

**Points to Note for Submission of Payment Claims
under Lotteries Fund (LF)**

1. General remarks

- 1.1 Furniture and equipment (F&E) items/ Services/ Works should be purchased/ conducted only after the related grant has been approved. Hence, only invoices/ receipts issued on or after the date of grant approval will be recognised for processing of the payment claims.
- 1.2 The non-governmental organization (NGO) concerned should adhere to the timeframe approved for submission of payment claims as mentioned in the approval letter. The Social Welfare Department (SWD) may not accept payment claims submitted after the timeframe approved. If the NGO concerned requires longer time to submit the payment claim(s), it should provide justifications and obtain prior approval from the Lotteries Fund Projects Section (LFPS) of SWD.
- 1.3 NGO may submit payment claims by phases/stages under the same grant. It is unnecessary to claim reimbursement of all items purchased in one-go under a single payment claim after completion of the entire procurement exercise.
- 1.4 The invoices/ receipts should show clearly the details of all F&E items/ services/ works purchased/ conducted to facilitate the checking of payment claims. Bunching of F&E items/ services/ works under a collective category, say "Others/Miscellaneous", on the invoices/ receipts may not be accepted.
- 1.5 The original copy of the supporting document(s), including invoice, receipt, payment certificate, etc., should be submitted. If the original copy is not available and only duplicate copy can be submitted, the NGO concerned should submit a declaration confirming that (i) the original copy has been lost / accidentally destroyed/ not been provided by the supplier, etc. and (ii) no payment claim in respect of the same invoice/ receipt has been and will be submitted to SWD.
- 1.6 In general, a reimbursement claim should be supported by both the invoice and receipt. If the supplier did not issue the receipt showing the account settlement, the NGO concerned should submit a declaration confirming that (i) the corresponding receipt was not provided by the supplier, (ii) the relevant invoice has been paid and (ii) no payment claim in respect of the same item(s) listed in the

invoice has been and will be submitted to SWD.

- 1.7 The NGO concerned should ensure that the basic information (e.g. addressee's name, delivery address, calculation of prices, date of purchase, date of bill settlement, etc.) is correctly stated in the supporting documents without any typos or casting errors.
- 1.8 The information contained in different supporting documents for the same project should tally. For example, the details of F&E items/ services/ works paid as shown on the receipts should tally with the information as shown on the corresponding invoices (e.g. invoice number, invoice date, prices, etc.). In gist, wrong references/ information stated in supporting documents (e.g. wrong payment certificate number stated on the invoice, cumulative amount of works completed brought forward in the payment certificate not tallying with the amount carried forward as per the previous certificate, wrong payment certificate number in AP progress certificate, etc.) should be avoided.
- 1.9 The addressee of the invoices/ receipts should tally with the grantee as stated on the grant approval letter. If the supporting documents are addressed to another service unit rather than the grantee, the NGO concerned should provide reasons in writing for SWD's consideration in advance. For the new service unit, the NGO concerned should inform LFPS of SWD about the new name of the unit before its submission of payment claims.
- 1.10 Any amendments made in the supporting documents should be confirmed by the company chop of the issuing party.
- 1.11 Though the NGO concerned is not required to submit the procurement documents (e.g. quotations from different supplier, contracts) when submitting the payment claims, it should follow the procurement procedures and retain the records properly in accordance with the requirements set out in the LF Manual.
- 1.12 For the transaction in foreign currency, the NGO concerned should provide the exchange rate with the supporting documents (e.g. exchange memo, bank / credit card statement) in its submission of payment claim. If the NGO concerned fails to provide supporting documents for the exchange rate / fails to demonstrate the relevance between the purchase and the foreign currency exchange transaction prescribed in the supporting documents, SWD may adopt the Hong Kong

Association of Banks mid-market rate (i.e. mid-point between the opening selling and buying TT rates) prevailing on the date of payment by NGO.

1.13 If the NGO concerned fails to submit all necessary supporting documents as required in the approval letter(s), the LF Manual and other correspondence from SWD, the relevant claim may be returned to it for follow-up actions and re-submission when all supporting documents are available.

2. Other specific points for payment claim for purchase of F&E

2.1 The NGO concerned should double check the items submitted in the payment claims against the reference F&E list or the list of supported for the project as appropriate and should not include those items which are not recognized as F&E items (e.g. expenditure on food and beverage).

- For lump sum grant project, the NGO concerned should ensure that the F&E items claimed are within the categories in the reference F&E list. Prior approval from SWD has to be obtained for purchase of any items outside the categories approved. The NGO concerned should check whether all prescribed items required have been purchased, and if not, whether justifications are provided for consideration by SWD.
- For non-lump sum grant project, the NGO concerned should indicate the reference to the approved list of supporting items (e.g. item number on the list of supported items) for each item purchased to facilitate checking by SWD.

2.2 The following are some examples of non-reimbursable items under a grant for purchasing F&E –

- plastic bag levy
- consumable items and items of recurrent nature (e.g. food, paper, wet tissue, paper plate, straw, battery, top-up or onsite warranty support, etc.)
- recurrent expenses (e.g. annual license fee, contribution to Traffic Accident Victims Assistance Fund)

Non-reimbursable items should not be included in the payment claims and should be specified for SWD's attention if already included on the invoices/ receipts with the reimbursable items. If in doubt, the NGO concerned should observe the grant approval letter and the relevant reference F&E list/ list of supported items.

Whenever necessary, the NGO should consider seeking advice from LFPS before the purchase.

- 2.3 If cash coupons have been received upon purchase of F&E items, the NGO concerned should either attach the unused coupons to the payment claim or deduct the redeemed cash value of the coupons from the claimed amount.
- 2.4 If free gifts are offered upon purchase of F&E items, the NGO concerned should not accept the offer unless prior approval is obtained from SWD.
- 2.5 Upon submission of final payment claim for purchase of vehicle, the NGO should provide –
 - a copy of the vehicle registration document;
 - photos of the new vehicle (showing clearly the acknowledgement of the LF contribution painted on both sides of the vehicle body);
 - at least three quotations of the scrap value of the existing vehicle ^{Note}; and
 - receipt for scrapping the existing vehicle and the supporting documents for joining the ex-gratia payment scheme, if any. ^{Note}

Note: For vehicle replacement only

- 2.6 To facilitate payment processing, NGOs are recommended to keep the number of F&E items involved in each payment claim to a maximum of 50.

**Lotteries Fund Projects Section and
Lotteries Fund Unit/Finance Branch
Social Welfare Department
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