

AusAID NGO Accreditation Criteria Table – December 2009

Advisory Note – new global programs indicators

For the purposes of Accreditation, a fully accredited agency may undertake a mixture of directly managed programs and “global programs”. Global programs are defined as: *programs that are implemented through a shared management arrangement with other international partners, alliances or affiliates, as opposed to a direct relationship between the agency and an implementing partner.*

The general indicators in the following Criteria Table apply to an NGO’s overall organisational systems and/or the processes that it applies to directly managed programs. Effective from December 2007, alternative indicators have now been inserted under several accreditation criteria that apply specifically to global programs. In these cases, global programs do not have to address the same indicators as the agency’s directly managed programs. The indicators applying to global programs are intended to test whether the Australian NGO can demonstrate confidence that global programs it funds are managed to an equivalent professional standard as its directly managed programs. At a minimum, the Australian NGO must be able to demonstrate understanding of, and influence over, the global program activities that it funds.

For example, XYZ Australia is part of the XYZ International network. XYZ International has an Africa Regional Office that implements programs funded through a number of donors, including XYZ Australia, based on standards agreed by the XYZ International Board. It is not possible to separate specific XYZ Australia funded projects for management and reporting purposes, and XYZ Australia does not directly monitor Africa Regional Office activities. This is a “global program”. XYZ Australia could demonstrate the necessary influence over the programming of the Africa Regional Office through some or all of the follow means:

- a) Participating in oversight of the Africa Regional Office through membership of the XYZ International Board
- b) Participating in working groups that develop standards for program design, M&E etc for XYZ regional offices
- c) Appraising the Africa Regional Office program(s) prior to funding being sent from Australia
- d) Receiving monitoring reports and other information from the Africa Regional Office
- e) Communicating with the Africa Regional Office program staff
- f) Being able to call for and/or participate in reviews, evaluations or audits of the Africa Regional Office and its programs

Based on the material provided at accreditation, the Review Team will judge whether the Australian NGO has sufficient information about the global programs to be confident of their ‘equivalence’ in standard to directly managed programs. Some flexibility will be given when judging ‘equivalence’, i.e. the standards do not have to be identical to Australian accreditation requirements, but must demonstrate a considered response to the relevant criteria.

Some programs implemented through international partners, alliances and affiliates may have a level of involvement by the Australian NGO that meets the general accreditation requirements, in which case the agency does not need to identify these as “global programs”. In other cases, the international activity may not be able to meet even the global programs criteria, in which case the program(s) can generally be excluded from accreditation and RDE (a line in the RDE worksheet is provided for this purpose). In either case, the decision lies with the individual agency as to whether to include global programs under the general accreditation requirements, or to exclude them from accreditation and RDE.

CRITERION A AGENCY IDENTITY AND STRUCTURE	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>A1 Agency is voluntary, not-for-profit and non-government.</p> <p><i>This criterion seeks to establish that the Agency's Governing Body and membership do not profit from the Agency's assets, that members are not remunerated for their services on the Governing Body, and that the Agency's Governing Body is independent of government. These operating principles are ideally documented in the Agency's governing documents.</i></p>	<p>VOLUNTARY: Governing Body is drawn from the organisation's constituency and members are not remunerated for their services on the Governing Body.</p> <p>NOT-FOR-PROFIT: Funds should be applied solely to the achievement of the Objects. Surplus funds cannot be distributed to members/shareholders.</p> <p>NON-GOVERNMENT: Not formally part of any Government funded institution or department. Its governance is independent from any Government institution with which it is affiliated. No Government institution or department can appoint the majority of the Board.</p>	<p>Constitution, Memorandum Articles of Association or Trust Deed.</p> <p>Clause in Constitution, or Memorandum and Articles which specifically indicates that surplus funds cannot be distributed to members/shareholders.</p> <p>Clause on winding up of organisation.</p> <p>Policy on election/appointment of members to the Governing Body.</p>
<p>A2 Agency is a legal entity, with identified office holders, with a documented structure of responsibilities and appropriate systems to ensure accountability, including to its supporters.</p> <p><i>This criterion seeks to understand the legal structure of the Agency and the functions and accountability of its Governing Body. The process by which the Governing Body is elected/appointed should be transparent, and the Agency should be governed in an accountable fashion. These operating imperatives are ideally documented in the Agency's governing instrument. Where an Agency is part of an international network, this criterion seeks to establish the level of the Australian Agency's independence, and accountability to its Australian membership.</i></p> <p>NB. No specific number of members is required to meet this criterion.</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Company Limited by guarantee, and without shareholders; or Company Limited by shares; or operates under a Trust Deed from a legally recognised entity; or constituted under an Act of Parliament or incorporated associations.</p> <p>Responsibilities of the Governing Body and its members are outlined in its Constitution or Articles of Association. The Objectives outlined in the Constitution, Articles, Trust Deed or Strategic Plan approved by the Governing Body specifically includes development/aid activities in developing countries.</p> <p>Sufficient evidence of accountability checks and balances.</p>	<p>Certificate of Incorporation, Constitution, Memorandum and Articles of Association, Trust Deed or Appropriate Act of Parliament, CAN, ABRN, or IA number.</p> <p>List of Governing Body members and office holders with names, occupations, and length of service.</p> <p>Clauses in Constitution dealing with responsibilities of office holders.</p> <p>Clauses in Constitution dealing with election/appointment of office holders.</p> <p>Minutes of Governing Body meetings demonstrating member involvement.</p> <p>Minutes of AGM, copy of audited financial statements, Annual Report.</p>

