



GRANT MANAGEMENT POLICY AND PROCEDURES

1. Purpose and Scope

1.1. For the purposes of this Policy, a grant shall mean financial resources, property, or any other form of resource support provided to the Foundation by donors on a non-repayable or conditionally non-repayable basis for the implementation of projects, programmes, research activities, educational initiatives, analytical products, or other activities consistent with the Foundation's statutory objectives.

1.2. The Foundation may receive grant funding from international organizations and agencies, foreign and domestic foundations, diplomatic missions, government authorities, other non-profit organizations, as well as legal entities and individuals providing financial support for projects consistent with the Foundation's mission and statutory activities.

1.3. This Policy establishes the Foundation's internal rules governing participation in grant opportunities, preparation and submission of grant applications, acceptance and administration of grants, project implementation, internal monitoring, financial management, donor relations, and grant reporting.

1.4. The objectives of this Policy are to ensure the legality, transparency, and accountability of the Foundation's grant management activities; to establish a clear allocation of responsibilities among participants throughout the grant lifecycle; to minimize legal, financial, operational, reputational, and governance risks; and to maintain an effective internal control system consistent with the requirements of international donors and the applicable legislation of the Republic of Kazakhstan.

1.5. This Policy further aims to ensure the traceability of grant-related decision-making, provide documentary evidence supporting project development and implementation, and establish an internal grant management framework based on the internationally recognized principles of accountability, results-based management, value for money, risk-based approach, do no harm, inclusion, and transparency.

2. Scope of Application

2.1. This Policy applies to all structural units, governing bodies, employees, experts, consultants, project teams, and any other individuals involved in the preparation, review, approval, submission, implementation, administration, monitoring, and reporting of grant-funded projects undertaken by the Foundation.

2.2. The provisions of this Policy apply to all grants irrespective of the funding source, grant amount, project duration, or funding modality, including direct grants, consortium arrangements, sub-grants, and any other forms of project financing.

2.3. This Policy shall be implemented in conjunction with the Foundation's Charter, Financial Management Policy, Procurement Policy, Human Resources Policy, Conflict of Interest Policy, Code of Ethics, Personal Data Protection Policy, Anti-Corruption Policy, AML/CFT Policy, Sustainable Development Goals (SDGs) Policy, Beneficiary Protection Policy, and any other applicable internal policies and procedures of the Foundation.

2.4. Where a donor imposes specific requirements regarding project management, reporting, procurement, transparency, gender equality, safeguarding, data protection, anti-corruption compliance, or any other aspect of grant implementation, the Foundation shall comply with such donor requirements to the extent that they do not conflict with the applicable legislation of the Republic of Kazakhstan.

2.5. Where this Policy and the applicable Grant Agreement regulate the same matter differently, the provisions of the Grant Agreement shall prevail, provided that their application does not result in a violation of the legislation of the Republic of Kazakhstan.

2.6. Any grant application prepared or submitted outside the procedures established by this Policy shall not create any financial, operational, contractual, or reputational obligation for the Foundation unless its submission has been formally approved in writing in accordance with the Foundation's internal approval procedures.

3. Centralized Responsibility and Grant Management System

3.1. Overall responsibility for the Foundation's grant management system rests with the Executive Director, who is responsible for organizing the relevant business processes, approving decisions on grant applications and grant acceptance, overseeing compliance with donor obligations, and ensuring the effective operation of the Foundation's internal monitoring system.

3.2. The Executive Director is not responsible for personally preparing all technical, financial, and substantive components of grant applications or projects. Instead, management decisions are made on the basis of documentation and recommendations prepared by authorized members of the Foundation's Expert Council, the Project Team Leader, external experts, the Project Manager, and the Accountant. This allocation of responsibilities is intended to ensure functional specialization and minimize the concentration of incompatible responsibilities within a single position.

3.3. The Foundation's Accountant is responsible for the financial management of grant-funded projects, including the preparation of project budgets, assessment of expenditure eligibility, maintenance of project accounting records, preparation of financial reports, and verification of compliance with the Foundation's Financial Management Policy, donor requirements, and applicable legislation.

