a Deputy Project Coordinator for each funded project. They will be responsible for overseeing the Project, monitoring the proper use of funds, liaising with the OGCIIO and attending progress meetings.

4.2 Contractual Requirements

The Applicant shall be required to sign an Agreement prepared by the OGCIIO and to comply with all the terms and conditions of the Agreement, this Guide and the instructions and correspondences issued by the OGCIIO. The Agreement will cover the additional obligations and responsibilities of the successful Applicant, the payment of the grant, treatment of intellectual property rights, governing law, indemnity, conflict of interest and confidentiality.

An approved Project has to be carried out strictly in accordance with the Agreement. Any modification, amendment or addition to the Project or the Agreement, including change of Project period, Project scope, budget or cashflow projection, or replacement of the Project Coordinator or Deputy Project Coordinator, shall require prior written approval by the OGCIIO.

4.3 Progress & Project Self-Evaluation Reports

The Applicant will be required to submit the following progress and project self-evaluation reports:

(a) Progress Report

The Applicant should provide periodic progress reports as specified by the OGCIIO. The Applicant shall detail the progress made, as well as describe any problems perceived. Any significant delays must be reported to the OGCIIO.

(b) Final Report

Upon completion of the Project and formal acceptance by the OGCIIO, the Applicant should prepare the Final Report. The Report should be prepared with knowledge sharing and public disclosure in mind. It should document and evaluate the implementation and the outcomes of the projects. It should include the targets, action/deliverables, feedback and comments received, budget and schedule of the Project. The Applicant shall also evaluate the implementation for the project from the sponsor's angle and the outcomes of the project from the beneficiaries' angle with the support of relevant data collected through surveys or other means. The Report shall also measure how well the targets established in the Proposal have been achieved and give an account on any significant deviation.

The Applicant should submit the Final Report within 2 months from Project completion. The OGCIIO reserves the right to disclose the progress reports and the entire Final Report to the public and other third parties.

5 Intellectual Property Rights and Knowledge Sharing

Any intellectual property created in or via the Project should be made available for free in the public domain for re-use; exceptions to this requirement should be made known to the OGCI0 in the project proposals. Materials that could be published include (but are not limited to) the Project final report, presentation materials, speeches, survey results, training kits, etc. The Applicant shall ensure that the general public will have equal access to the Project Result on equal terms. Exclusive use of the Project Result is not allowed unless otherwise approved in writing by the OGCI0.

The OGCI0 reserves the right to put the proposal seeking sponsorship to competitive bidding.

6 Probity Requirement

The sponsored organisation shall advise all staff including cooperating partners involved in the Project that they must observe the provisions on the Prevention of Bribery Ordinance, and ensure that all staff including those of the cooperating partners are alert to situation which may lead to actual, potential or perceived conflict of interest and that sufficient safeguards are in place to avoid such situations from arising.

7 Personal Data (Privacy) Ordinance

The sponsored organisation should ensure that all personal data, if any, are collected, processed and stored under the proposed project in manners that comply with the relevant provisions of the Personal Data (Privacy) Ordinance.

8 Provision of False Information

The funding support of the OGCI0 may be suspended or terminated if false information has been provided. It may also result in suspension or termination of the project, refund of the sponsorship monies and prosecution.

9 Indemnity

The Applicant shall indemnify the OGCI0 against all loss, claims, demands, damages, costs, expenses and liabilities which may be brought or established against the Government arising out of the breach of any of the terms and conditions of the Agreement by the Applicant. An Applicant, whether successful in this application or otherwise, shall not seek or claim any compensation, reimbursement, damages or indemnity from the OGCI0 in relation to the preparation and submission of this application.

**Office of the Government Chief Information Officer
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