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	<p>Agency has procedures to reply to specific requests regarding decisions of the Governing Body, consistent with the ACFID Code of Conduct.</p> <p>Transparent policies to identify and address any conflict of interest. A clear separation of duties between Board, management and staff functions.</p> <p>Mechanisms for members to raise issues at governing body level and evidence that Agency has made those mechanisms known.</p>	<p>Clause in Constitution or specific policy to deal with conflict of interest. Evidence that appropriate procedures have been followed if conflict of interest has arisen (eg. Board minutes).</p> <p>Adherence/Signatory to the ACFID Code of Conduct.</p>
<p>A3 Agency has formally adopted and is compliant with the ACFID Code of Conduct for Non-Government Development Organisations.</p> <p><i>This criterion seeks to establish that the Agency is committed to and is operating within current, good practice, sector guidelines.</i></p>	<p>Ratification of the Code by the Board.</p> <p>Accepted by ACFID as a signatory to the Code.</p> <p>Evidence of any non-compliance to the ACFID Code of Conduct.</p>	<p>Date of formal adoption/ ratification by the Board.</p> <p>Minutes of Governing Body.</p> <p>ACFID advice that agency is registered and compliant.</p>

CRITERION B DEVELOPMENT PHILOSOPHIES AND MANAGEMENT PRACTICES	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>B1 Agency has a demonstrated record of undertaking aid projects/programs consistent with the objectives of the Australian Aid Program <i>of poverty alleviation and sustainable development</i>.</p> <p><i>This criterion seeks to establish that the Agency has implemented projects or programs over at least the last two years which have achieved demonstrable development outcomes. The Agency must demonstrate that it understands the objectives of the Australian Aid Program, in particular poverty alleviation and sustainable development, and demonstrate similar objectives in their projects/program. The Agency should demonstrate their consideration of geographic and sectoral focus in planning.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Demonstrated track record over two years of successfully managing a program or series of projects, which have achieved demonstrable development outputs. This may include experience in managing own funding or AusAID funds.</p> <p>Aims/Goal of poverty alleviation and sustainable development should be reflected at all levels of the organisation (from the mission statement through to project objectives).</p> <p>Evidence of a strategic approach to programming with consideration of geographic or sectoral focus appropriate to Agency's resources.</p> <p>Agreed country/program strategies or proposals including proposed outputs and outcomes clearly specified and in line with Strategic Plan.</p> <p>¹ <u>Program</u> (NGOPI definition) 'Complex development assistance schemes which encompass a number of individual activities with a key sectoral or defined geographic focus in a multi-year timeframe, and which contribute to a common goal. This goal is linked to the agency's strategic plan'.</p> <p>² <u>Project</u> (NGOPI definition): 'Defined sets of activities which have identifiable objectives, a timeframe and an implementation plan'.</p>	<p>Documented record of development activities undertaken by the Agency.</p> <p>Project/Program proposal/design and budget, including any amendments.</p> <p>Analysis of project files.</p> <p>Strategic Plan which establishes a clear rationale for the Agency's program or projects and may include a sector or geographic focus and if applicable global programs.</p> <p>Mission Statement and project objectives.</p> <p>Activities undertaken are in line with objectives outlined in Agency's Strategic Plan.</p>
<p><u>For Global Programs:</u> For programs that are implemented through a shared management arrangement with other international partners,</p>	<p><u>For Global Programs:</u> Australian Agency has documented the proposed use of funds through an agreed strategic framework of</p>	<p><u>For Global Programs:</u> Documented record of global programs supported by the Agency and documented arrangements (e.g. MOU, contract or formal partnership</p>

