

Our Ref.: SWD/S/109/10/6-5
Tel. No.: 2832 4363
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14 January 2010

Board Chairperson of
Subvented Non-governmental Organisation (NGO)

Dear Sir/Madam

**Social Welfare Development Fund (SWDF)
The First Phase - Invitation for Application**

Thank you for your support to the Briefing Session on 13 January 2010 in which we have announced the launching of the SWDF. I am now writing to invite your organisation to submit application for the First Phase of the SWDF.

The SWDF will be operated in three 3-year phases covering a total of 9 years (i.e. Phase 1 – 2010-11 to 2012-13, Phase 2 – 2013-14 to 2015-16 and Phase 3 – 2016-17 to 2018-19).

Funding

The funding cap for each NGO is set at 9% of its annual subventions in 2009-10 or \$2 million, whichever is the higher. NGO may apply up to 33% of the funding cap in the first phase. The funding cap of your organisation is as follows:

Total funding cap for your organisation:	\$_____
Maximum amount your organisation may apply in Phase 1:	\$_____

The grants will be approved to NGOs based on the merit of their applications and disbursed to NGOs on a yearly basis in accordance with the schedule of the approved projects.

Supported Scopes

As recommended by Lump Sum Grant Independent Review Committee, the SWDF was set up to support the following scopes:

- (a) training and professional development for NGO board members, subvented staff (not limited to social workers), covering also the cost of workers to relieve staff who go on training;
- (b) business system upgrading for subvented services of NGOs (both information technology (IT) and non-IT projects), e.g. IT infrastructure, system design and initiatives to enhance NGO's management capacity or facilitate their re-engineering; and
- (c) studies aiming at enhancing subvented NGO's service delivery.

Submission of Application

Your organisation is invited to submit one composite application for SWDF during the application period **from 15 January 2010 to 30 June 2010**. The application is to be made in duplicates and sent to Subventions Section of SWD. In preparing the application, you should observe the guidelines as stated in the **Guidance Notes for Application at Annex 1** and submit the **Application Form at Annex 2** as follows:

- **Part I, Part II and Part IV (if applicable)** should be submitted to Subventions Section of SWD; and/or
- **Part III and Part IV (if applicable)**, which are for IT project application only, should be submitted direct to Information Systems and Technology Branch (ISTB) of SWD.

Reporting Mechanism

For SWD's monitoring over the use of the SWDF within the permitted scopes and the approved schedule, your organisation is required to submit the following:

- "Disclosure of SWDF in NGO's Audited Financial Statement" to Finance Branch of the Department, with a copy to Subventions Section of SWD by end of October 2011, 2012 and 2013;
- "Annual Progress Report of SWDF" to Subventions Section of SWD by end of October 2011 and 2012;
- "Evaluation Report - Phase 1" to Subventions Section of SWD by end of October 2013.

We will send the relevant report forms to you when we notify you of your application result. For IT projects, NGOs are required to submit the relevant reports direct to the ISTB as the latter advised.

Vetting of Application

The Department will vet your application as follows:

Non-IT Projects

- Vetted by Subventions Section of SWD
- Endorsed by Lotteries Fund Advisory Committee (LFAC)

IT Projects

- Vetted by ISTB of SWD
- Endorsed by the Joint Committee on Information Technology for the Social Welfare Sector and then LFAC

Notification of Approved Allocation

Your organisation will be informed of the allocation approved under Phase 1 of the SWDF once the vetting and endorsement procedures are completed. The exact lead time will vary depending on the bulk of applications to be processed by SWD during the same period and the complexity of the applications. In view of these variables, flexibility in the implementation schedule of your planned projects is needed. Please note that any project which has commenced before the date of approval will not be recognised.

In order that your organisation can benefit from the SWDF as soon as possible, we advise you to make your application early. If you have any enquiries, please contact Ms Chan Yee-lee at 2832 4365 or the responsible Social Work Officer designated to your organisation.

Yours sincerely,

(Ms Lily Ng)
for Director of Social Welfare

c.c.

NGO Head [with encl.]

Lump Sum Grant Steering Committee Members [with a sample letter only]