

**MODEL CHECKLIST FOR THE ASSESSMENT OF FINANCIAL AND ADMINISTRATIVE CAPACITY OF A
POTENTIAL LCF PARTNER ORGANIZATION**

CHECKLIST FOR INITIAL ASSESSMENT OF FINANCIAL AND ADMINISTRATIVE CAPACITY			
Title of the project			
Applicant Organisation			
Management and organisation			
Issues:	Yes	No	Explain:
Is the organisation an entity that has legal capacity to enter into an agreement with rights and obligations?			
Does the management structure have clearly defined roles, authorisations and authorities, and is there a functioning board with adequate bylaw/statutes?			
Does the organisation have a personnel policy, recruitment policy?			
Does the organisation have qualified personnel to implement the project?			
Does the staff of the organisation have TOR's or job descriptions?			
Is there a decision order that adequately ensures segregation of duties in regard to authorisation of payments, different roles and responsibilities within the organisation (internal controls)?			
Audit, procurement and financial management			
Issues:	Yes	No	Explain:
Is the organisation audited according to national rules and regulations applicable to the legal form of organisation that it is. What type of audit is it (ISA, national standard, assurance engagement, agreed upon procedures)?			
Is the auditor external, independent and qualified?			
Does the organisation follow-up on weaknesses identified in the audits in a systemised way?			
Is there a procurement policy that includes adequate rules and regulations to manage planned procurement in compliance with applicable regulations? Is the procurement policy in line with MFA procurement rules?			
Is there an office manual or equivalent stipulating rules and policies in regard to travel advances, other types of advances, petty cash, per diem level and payments etc.? Do these rates and rules seem reasonable? It is stipulated what standard of accommodation that is used for workshops and travels?			
Does the organisation have accounting software (double entry) that allows for adequate accounting records for an organisation of its size and operations?			

Does the organisation work with budget analysis and budget follow-up?			
Risk Management			
Issues	Yes	No	Explain:
Are risk analyses performed regularly, and are there routines for identifying, analysing and taking risk reducing measures?			
What risks have the organisation identified for its operations?			
Does the organisation have sufficient staffing regarding resources, competence and professional knowledge in order to be able to work preventively and proactive with different types of risks?			
Anti-corruption			
Issues	Yes	No	Explain:
Is there an anti-corruption policy or has the organisation in other ways manifested that they work proactive against corruption?			
Are there satisfactory routines and systems for preventing, detecting and taking measures on fraud and corruption?			
Does the organisation have documented ethical guidelines/code of conduct policy?			
Has it according to the organisation occurred corruption cases, and if so, how has it been handled by the organisation?			
Have eventual corruption risks been identified?			