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<i>alliances or affiliates ('global programs'), as opposed to a direct relationship between the agency and an implementing partner, the agency has approved the strategic framework and assessed the proposed use of funds within this framework as being consistent with its own strategic plan.</i>	<p>programs.</p> <p>Evidence of the agreed strategic framework for global programs and evidence that it has been developed through a documented program planning process.</p>	<p>agreement) with international partners, alliances or affiliates relating to these programs.</p> <p>Minutes of meetings with international partners, alliances or affiliates.</p> <p>The Australian Agency has documented its participation in the development of the strategic framework for global programs.</p>
<p>B2 Agency has development philosophies not inconsistent with the objectives of the Australian Aid Program, and is able to differentiate between objectives of:</p> <p>a) Development and Welfare b) Development and Evangelism c) Development and Partisan Politics.</p> <p><i>This criterion seeks to understand the Agency's development philosophies and practices. It seeks to establish that the Agency understands AusAID's development principles and gives due consideration to cross-cutting issues such as, gender, family planning, human rights, and environment. It seeks to confirm that designated development funds (i.e. all funds included in RDE calculation) are used specifically for development outcomes and not for evangelical, welfare or partisan political purposes.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Agency can demonstrate it understands the objectives of the Australian Aid Program.</p> <p>Agency's development philosophies are reflective of current good practice.</p> <p>Agency policies show an understanding of development principles and include cross cutting issues including family planning, gender, environment, human rights, child protection etc.</p> <p>Agency has a policy or guidelines, approved by the Governing Body, and documented practice, that indicates how evangelistic and developmental objectives are differentiated; how welfare and developmental objectives are differentiated; and how partisan political and developmental objectives are differentiated.</p> <p>For cross-cutting issues, relevant written policies and procedures need to be documented and should demonstrate an understanding of AusAID's policy framework.</p>	<p>Objectives of projects. Strategic plan. Organisation Profile.</p> <p>Application of crosscutting policies in project documentation/publications.</p> <p>Documented policies approved by the Board or Governing Body. Minutes approving relevant policies.</p> <p>Examples of communications to the Australian NGO's donors that clearly explain the Agency's various areas of activity - evangelistic/ welfare/ political and developmental.</p> <p>Donation forms that enable donors to direct a donation to either a tax deductible relief or development activity or to other programs such as partisan political/ evangelistic/welfare activities.</p> <p>Examples of communications to implementing organisations that make clear the purpose of funds transferred from Australia, eg agreements with partners include Agency's policies on evangelism, welfare and development.</p> <p>Acknowledgement or report from the implementing organisation indicating that this is understood and accepted.</p> <p>Staff with relevant experience in projects that include cross-cutting issues</p>

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	<p><u>For Global Programs:</u> Evidence that global programs comply with the Australian Agency's requirements on issues such as welfare, evangelism, partisan politics and counter terrorism.</p>	<p><u>For Global Programs:</u> Documented arrangements with international partners, alliances or affiliates, e.g. MOU, contract or formal partnership agreement.</p>
<p>B3 The Australian Agency has the capacity to deliver its project/program objectives in a way that meets its contractual obligations to AusAID.</p> <p><i>This criterion seeks to understand the role played by the Australian Agency throughout the project cycle, and to establish that it exercises appropriate influence and control to add value to the development process and manage risk. The Australian Agency must be able to demonstrate that it undertakes project appraisal for all Commonwealth supported activities and complies with AusAID guidelines on gender, disability, terrorism, family planning, environment, human rights and child protection. The Australian Agency must have ongoing input to and influence on the project/program, and exercise decision-making power for project/program management where appropriate.</i></p> <p>A key element of this capacity is management systems that address all aspects of the project cycle.</p> <p><i>Risk management:</i> Agency must manage risk throughout the project cycle. This includes (i) project/ program appraisal for all Commonwealth supported activities and (ii) compliance with AusAID guidelines on terrorism, family planning, child protection and environment.</p> <p><i>Decision making processes:</i> Agency must have decision-making power in project/</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Evidence that Agency has the capacity and adds value to the development program/process.</p> <p>Evidence that the agreed programs have been developed according to a clear strategic methodology and in keeping with the principles and policies that guide the Australian Agency's development approach.</p> <p>Mechanisms for ensuring continuity of institutional knowledge.</p> <p>Appropriate management of, and staffing level for Agency's development program.</p> <p>Agency can appraise projects/program against AusAID requirements, the Agency's strategic plan and good development standards.</p> <p>Agency can influence/intervene at any stage of the project cycle.</p> <p>Documented risk management strategy for overseas operations including staff health and safety in areas of political and economic instability/insecurity.</p>	<p>Documented partnership agreements/ arrangements reflective of Agency's contractual obligations to AusAID, such as the Head Agreement.</p> <p>Agreed programming procedures, standards or guidelines for the Australian Agency outlining its development approach and approach to project management, including financial management.</p> <p>Agreements/MOUs outlining the provisions for Australian Agency involvement, governance and intervention. Examples of Agency intervening if need has arisen.</p> <p>Evidence of regular information flow between implementing partner and Australian Agency. Project files demonstrating ongoing communication between the field and Australian Agency and partners.</p> <p>Evidence of qualitative judgement on monitoring reports.</p> <p>Agency policies on risk management. Minutes of meeting where decisions on project management are made.</p> <p>Evidence that the strategies identified in the Counter Terrorism Policy are being followed, and specifically incorporated in a risk management strategy.</p> <p>Evidence that the DFAT and Attorney-General's National Security websites are checked and considered regularly..</p>