3.4. The Project Manager is responsible for coordinating the preparation of grant applications and the implementation of projects, maintaining project documentation, monitoring implementation timelines, preparing supporting documentation, and facilitating communication among project team members.

3.5. The Expert Council participates in identifying priority project themes, assessing the relevance of proposed initiatives, developing project concepts, preparing project justifications, and contributing to the substantive content of grant applications.

3.6. Members of the Expert Council bear individual professional responsibility for the quality of the project's analytical foundation, the soundness of the proposed concept, the reliability of data used, and the legal and substantive validity of the proposed solutions, conclusions, and recommendations.

3.7. The Project Leader designated in the grant application is responsible for the substantive and operational implementation of the project, coordinating the work of the project team in accordance with the approved management framework, and ensuring the achievement of the project's intended results and compliance with donor obligations.

3.8. All decisions affecting the grant lifecycle shall be documented and retained as part of the Foundation's official Grant File.

4. Fundraising Strategy, Grant Prioritization, and Internal Review of Grant Opportunities

4.1. The Foundation participates in grant opportunities based on a strategic assessment of each funding opportunity, taking into account its alignment with the Foundation's statutory objectives, institutional expertise, the capacity of the Foundation and its Expert Council, available organizational resources, and the acceptable level of risk.

4.2. Potential grant proposals are discussed by the Executive Director and the Expert Council with due consideration of the Foundation's current strategic priorities, emerging legal, social, research, public policy, and international issues, as well as the feasibility of achieving the proposed results within the anticipated timeframe.

4.3. Before a decision is made to submit a grant application, an internal meeting shall be held to assess the relevance of the proposed topic, the appropriateness of participating in the funding opportunity, the availability of expert and organizational resources, the preliminary budget, the feasibility of achieving the expected results, and the anticipated project impact.

4.4. The meeting shall be attended by the Executive Director, members of the Expert Council, and, where appropriate, external experts invited to enhance procedural transparency, provide an independent assessment of the proposed concept, validate the project's feasibility, and reduce the risk of internal bias.

4.5. The participation of external experts is not mandatory for every project; however, it is recommended where the proposed project involves a substantial budget, highly sensitive subject matter, complex interaction with government authorities, vulnerable groups, international obligations, or significant reputational risks.

4.6. The outcomes of the meeting shall be documented in formal minutes containing at least:

- a description of the matters discussed;
- a summary of the proposed project concept;
- an assessment of the project's consistency with the Foundation's statutory objectives;
- a preliminary review of donor requirements;
- a recommendation regarding submission of the application;
- identification of key risks; and
- assignments for further development of the proposal.

4.7. At this preliminary stage, the Foundation shall conduct an initial assessment of:
the relevance of the identified problem;

- the quality and feasibility of the proposed project concept;
- the anticipated social, legal, institutional, or policy impact;
- implementation timelines;
- the Foundation's capacity to achieve the proposed results;
- preliminary financial feasibility; and
- consistency with the Foundation's internal policies.

4.8. Following the internal review, a preliminary Responsibility Matrix shall be prepared identifying the anticipated roles of the Executive Director, Project Leader, Project Manager, Accountant, experts, and, where appropriate, other project participants.

4.9. Before submission of any application, a project risk assessment shall be conducted covering, at a minimum, legal, financial, operational, programmatic, human resource, and reputational risks, as well as, where relevant, research ethics, gender equality, safeguarding, and data protection risks. The results of this assessment shall be documented in the Foundation's internal grant documentation and, where required by the donor, incorporated into the grant application itself.

The internal review of the grant proposal shall be formally documented in the meeting minutes.

4.10. During the proposal preparation stage, the Foundation shall also conduct a preliminary assessment of the proposed Terms of Reference, project implementation schedule, indicative budget, project logical framework, feasibility of expected results, realism of proposed indicators, and anticipated project impact.

4.11. The final decision to submit a grant application shall be made by the Executive Director based on the meeting minutes, supporting documentation, and recommendations provided by the experts, and shall be documented by means of a separate written decision.

5. Grant Proposal Preparation and Submission Procedures

5.1. Grant applications shall be prepared in accordance with the requirements of the respective donor and the Foundation's internal procedures.

