



PARTNER ASSESSMENT POLICY

ETC Foundation

ETC	Management
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For Approval:

A handwritten signature in blue ink, appearing to be 'J.H.J. Dusseljee', written over a light blue horizontal line.

J.H.J. Dusseljee

Director ETC Foundation

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1 INTRODUCTION

The products and services that ETC delivers for its donors are substantially influenced by ETC's partners. These include contracted southern partners in development programmes as well as consultants contracted for consultancy assignments. ETC has the responsibility to ensure that the quality of their delivered services is controlled.

ETC follows three steps in managing its Partners:

1. Screening for organisational soundness;
2. Ensuring partners meet donor requirements;
3. Monitoring and evaluating the services and products provided.

2 SCREENING FOR ORGANISATIONAL SOUNDNESS

Prospective partners are screened through an impartial and objective evaluation process to ensure that candidate partners have the technical, financial, managerial and administrative capabilities needed to produce the project deliverables and results.

The screening of prospective partners follows a well-defined procedure and is conducted by the programme/project manager or a member of the project team and the financial administrator. Based on this review, an assessment report is compiled. The final decision to approve a partner assessment and work with a partner is taken by the project/programme manager.

This assessment involves the following processes:

- The preliminary identification of the best potential candidate(s) as the implementing partner(s), from among several potential partners, through a request for proposals.
- Collection and review of information about the potential partner(s) from a variety of sources, including the internet and other organisations.
- The use of a checklist to assess each potential candidate's appropriateness and capacity to implement the proposed activities.
- A desk review of relevant documents. The documentation considered will include: annual reports, audited financial statements, legal registration, tax statements, CVs of technical experts and managers, and publically available documents which speak to the organisation's integrity, programmatic and financial capacity etc.
- Interviews with key personal from the potential partner institution.
- Triangulating information from the various sources to screen the organisational soundness of potential partner organisations by checking the following important aspects:

- That their mission and vision are in line with ETC (sustainability, participation and gender are core issues; innovation, pro-activeness and links with local communities are basics in the approach).
- Alignment with ETC's organisational policies such as concerning anti-corruption and environmental issues.
- A legally independent organisation with a democratic and transparent structure.
- That they have a strong and extensive local, national, regional network (in civil society, government, knowledge institutes) relevant for the intended role (such as capacity building, knowledge dissemination, policy influencing).
- A proven track record: relevant knowledge and experience on the relevant theme(s) and the required skills.
- A Board and senior management in place that are able to manage project activities and account for the funds.
- Staff with sufficient qualifications and experience to implement planned project/programme activities and to financially manage the project/programme.
- That their annual accounts are audited by a certified auditing firm according to IFAC (International Federation of Accountants) standards
- Capacity to provide timely, high quality products and services that conform to the requirements laid down in the contract with ETC.
- Managerial and financial soundness, including:
 - the capacity to develop and apply financial policies and procedures;
 - the existence and use of key financial systems in the organisation;
 - adequate internal controls to safeguard funds and check the accuracy and reliability of accounting data;
 - basic bookkeeping systems are adequate (cashbooks and supporting documents, receipts etc.) to monitor expenditure, revenue and cash flow with respect to the project's outputs and services;
 - record keeping is adequate to meet donor requirements for documentation of expenditure of funds; annually external financial audits conducted by registered, reputable, independent auditors and consistency in disseminating and addressing funding;
 - cash and bank accounts are adequately controlled;
 - a bank account is available with a reputable bank;
 - spending is properly authorised by the Board and senior management;
 - a routine reporting system for financial information is in place, and
 - the required co-financing is available.

We recognise that partners might have to manage several collaborative relationships and donors at the same time and, therefore, ETC endeavours to avoid unreasonable or unrealistic requirements. For example, administrative efforts should be in line with the size of the project/programme and, if possible, any requirements should be similar to those demanded by other donors and/or partners.

Having selected a Partner, ETC will always enter into a written agreement that includes a description of responsibilities and deliverables. The agreement can, depending on the character of the service to be provided, be in the form of a Memorandum of Understanding or a Contract. Each Agreement will include a set of requirements on reporting and accessibility for internal and/or external evaluation as required. The criteria listed above are used in forming an overall assessment rather than each being seen as sufficient grounds for rejection. Each project/programme is responsible for maintaining a register of screened and acceptable partners.

3 MONITORING AND EVALUATION OF PARTNERS

ETC is responsible for an annual evaluation of its partners for the quality of their performance and the services that they have applied to produce deliverables and for their due registration. The following measures are the minimum to be taken by all programmes:

- Assessment and acceptance by ETC of biannual or quarterly financial and progress reports. These will be related to the signed contract and approved budget. If needed, additional work can be demanded.
- Assessment and acceptance by ETC of annual work plans. If required, adjustments to the work processes or work plan can be demanded.
- Assessment by ETC of the timeliness of the deliverables and/or services in accordance with the agreement.
- Verification by ETC that the received deliverables and/or services are acceptable and, where there are deviations, whether there are adequate explanations. Unsatisfactory deliverables/services will be clearly identified and segregated from the good material. Any suspicion of fraud or corruption will be identified as a case of non-conformity. In the event of nonconforming services or deliverables, the responsible project team member will verify whether the partner has undertaken the necessary corrective actions. This project team member will register the nonconformity and the way it has been addressed by the partner. This register will form part of the input for the annual evaluation of the partner. Appropriate action will be undertaken as required.
- Assessment by ETC if the financial report reflects the activity report.
- Assessment by ETC as to whether amendments to budget lines have been preceded by formal requests and duly authorised by ETC.
- Assessment by ETC as to any overspending on activities against budget and, if so, whether there will there be sufficient funds to complete the project.

- Assessment by ETC of the partner's capacity to redress situations of nonconformity in an agreed timeframe.
- Assessment by ETC of the partner's ability to provide accurate financial reports.
- Assessment by ETC of the partner organisation's externally audited annual statements and their annual report.

The outcome of the evaluation will feed into the overall programme's progress reports.