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<p>program management and have ongoing input to and influence on project/program, where appropriate.</p> <p>NB: THE FINANCIAL MANAGEMENT ASPECTS OF THIS CRITERION ARE COVERED IN CRITERION E.</p>	<p>Documented risk management strategies for potential negative impacts of project activities on beneficiaries.</p> <p>Procedures to prevent funds going directly or indirectly to individuals or organisations associated with terrorism; and to ensure that no support is given to any individual with any conviction under the Crimes (Child Sex Tourism) Amendment Act.</p> <p>Documented evidence that the application of relevant cross-cutting policies and procedures are in accordance with AusAID's policy framework and are applied throughout the project cycle.</p> <p>Documented evidence that relevant issues have been addressed in the planning and implementation of cross-cutting issues. Interim reporting if needed (for problems experienced etc).</p>	<p>Written agreements with implementing partners covering counter-terrorism, family planning and child sex tourism obligations, including immediate notification if required.</p> <p>Evidence of appropriate checks in relation to employment/contracting of individuals.</p> <p>Evidence of application of AusAID's policy framework for cross-cutting issues such as terrorism, family planning and environment.</p> <p>Documentation showing that relevant issues have been discussed with AusAID.</p>
<p><u>For Global Programs:</u> The Australian Agency can demonstrate its involvement in the program management cycle as part of the agreed framework for global programs.</p> <p>The Australian Agency, while not needing to be an active participant at all points of the cycle, can demonstrate the capacity to intervene where its interests dictate, and can provide examples of where it has participated in the management of global programs.</p>	<p><u>For Global Programs:</u> The Australian Agency can demonstrate engagement in some or all of: setting the strategic direction of the programs, participating in program design, corresponding with the implementing bodies, reviewing and approving annual budgets/reports, receiving monitoring and evaluation reports and participating in overall program reviews.</p> <p>The Australian Agency can demonstrate its role in the decision to annually approve global programs and their budget, at least as it relates to its own participation in the programs.</p> <p>The Australian Agency can demonstrate access and power in the decisions that set the context for the</p>	<p><u>For Global Programs:</u> Minutes of meetings demonstrating engagement with international partners, alliances or affiliates.</p> <p>Program strategies or proposals including budgets, including evidence of annual approval of these proposals.</p> <p>Evidence of information flow from international partners, alliances or affiliates about the global program activities.</p> <p>Global management documentation, which could include program strategic frameworks, policies, monitoring and evaluation plans, reporting requirements, processes and procedures.</p> <p>Where applicable, documented guidelines on Family</p>

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	<p>programs (e.g. strategy, methodology, policies, frameworks) at governance and management levels.</p> <p>The Australian Agency's ability to influence global programs that it supports is outlined and documented in the agreements with international partners, alliances or affiliates.</p> <p>Agreed guidelines with international partners, alliances or affiliates consistent with Australian Government policy framework.</p>	<p>Planning/Reproductive Health Issues.</p>
<p>B4 Agency can monitor, report and rate effectiveness of activities.</p> <p><i>This criterion seeks to understand the monitoring, reporting and evaluation systems used by the Australian Agency and its partners, and their capacity to assess the outcomes and impact of development activities.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>A transparent and verifiable system is used by the Australian NGO to assess the impact of the Agency's development activities.</p> <p>Evidence of qualitative judgement in monitoring reports</p> <p>Common understanding in Australian Agency and partners of the Quality Rating System (grades 1-5).</p> <p>Ability to distinguish between monitoring, review and evaluation.</p>	<p>Quality of reporting (refer to AusAID data check sheet)</p> <p>Evidence in project documentation of application of system (eg trip reports, monitoring reports etc).</p> <p>Evidence of project monitoring and evaluation reports for the assessment of activities, including global programs.</p> <p>Evidence of dialogue/communication with implementing partner about shared system for quality rating.</p> <p>Documented evidence of other forms of monitoring.</p> <p>Evidence of sufficient dialogue, communication or involvement in project, to effectively monitor and evaluate. eg minutes of meetings</p> <p>Policy, guidelines or documented practice which demonstrates a clear distinction between monitoring and evaluation.</p> <p>Analysis of programs includes evaluation of outcomes and impacts, as well as activities and outputs.</p>

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	<p><u>For Global Programs:</u> The Australian Agency can demonstrate that it has contact, discussion and influence with the implementing bodies that have been charged collectively with the monitoring of global programs.</p> <p>Where the Australian Agency does not directly monitor program/project implementation, the delegation of this responsibility is clearly articulated in agreements between the Australian Agency and its international partners, alliances or affiliates. The Australian Agency must demonstrate that it has sufficient information to enable it to make informed decisions about the allocation and appropriate use of funds by the implementing bodies of global programs that it supports.</p>	<p><u>For Global Programs:</u> Documented arrangements for monitoring, reporting and evaluating in the form of MOUs, contracts or partnership agreements.</p> <p>Global management documentation – could include strategic program frameworks, policies, monitoring and evaluation criteria, reporting standards, processes and procedures.</p>
<p>B5 Agency has systems for continuous improvement of its management and operations.</p> <p><i>This criterion seeks to understand the Agency's commitment to continuous improvement and its capacity to reflect on its management and operations and incorporate lessons learned.</i></p> <p>THIS CRITERION NOT APPLICABLE TO BASE AGENCIES</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Existence of strategic plan or planning process, its application and its regular review.</p> <p>Existence of a system to review and apply lessons learned including in staff development and training, project management, partnerships, fundraising, HR etc.</p> <p>Agency conducts evaluations of project/program, operations and management systems.</p> <p>Agency has responded to recommendations in last Accreditation Review.</p> <p>Articulation of how Agency identifies and records</p>	<p>Strategic plan, action plans, review meeting minutes.</p> <p>Evidence of discussions at all levels of Agency.</p> <p>Documented communication with partners regarding evaluations and incorporation of lessons learned.</p> <p>Outline of staff training activities over previous years.</p> <p>Evaluation reports and evidence that findings/recommendations have been addressed.</p>