5.2. The substantive components of grant applications shall be prepared by members of the Expert Council or other experts engaged by the Foundation.

Such experts bear individual professional responsibility for the quality of the project concept, academic and scientific integrity, ethical compliance, justification of the identified problem,

accuracy of factual information and references, analytical conclusions, proposed solutions, intervention logic, expected results, and performance indicators.

5.3. The Project Manager shall coordinate the proposal development process, collect and consolidate all required documentation, ensure the completeness of the application package, monitor submission deadlines, and coordinate the substantive, financial, and operational components of the proposal.

5.4. The Accountant shall prepare the preliminary project budget based on the substantive design of the proposal, donor requirements, applicable tax regulations, the Foundation's Financial Management Policy, and applicable cost eligibility rules.

The Accountant shall also assess any financial commitments or liabilities that may arise from participation in the grant competition or subsequent project implementation.

5.5. Preparation of every grant application shall include a preliminary assessment of:

- cost eligibility;
- organizational capacity to implement the project;
- anticipated documentation requirements;
- procurement obligations;
- staffing requirements;
- reporting obligations; and
- donor requirements relating to visibility, safeguarding, gender equality, ESG, due diligence, AML/CFT, and data protection, where applicable.

5.6. The Project Manager shall ensure that the application package includes all supporting documents required by the donor, including, where applicable, the logical framework (logframe), work plan, budget, CVs of key personnel, organizational documents, donor forms, compliance statements, declarations, and any other required documentation.

5.7. Before official submission, the Accountant and the Project Manager shall submit the complete application package to the Executive Director for final review within their respective areas of responsibility. The Executive Director shall then issue a written decision approving submission of the application.

5.8. No grant application may be submitted prior to receiving such approval.

5.9. Where a grant application is unsuccessful, the Project Manager shall record the outcome in the Foundation's Grant Register and ensure that all application materials are archived within the corresponding Grant File.

6. Grant Acceptance Procedures

6.1. Upon receiving notification that a grant application has been approved, the Foundation shall not automatically commence the expenditure of funds or the implementation of project activities. Instead, it shall first complete its internal grant acceptance procedure.

6.2. The grant acceptance procedure includes a legal, financial, and operational assessment of the Grant Agreement and verification that the Foundation has the capacity to fulfil all contractual obligations in full and within the prescribed timeframe.

6.3. The Accountant shall review the project budget, disbursement schedule, accounting and reporting requirements, expenditure eligibility rules, cost categories, refund provisions, foreign exchange provisions, indirect cost arrangements, and any other financial obligations arising under the Grant Agreement.

6.4. The Project Manager shall assess the project's operational obligations, including implementation timelines, deliverables, interim and final reporting requirements, planned activities, procedures for approving project amendments, and the anticipated volume of project documentation.

6.5. The Project Leader, or the individual proposed for that role, shall assess the feasibility of achieving the proposed project results, the adequacy of human resources, the logical sequencing of project activities, and any potential programmatic risks.

6.6. Having considered the assessments provided by the relevant participants, the Executive Director shall issue a written decision approving the acceptance and implementation of the grant.

6.7. Before project implementation and the use of grant funds commence, the Foundation shall assign an internal project code, establish the official Grant File, approve the composition of the project team, prepare the relevant Terms of Reference, and approve the internal Responsibility Matrix.

7. Project Implementation Following Grant Approval

7.1. Inception Phase and Project Refinement

7.1.1. Following grant acceptance, the Foundation shall conduct an inception phase aimed at refining internal project parameters, aligning the project team, and ensuring that all project documentation complies with the terms and conditions of the Grant Agreement.

7.1.2. During this phase, the following elements may be refined where necessary:

- the implementation schedule;
- the internal deliverables schedule;
- the composition of the project team;
- budget breakdown;
- performance indicators;
- documentation requirements;
- communication arrangements with the donor; and
- internal control milestones.

7.1.3. Where the Grant Agreement permits or requires amendments or clarifications, the project team shall prepare the necessary proposals and submit them to the donor in accordance with the applicable procedures

7.2. Formation of the Project Team and Formalization of Engagement

7.2.1. Following grant acceptance, the project team shall be formally established. Its composition shall be approved by a written decision of the Executive Director.

