The role of the External Manager

NSW Environmental Trust

Tips and information

If your organisation or group is not incorporated or cannot manage the financial aspects of the project, you may nominate another organisation to manage the grant funds on your behalf – an External Manager.

The External Manager must be an incorporated or registered organisation (e.g., government department, university, non-governmental organisation, local council).

The grantee remains the lead decision maker and will control the project's activities and direction.

Grant payments are made to the External Manager, who is responsible for making all payments relating to the project on the grantee's behalf and preparing all financial reports as required under the Funding Agreement.

It is expected that a **written** agreement is prepared between the grantee and the External Manager, particularly regarding the project's management and submission of reports.

Pros
- Fewer administration responsibilities.
- Less risk of conflict of interest or perception of conflict of interest.
- External Manager may have more experience in grant administration than the lead applicant.

Cons
- Procurement processes are potentially less flexible as procurement will follow the External Manager's procurement procedures.
- More discussions as the External Manager becomes a stakeholder in the delivery and outcomes of the grant.
- The lead applicant may not develop their skills in grant administration as tasks are being delivered by the External Manager.
- Potential increased risk of conflict of interest or perception of conflict of interests.

Top tips for grantees

Assign one person to be the primary contact with the External Manager – so it is clear for both the grantee and External Manager who to contact and who is responsible.

Establish a good working relationship with the External Manager with frequent, clear, and respectful communication.

Establish a shared vision and understanding of the project with the External Manager **before** activities start.

Work with the External Manager to prepare a cooperation agreement **before** project activities start. This agreement should commit to the frequency of communication/meetings, when this occurs across the year and how you intend to communicate with each other – for example, meet at least 6 monthly and arrange fortnightly or monthly phone catch-ups.

Hire a project manager through the grant to take care of all the finance/grant business and to work with the External Manager.

Minimise overheads and have good governance, e.g., establish a steering committee to oversight key decisions and financial accountability, and keep meetings to those required to manage your project efficiently.

Top tips for External Managers

Resources – You will need a dedicated contact point to work with the grantee and administrative support to keep on top of reporting, budgets, relationship management, contract management, logistics, etc.

Duration – Signing up for a number of years comes with significant risk. Project partners leave, costs increase, and circumstances change, but the External Manager is still responsible for delivering the contract with the Trust.

Familiarity with the Project Implementation Plan – be aware of project activities and implementation timeframes.

Contact Trust Administration – contact the Grants Administrator to understand Trust reporting requirements. If there is a problem with the project, your Grants Administrator can assist in resolving it.

Communication – arrange regular communication meetings (outlined in the cooperation agreement) and frequent contact with the grantee, send reminders to schedule meetings and ensure that you indicate what information and project deliverables you require from the grantee to complete the required reporting on time.