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	<p>development outcomes.</p> <p>Evidence of incremental changes over the five years since last Accreditation.</p>	

CRITERION C APPROACHES TO PARTNERSHIP AND DEVELOPMENT COLLABORATION	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>C1 Agency has documented partnerships with organisations in countries where it works.</p> <p><i>This criterion focuses on the documented, contractual framework in place to manage partnerships and projects/programs. It seeks to establish that the Agency has formal arrangements with partners which cover all aspects of the Head Agreement with AusAID and that these arrangements are understood and accepted by partners.</i></p> <p>NB: Affiliation with international agencies alone does not fulfill this criterion. Australian Agency must be able to undertake its own monitoring, receive reports direct from the field and be able to influence project outcomes, if necessary.</p> <p>Partnerships with Government departments or international organisations are not necessarily excluded.</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>For AusAID funded activities the Agency must have documented arrangements with delivery organisations covering all aspects of the Head Agreement with AusAID.</p> <p>Agency must demonstrate that it maintains contact with local or national <i>in-country</i> organisations.</p> <p>Agreements have specific clauses detailing program funding budgets and proposed use of funds.</p> <p>Agreements have specific clauses stating that all funding offices contributing to program activities have access to detailed budgets and the proposed use of funds.</p> <p>Documented roles and responsibilities of country offices and international partners, alliances or affiliates.</p>	<p>Documented arrangements eg. MOUs, contract or formal partnership agreement with partners, international partners, alliances or affiliates, which include proposed budget and use of funds.</p> <p>Evidence of partners' understanding and acceptance of documented arrangements, ie. communication about content and application of agreement.</p> <p>Evidence on file acknowledging and addressing the strengths and weaknesses of each partner and setting out key roles and responsibilities and evidence that these roles and responsibilities have been fulfilled.</p> <p>Detailed program funding agreement proforma and/or guidelines.</p> <p>Procedural arrangements for maintaining the relationship.</p> <p>Record of discussions with delivery organisations, exchanges of letters or formal contracts.</p> <p>Minutes of meetings with international partners, alliances or affiliates.</p>

CRITERION C APPROACHES TO PARTNERSHIP AND DEVELOPMENT COLLABORATION	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>C2 Agency has assessed its own capacity and the capacity of its partner organisation to deliver and develop projects/programs appropriate for that capacity.</p> <p><i>This criterion seeks to establish that the Agency takes a systematic approach to assessing its own capacity and the capacity of its partners and that projects/programs are designed and implemented relative to this capacity, or that capacity is strengthened if needed.</i></p> <p>NB: this criterion does not require agencies to limit their partnerships to agencies of any specified capacity.</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>The Agency has system/systems for evaluating the capacity of its partners.</p> <p>Agency has system/systems to assess its own capacity on an ongoing basis.</p> <p>Agency can demonstrate that it bases its design/ implementation on its own and its partner's capacity.</p>	<p>Guidelines/list of characteristics that Agency seeks in a partner.</p> <p>Completed checklist identifying capacity of Delivery Organisation for management and financial control.</p> <p>Policies or documented practice relating to partnership development.</p> <p>Evidence of an internal assessment such as annual review of own capacity, or minutes of own strategic planning.</p> <p>Evidence of occasion where decision was made <i>not</i> to pursue a particular activity with a particular partner as partner judged to have insufficient capacity (minutes, correspondence to and from field, appraisal reports, etc).</p> <p>Evidence of occasion where decision was made to fund a particular partner and provide additional capacity building to address areas of partner weakness. Details of institutional strengthening activities undertaken with partners.</p> <p>Development of an agreement which reflects results of assessments and allocates roles and responsibilities of Agency and their partner according to capabilities.</p>