7.2.2. Individual employment contracts, civil-law agreements, or other legally permissible engagement arrangements shall be concluded with project participants, specifying their responsibilities, scope of work, implementation period, deliverables, accountability, and remuneration arrangements.

7.2.3. Individual Terms of Reference (ToR) shall be prepared for each expert, Project Manager, Project Leader, and, where appropriate, other specialists. The ToR shall be signed by both the respective individual and the Foundation and shall constitute the principal basis for evaluating performance.

7.2.4. Each Terms of Reference shall define, at a minimum:

- the scope of work;
- expected deliverables;
- implementation deadlines;
- acceptance criteria;
- quality requirements;
- compliance with the Foundation's internal policies; and
- compliance with donor obligations.

7.3. Kick-off Meetings and Project Launch

7.3.1. Before substantive implementation begins, the Project Manager shall organize a collective Kick-off Meeting for the project team.

7.3.2. During the Kick-off Meeting, participants shall be briefed on:

- project objectives;
- grant conditions;
- implementation timelines;
- expected results;
- internal and external communication procedures;

- reporting requirements;
- change management procedures;
- documentation requirements; and
- key project risks.

7.3.3. Where necessary, individual meetings may be held with specific project participants to clarify their Terms of Reference and individual responsibilities.

8. Allocation of Responsibilities During Project Implementation

8.1. The Project Leader shall be responsible for the substantive leadership of the project, achievement of project objectives and results, coordination of technical and expert activities, preparation of narrative reports, substantive communication with the donor, and timely identification of project risks.

8.2. The Project Manager shall be responsible for project administration, implementation scheduling, team coordination, maintenance of the internal work schedule, collection of interim deliverables, organization of meetings, management of project documentation, reminder communications, and consolidation of reporting materials.

8.3. Experts shall be responsible for completing the tasks assigned under their approved Terms of Reference, ensuring the quality of analytical and expert outputs, complying with agreed deadlines, and maintaining professional and academic integrity.

8.4. The Accountant shall be responsible for financial management of the project, accounting for project expenditures, verification of expenditure eligibility, compliance with the Foundation's Financial Management Policy, donor financial requirements, transparency of financial transactions, and preparation of financial reports.

8.5. The Executive Director shall provide overall management oversight and internal supervision of project implementation, review reports submitted by project participants, approve internal management decisions, endorse interim and final donor reports, and ensure that the Foundation fulfils its organizational obligations.

8.6. The Executive Director may participate in project activities, donor meetings, strategic consultations with public authorities, and meetings with partners where such participation is necessary to ensure project implementation, remove implementation barriers, mitigate risks, or protect the Foundation's institutional reputation.

8.7. For the purposes of this Policy:

- experts are responsible for the substantive quality of analytical materials and justification of project interventions;
- the Accountant is responsible for financial accuracy;
- the Project Manager is responsible for organizational coordination;
- the Project Leader is responsible for achieving project results and fulfilling donor commitments; and
- the Executive Director is responsible for management oversight and the effective organization of the Foundation's grant management system.

9. Monitoring, Interim Reporting, and Performance Evaluation Methodology

9.1. Monitoring of grant-funded projects shall be carried out in accordance with the principles of Results-Based Management (RBM) and the Foundation's internal control framework to ensure compliance with implementation timelines, quality standards, proper use of funds, and achievement of the intended project impact.

9.2. The monitoring methodology shall include:

- assessment of implementation progress against the work plan;
- review of completed deliverables;
- comparison of interim results with project indicators;
- monitoring of budget implementation;
- assessment of the adequacy of supporting evidence for reporting purposes;

- analysis of actual and potential risks; and
- assessment of implementation deviations and their causes.

9.3. The Project Leader shall conduct substantive monitoring of project implementation and shall provide the Executive Director with a written weekly progress update, including information on completed activities, interim achievements, implementation delays, identified risks, and proposed management actions.

9.4. Where necessary, the Project Leader shall also provide oral briefings to the Executive Director during internal working meetings.

9.5. The Project Manager shall monitor implementation timelines and operational tasks, maintain records of assigned actions, and organize regular meetings between the Executive Director and the project team.

