Guidelines for organisational assessment

The Swedish Trade Union and the GUF must make an assessment of their project partners in order to analyse their capacity to implement a project. The objective with this exercise is to assess and be well familiarized with the organisations that receive resources and/or carry out project activities, their structures and their capacity to handle the project and its related resources. There must be systems, structures, routines and capacity to manage financial support according to the project plan presented in the application.

It’s important to stress, that if the Swedish Trade Union and/or the GUF have identified weaknesses or risks within a project chain, the support to organisational development may be adjusted so that it addresses these in order to improve Trade Union capacities.

The Swedish Trade Union/GUF assessment must be based on an analysis of implementation capacity and internal management and control in the project chain. The analysis will answer questions like:

- Are the structures of the beneficiary organisation functional, i.e. are there functioning routines, policies and statutes that direct the organisation’s work?
- Does the organisation have clearly formulated objectives and is there a consensus on these?
- Does the work within the organisation seem well organised, does the organisation work strategically to reach its stated objectives?
- Are there adequate systems for financial management and administration?
- Does the organisation have enough staff and resources to start and run a project?
- Does the organisation have knowledge and systems to monitor and evaluate project progress and achievements?
- If weaknesses are identified; how will it affect the project? Is cooperation still possible? What are the risks? What needs to be strengthened? Where should extra monitoring be put in? What capacity development is needed?

The guiding questions shall be seen as help and support to achieve the analyses. They are required as a part of the fulfilment of the conditions set out in our agreements with and audit instructions from Sida. The LO-TCO Secretariat does not require detailed answers to each and everyone of the listed questions, but rather a summarised concluding assessment from the Swedish Trade Union/GUF analyses.

Questions to assess implementation capacity

1. Is the organisation registered at the relevant authority? As a Trade Union? It should have this documented if so.
2. If not, why?
3. How is the organisation financed so far?
4. What is the annual budget of the organisation?
5. How many members does the organisation have?
6. How many due paying members?
7. Does the organisation have an elected board?
8. If so what does the election system look like? Who elects the Board?
9. If not, why not?
10. Does the organisation have statutes that regulate activities? How were they decided? Are they relevant? Is anything missing from the statutes?
11. Are statutes, regulations, and/or other steering documents known and accepted by members?
12. What are the objectives of the organisation?
13. Who is the target group of the organisation?
14. What are the most important achievements of the organisation lately?
15. Does the organisation have any experience of development cooperation projects?

Questions to assess internal management and control

1. Does the organisation have one or more staff responsible for project implementation and/or follow up?
2. What is his/hers/their role and position?
3. What are the skills/level of training of the responsible staff?
4. Is there enough skill and resources to manage project activities and budget?
5. Financial management:
   - Are there rules and regulations for financial management in the organisation?
   - What are the routines for book keeping?
   - Is book keeping managed manually or by IT-system?
   - How are receipts and bills authorized and signed?
   - Who is authorized to sign and authorize official documents? Bank accounts where funds from the LO-TCO Secretariat are kept must be signed by two empowered signatories jointly.
   - What are the audit routines and regulations? Sida funding has to be audited annually at every level to which funds are transferred. The audit shall be performed by an independent certified auditor and be done according to internationally accepted auditing standards issued by either the International Federation of Accountants (IFAC) or the International Organisation of Supreme Audit Institutions (INTOSAI). The audit report shall state which standard has been used. The auditor shall issue an audit report according to the standard ISA 805. A Management Letter shall also be annexed to the report. Detailed instructions for what needs to be included in a Management Letter can be found in the LO-TCO Secretariat’s audit instructions: http://www.lotcobistand.org/pdf/Audit_instruction.pdf
6. Can funds from the LO-TCO Secretariat be traced in the financial management system at every level of transaction? The LO-TCO Secretariat strongly recommends that where possible a separate bank account is set up for these funds. If that is not possible unique accounting codes for each project must be used to enable traceability.
7. In on-going projects: have previous year’s management letter comments been observed and addressed or is there an action plan for this? Who is responsible for the implementation of the action plan?
8. How is the accrued interest from project funding accounted for and reported?
9. Does the organisation have its own rules for contracting and procurement? Are these compatible with Sida’s rules for procurement? If not, is it relevant to address this?
10. Does the organisation have anti-corruption rules, or routines for managing suspected irregularities or corruption?