<p>C3 Agency's partnerships with organisations in countries where it works, and its partners' relationships with beneficiaries, are effective and consistent with good development practice.</p> <p><i>This criterion seeks to understand the nature and tone of partnerships and relationships between the Australian Agency and partners and between partners and beneficiaries. It seeks evidence, that partnerships reflect good development practice ie. equality, mutual respect and learning, self reliance, transparency, etc.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Evidence of a relationship which reflects equality, mutual respect, mutual learning and capacity building, honesty, transparency, self reliance.</p> <p>Evidence that similar principles are reflected in the relationship between the partners and beneficiaries.</p> <p>Opportunities for mutual influence on programs.</p>	<p>Documentation showing the quality of the partnership between the Australian Agency and its in-country partner.</p> <p>Documented examples of communications between Agency and partner, eg. emails, letters reflecting the nature of the relationship and role played by the Agency.</p> <p>Documented evidence of the relationship between the partner and beneficiaries, or partners' policies on this, eg policy/guidelines, promotional material, copy of communication between partner and beneficiaries, copies of monitoring reports.</p> <p>Evidence of exchange of views and information regarding the project and other activities, which reflect the partnership, eg. exchange visits of key personnel, joint advocacy campaigns, volunteer placement, etc.</p> <p>International network policies describing the role/nature of involvement of National Offices, where Agency is part of an international network, alliance or affiliate.</p>
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CRITERION D LINKAGES WITH THE AUSTRALIAN COMMUNITY	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>D1 Agency is clearly identifiable as Australian and can demonstrate responsive interaction with an Australian community base.</p> <p><i>This criterion seeks to understand: how the Agency approaches the issue of Australian identity in projects/programs and promotions; how the Agency recognises/acknowledges the source of contributions to the projects it supports; the nature and level of the Agency's community support; and how the Agency involves, and responds to, its Australian constituency.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Agency has procedures in place to achieve Australian identity in its activities.</p> <p>Delivery organisation, in-country staff and recipients are aware of the Australian source of funding.</p> <p>Australian identity sought in documented arrangements.</p> <p>Agency has procedures and practice which enable any supporter, upon request, to have free access to, and to make copies of, decisions of the Governing Body or any office holder of the Agency (subject to any legal constraints).</p> <p>Agency has mechanisms for the community base to raise issues and evidence that those mechanisms are known.</p> <p>Agency actively involves its constituency in its various activities.</p> <p>Agency is able to clearly communicate the respective roles and achievements of the Australian Agency and those of its international partners, alliances or affiliates in its communication material, such as publications and information published electronically.</p> <p>Agency has agreed guidelines with its international partners, alliances or affiliates as to appropriate reporting in organisational promotional materials, i.e. attribution.</p>	<p>'Australia' in title of organisation.</p> <p>Copies of communications with in-country staff and partners acknowledging Australian identity.</p> <p>Photos of promotion of Australian identity in the field, eg. signage.</p> <p>Evidence of access to copies of Board minutes, AGM minutes by supporters. (policy for gaining access; copies of requests from supporters)</p> <p>Evidence of Agency response to requests for information from supporters.</p> <p>Evidence that Agency encourages new supporters.</p> <p>Evidence of publications or electronic information that clearly communicates the respective roles and achievements of the Australia Agency and international partners, alliances or affiliates.</p> <p>Program approval documentation, either with bilateral partners or international partners, alliances or affiliates.</p>

CRITERION D LINKAGES WITH THE AUSTRALIAN COMMUNITY	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>D2 Agency and its partners provide accurate information about the organisation, its objectives and activities in its public presentations, in a manner that respects the dignity of recipient communities.</p> <p><i>This criterion seeks to ensure that promotional material respects the dignity, values, history, religion and culture of people, consistent with principles of basic human rights and ACFID Code of Conduct. It also seeks to find consistency between project activity and promotional material, and a clear differentiation between the Australian Agency and its overseas partner.</i></p> <p>NB: Promotional material clearly differentiates between activities of Australian Agency and that of overseas partners.</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Consistency between project activity and promotional material.</p> <p>Publicity material of both the Australian Agency and its partners shows due respect to the dignity, values, history, religion and culture of the people with whom it works, consistent with principles of basic human rights and ACFID Code of Conduct.</p> <p>Agreed guidelines with international partners, alliances or affiliates as to appropriate reporting in organisational promotional materials, i.e. attribution.</p>	<p>Annual Report.</p> <p>Comparison of project reports and promotional material.</p> <p>Examples of promotional and educational documentation of both the Australian Agency and its partners.</p> <p>Monitoring reports which comment on partners' development philosophy and practices.</p> <p>Program approval documentation, either with bilateral partners or international partners, alliances or affiliates.</p>
<p>D3 Agency deploys and maintains Australian community support for its development projects/programs, through financial support and in-kind and/or voluntary contributions.</p> <p><i>This criterion seeks to understand how the Agency utilises resources for development projects/programs and how it maintains its community support (funds, in-kind and volunteer) for development activities.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Staff/volunteer time and other resources spent on development activities.</p> <p>Fundraising and promotional initiatives.</p> <p>Strategic or planning process which includes ongoing fundraising and promotional initiatives.</p> <p>Staff and/or volunteer time devoted to promotional, fundraising and development education activities.</p> <p>Policy covering utilisation of Volunteers.</p>	<p>Staff/volunteers engaged in and/or responsible for development activities.</p> <p>Agency Strategic Plan or other evidence of strategic thinking and its application.</p> <p>Examples of successful and planned fundraising initiatives. Promotional staff and/or use of consultants for fundraising.</p> <p>Promotional materials and media policies.</p> <p>Evidence of discussions at Board/staff meetings regarding ideas for promotional activities.</p>