9.6. During project implementation, working meetings shall be held with or without the participation of the Executive Director, depending on the significance of the issues discussed. Such meetings shall be documented through meeting minutes, internal memoranda, email summaries, or any other written format sufficient to demonstrate the matters discussed and decisions taken.

9.7. In addition to weekly reporting, the project team shall prepare interim reports in accordance with donor requirements and the project's internal reporting schedule.

9.8. All interim documentation shall be retained as part of the official Grant File and may serve as evidence of compliance with the Grant Agreement.

10. Risk Management During Project Implementation

10.1. Risk management shall constitute an integral component of every grant-funded project.

10.2. Where circumstances arise that may adversely affect project results, implementation deadlines, expenditure eligibility, partnership sustainability, the quality of deliverables, the safety of project participants, or the reputation of the Foundation, the Project Leader shall promptly notify the Executive Director in writing.

10.3. The risk notification shall include:

- a description of the identified risk;
- the stage at which the risk emerged;
- potential consequences;
- the anticipated impact on project results;
- proposed mitigation measures; and
- whether donor notification is considered necessary.

10.4. Where a risk may affect the Foundation's obligations under the Grant Agreement, the Project Leader and the Executive Director shall jointly determine the appropriate procedure and timing for notifying the donor.

10.5. Donor notification shall be made in a timely, transparent, and good-faith manner to facilitate joint decision-making aimed at eliminating or minimizing adverse consequences.

10.6. Risk management issues shall be regularly reviewed during project team meetings, and all decisions taken shall be appropriately documented.

11. Donor Reporting

11.1. The Project Leader shall be responsible for preparing the narrative sections of interim and final reports submitted to the donor.

11.2. The Accountant shall be responsible for preparing the financial reports and compiling all supporting financial documentation.

11.3. The Project Manager shall coordinate the collection of reporting materials, consolidate documentation, verify completeness, and ensure timely submission.

11.4. All reports shall undergo internal review and receive the approval of the Executive Director before submission to the donor.

11.5. The Executive Director shall approve reports based on the documentation submitted by the project team and may request additional explanations, supporting documents, revisions, or any other information necessary before granting approval.

11.6. Reports shall be supported by sufficient documentary evidence, which may include, depending on the nature of the project, supporting documentation, event programmes, participant lists, acceptance certificates, contracts, payment records, analytical outputs, indicator measurement results, photographs, communication materials, and any other documentation required under the Grant Agreement.

11.7. Reports shall comply not only with donor requirements but also with the Foundation's internal policies, including the Financial Management Policy, Procurement Policy, Anti-Corruption Policy, Conflict of Interest Policy, Personal Data Protection Policy, Code of Ethics, Beneficiary Protection Policy, Research Ethics Policy (where applicable), Accessibility and Inclusion Policy (where the project involves participants, events, communications, or physical accessibility), and the Sustainable Development Goals (SDGs) Policy where the project is aligned with the SDGs or where required under the applicable donor framework.

12. Project Closure

12.1. Upon completion of the project, the Project Manager shall ensure the administrative closure of the project, including the collection, organization, verification of completeness, and archiving of all project documentation.

12.2. The Project Leader shall prepare the final narrative report, describing the results achieved, activities implemented, deviations from the original work plan, performance against approved indicators, impact assessment, implementation challenges, and key conclusions.

12.3. The Accountant shall prepare the final financial report, including information on actual expenditures incurred, remaining balances, budget variances, supporting financial documentation, and, where applicable, the return of unspent funds or the settlement of outstanding financial obligations.

12.4. All supporting documentation related to project implementation shall either accompany the final reports or be retained within the official Grant File in a manner sufficient to facilitate subsequent reviews by the donor, external auditors, the Foundation's Auditor, or competent authorities.

12.5. Upon completion of the project, the Foundation shall organize an internal project review meeting to evaluate project results, discuss implementation challenges, review risk management practices, identify lessons learned, and formulate recommendations for improving the Foundation's internal procedures.

12.6. A project shall be considered formally closed within the Foundation following approval of the final reports by the Executive Director, completion of all financial obligations, archiving of the project documentation, and recording of the project's completion in the Foundation's Grant Register.