CRITERION D LINKAGES WITH THE AUSTRALIAN COMMUNITY	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
		<p>Evidence of work-in-progress on promotional activities.</p> <p>Staff or volunteer diaries/logbooks relating to promotional, fundraising and development education activities.</p> <p>Documented record of volunteer involvement.</p>
<p>D4 Agency has a plan to increase constituency awareness of, and involvement in, contemporary development and/or relief issues.</p> <p><i>This criterion seeks evidence of the Agency's plan and efforts to promote community awareness of development issues, in addition to the Agency's own promotion. It also seeks to understand the nature of the Agency's engagement with its constituency about development issues.</i></p> <p>THIS CRITERION NOT APPLICABLE TO BASE AGENCIES</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Evidence of promotion of constituency involvement, eg. organisational arrangements which provide opportunities for supporters to contribute to Agency discussion.</p> <p>Agency efforts to promote community awareness of development issues in addition to the Agency's own promotion.</p> <p>Evidence of awareness-raising initiatives and engagement with constituency on issues.</p>	<p>Formal documented strategy reviewed and approved by Governing Body.</p> <p>Copies of newsletters and brochures which include information on development issues and are focussed on awareness-raising.</p> <p>Evidence of involvement in multi-agency programs, eg. Children at War.</p> <p>Study tours; campaigns; public seminars; school visits; talks to church groups; use of media, eg. radio interview.</p> <p>Evidence of advice provided to supporters/donors through publications/correspondence/campaign materials, etc on taking further action on issues of concern, eg. letter writing campaigns.</p>

CRITERION E FINANCIAL SYSTEMS & RISK MANAGEMENT	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>E1 Agency has effective management, administration and financial systems for accounting for funding.</p> <p><i>This criterion seeks evidence of satisfactory application of policies, systems and processes for accounting for funding.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Documented policies, systems and processes for accounting for funding including for:</p> <ul style="list-style-type: none"> • establishment of budgets, their basis and authorisation • project ledgers of accounting • procurement of goods and services • cash management and allocation of interest income • progress reporting • exchange rate gain and loss • acquittal consolidation and reporting • handling unspent funds • activity management • asset management • authorisation by agency and confirmation from partner for overseas transfers of funds <p>Audited financial statements complying with the various accounting standards, Urgent Issues committee's pronouncements and ACFID requirements.</p> <p>Financial systems controlling general ledger and project ledgers:</p> <ul style="list-style-type: none"> • audit trails in place • supporting documentation referenced • project status reports 	<p>Files showing evidence of satisfactory application of policies, systems and processes for accounting for funding.</p> <p>Contracts with partners.</p> <p>Balance sheet (assets, liabilities and equity) and profit and loss (revenue, expenditure and surplus) statements.</p> <p>Filing systems.</p> <p>Table of contents of Operations Manual and inspection of specific extracts.</p> <p>Examination of project files and discrete ledger accounts.</p> <p>Audit management letters and responses.</p>

CRITERION E FINANCIAL SYSTEMS & RISK MANAGEMENT	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>E2 Agency and its overseas partners and its international affiliates have a capacity and commitment to undertake activities in a professionally competent manner, especially with regard to financial operations.</p> <p><i>This criterion seeks to understand how the Agency regularly assesses, monitors and strengthens the financial systems and capacity of itself, its partners and affiliates. It also wants to see what documented agreements are in place with delivery organisations and International Affiliates for the management and accountability of funds.</i></p> <p>THIS CRITERION NOT APPLICABLE TO BASE AGENCIES</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Documented agreements with delivery organisations for the management and accountability of funds.</p> <p>Evidence of regular assessment of financial systems and overall financial capacity of overseas partner agencies and international affiliates.</p> <p>Evidence of partners' and international affiliates' policies and procedures for accounting for funding.</p> <p>Receives audited financial statements from delivery organisations.</p> <p>Receives audited project acquittals from delivery organisations.</p> <p>Receives copies of independent audits by international partners, alliances or affiliates.</p>	<p>Documented arrangements such as contracts, MOUs, formal partnership agreements or other relevant documentation identifying capacities and roles of each overseas partner agency in financial operations.</p> <p>Documentation on assessment of the financial management capacity of the partners/implementing bodies for global programs.</p> <p>Correspondence regarding program implementation and risk issues</p> <p>Example of finance-related institutional strengthening of delivery organisation.</p> <p>Demonstrated compliance with financial procedures of international network, if appropriate.</p> <p>Method for calculating exchange rate variations and interest earned.</p> <p>Examination of a sample of audit reports, if available, from international partners, alliances or affiliates.</p> <p>Evidence that audit reports, financial statements, program reports and evaluations are passed to international partners, alliances or affiliates, if applicable.</p> <p>At least one full-time or 2 part-time equivalent staff member/s dedicated to development outcomes.</p>
	<p><u>For Global Programs:</u></p> <p>Evidence that the Australian Agency receives regular financial statements, program reports and evaluations, and is able to make 'course corrections' in consultation with its international partners, alliances or affiliates, as necessary.</p> <p>Evidence that the Australian Agency can request an independent audit of the implementing bodies for global programs, in association with its international partners, alliances or affiliates, and has the right to withhold funds from the global programs or parts of programs if warranted.</p>	<p><u>For Global Programs:</u></p> <p>Documentation on assessment of the financial management capacity of the partners/implementing bodies for global programs.</p> <p>Evidence that audit reports, financial statements, program reports and evaluations are passed to international partners, alliances or affiliates, if applicable.</p>

CRITERION E FINANCIAL SYSTEMS & RISK MANAGEMENT	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>E3 Agency utilises systems to assess and manage financial risk which is appropriate to the level of expenditure.</p> <p><i>This criterion seeks evidence of application of a financial risk management strategy and/or financial risk management practices of Agency and partner.</i></p> <p>NB: This includes risk related to expenditure through partner organisations.</p> <p>THIS CRITERION NOT APPLICABLE TO BASE AGENCIES</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Documented financial risk management strategy and practices.</p> <p>Documented financial monitoring of project expenditure by partner.</p> <p>Frequency of financial systems assessments.</p> <p>Evidence that Agency has implemented recommendations arising from audit reports.</p> <p>Evidence of financial systems improvement by Agency.</p> <p>Authorisation levels for senior personnel including cheque signatory.</p> <p>Foreign currency exchange policy for limiting rate movement exposure.</p> <p>Insurance policies, eg. public liability.</p>	<p>Evidence of application of financial risk management strategy and practices.</p> <p>Evidence of partner reporting requirements, and evidence of receipt of financial statements, reports and evaluations.</p> <p>Financial monitoring checklists prepared and completed by Agency.</p> <p>Agency status reports tracking key financial data and reporting schedules.</p> <p>Independently audited financial statements.</p> <p>Computer system access controls.</p> <p>Monitoring system to detect any fraudulent use of funds.</p> <p>Documented responsibility of officers and delegations.</p>
	<p><u>For Global Programs:</u></p> <p>The Australian Agency receives reports on its global programs, and has access to financial statements, audit reports, evaluations and performance data.</p> <p>The Australian Agency has access and influence within the agreed management structures that control these programs.</p>	<p><u>For Global Programs:</u></p> <p>Evidence of partner reporting requirements, and evidence of receipt of financial statements, reports and evaluations.</p> <p>Documented responsibility of officers and delegations.</p>

CRITERION E FINANCIAL SYSTEMS & RISK MANAGEMENT	EXAMPLES OF INDICATORS	POSSIBLE VERIFIERS
<p>E4 Agency can raise contributions (a minimum \$50,000 RDE averaged over three years for agencies applying for Base Accreditation and a minimum of \$100,000 for agencies applying for Full Accreditation) from the Australian community in support of development activities.</p> <p><i>This criterion seeks to verify that the Agency: can raise its own funds from the community for development activities; differentiates funds for development, religious, welfare and partisan political activities in RDE calculations; and is not dependent on AusAID for staff salaries. One full time equivalent salary of a person (or two half time persons) fully engaged on overseas aid work should be paid for from the Agency's own funds</i></p> <p>NB: RDE benchmarks relate to the previous financial year.</p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>Comparison of dollars raised from Australian community for overseas development activities, with dollars deployed for overseas development activities (including those for development education, but distinct from those raised for non-development activities and for welfare, evangelistic and partisan political activities).</p> <p>Value of services and goods in-kind donations, recorded within the Agency's financial statements.</p> <p>Amount of time donated by volunteers either in Australia or overseas, recorded in the Agency's financial statements.</p> <p>Compliance with the ACFID Code of Conduct Summary Financial Report template.</p>	<p>Examination of RDE calculations and audited financial statements to demonstrate application of appropriate differentiation between development activities and welfare, evangelism and partisan politics.</p> <p>Working papers for calculation of RDE, compliance with RDE worksheet and RDE returns over the last three years.</p> <p>Financial records of income and disbursement against specific projects/programs, and reconciliations with the general ledger.</p> <p>Method for documenting and recording value of services and in-kind donations, and volunteer time.</p> <p>Maintenance of timesheet records.</p> <p>Expenditure allocated as per ACFID definitions.</p> <p>Administration expenditure records.</p>
<p>E5 Agency complies with Australian legislation pertaining to fundraising and tax deductibility.</p> <p><i>This criterion seeks to establish if the Agency is registered for fundraising purposes as a charitable/benevolent institution and has tax deductibility status if claimed publicly.</i></p>	<p>NB. INDICATORS ARE APPLIED COMMENSURATE WITH THE SIZE OF THE RISK TO AUSAID</p> <p>It is registered for fund raising purposes as a charitable/benevolent institution, except where a legal exemption can be shown.</p> <p>Agency has tax deductibility status, if it claims it publicly, for an international project fund.</p>	<p>Letter with date of registration as charity/public benevolent institution.</p> <p>Letter or other legal document showing exemption.</p> <p>Letter or gazette notice from Taxation Department and/or AusAID list.</p> <p>Agency promotional material claiming tax deductibility.</p> <p>ABN database search.</p>