13. Indirect Costs

13.1. The Foundation shall seek to include indirect costs in grant proposals whenever permitted under the applicable donor rules.

13.2. Indirect costs shall be calculated by the Accountant in accordance with donor requirements, the actual administrative burden associated with project implementation, and the Foundation's operational needs for sustainable project management.

13.3. Eligible indirect costs may include expenses relating to overall management, project coordination, financial administration, internal control, compliance functions, administrative support, document management, communications, auditing, and other institutional overhead costs permitted under the applicable donor regulations.

14. Recruitment of New Personnel and Engagement of External Specialists

14.1. The recruitment of new employees or the engagement of external specialists using grant funds shall be permitted only where such costs are included in the approved project budget and have been authorized in writing by the Executive Director.

14.2. All employment relationships and civil-law engagements related to grant-funded projects shall be formalized in accordance with the legislation of the Republic of Kazakhstan, donor requirements, and the Foundation's Human Resources Policy.

14.3. Where experts, consultants, or other specialists are engaged, the Foundation shall maintain a complete documentation package, including the relevant agreement, Terms of Reference, evidence of qualifications, and, where applicable, documentation relating to conflicts of interest, personal data protection, and other internal compliance procedures.

15. Procurement under Grant-Funded Projects

15.1. Procurement financed from grant funds shall be conducted in accordance with the Foundation's Procurement Policy and the requirements of the respective donor.

15.2. Where discrepancies exist between the Foundation's Procurement Policy and donor procurement rules, the donor's procurement requirements shall prevail, provided they do not conflict with the legislation of the Republic of Kazakhstan. The Foundation maintains a separate Procurement Policy establishing the applicable procurement procedures and business processes.

15.3. The Accountant and the Project Manager shall ensure that all grant-funded procurement is properly justified, adequately documented, proportionate to the project's objectives, and accurately reflected in the Foundation's financial records.

16. Ethics and Anti-Corruption Compliance in Grant Management

16.1. All activities related to the preparation and implementation of grants shall be carried out in compliance with the Foundation's Anti-Corruption Policy, Conflict of Interest Policy, Code of Ethics, and all other applicable internal policies.

16.2. Any individual having a personal interest in relation to a donor, contractor, partner, or any other participant in the grant lifecycle shall immediately disclose such conflict of interest in accordance with the Foundation's established procedures.

16.3. The misuse of grant funds for purposes other than those approved, falsification of reports, concealment of project risks, fabrication of documents, artificial inflation of costs, fictitious performance of work, or any similar conduct shall constitute a serious violation of the Foundation's internal policies and may result in organizational, contractual, disciplinary, or, where appropriate, legal action.

17. Consortia and Sub-grants

17.1. Where the Foundation participates in a consortium, the respective rights and obligations of the Foundation and its partners shall be governed by a separate consortium agreement.

17.2. Where the Foundation awards sub-grants or receives funding as a sub-grantee, it shall ensure clear contractual arrangements, financial transparency, appropriate due diligence of its partners, and compliance with all applicable donor requirements.

17.3. Prior to entering into a consortium or sub-grant agreement, the Foundation shall conduct an assessment of the prospective partner's legal capacity, integrity, reputation, and compliance with minimum institutional compliance standards.

18. Final Provisions

18.1. This Policy shall be approved by the Executive Director of the Foundation in accordance with the Foundation's Charter and shall enter into force on the date of its approval unless otherwise specified in the approving decision.

18.2. Amendments and supplements to this Policy shall be approved by the Executive Director and adopted in accordance with the procedure established for its approval.

18.3. This Policy shall be applied in conjunction with the Foundation's other internal policies and shall be interpreted in light of the Foundation's statutory objectives, the nature of its grant-funded activities, and applicable international standards and best practices.

18.4. Matters not regulated by this Policy shall be governed by the legislation of the Republic of Kazakhstan, the Foundation's Charter, the relevant Grant Agreements, and the Foundation's other internal policies and procedures.

18.5. If any provision of this Policy is declared invalid or unenforceable, such invalidity shall not affect the validity or enforceability of the remaining provisions of this Policy.