Appendix B

**Due Diligence Checklist**

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| 1. **General Information** | | |
| 1. Organization Name |  | |
| 1. Started Date |  | |
| 1. Organization Type   (non-profit, profit, law firm, etc.) |  | |
| 1. Organization Registration Number |  | |
| 1. Organization Website |  | |
| 1. Organization Email |  | |
| 1. Organization Address |  | |
| 1. Name and contact details of the organization |  | |
| 1. Board of Directors   (Please provide the list  of members of the Board  of Directors) | Name | Title |
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| 1. Please describe the role of the Board that it plays in the organisation. |  | |

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| **B. Governance** | | | |
| 1. What is the legal basis for the organization? How is it incorporated or registered? |  | | |
| 1. What is the legal basis for the organization in the Philippines? How is it registered or sign a basic cooperation agreement with relevant Ministry in charge of the sector? Please provide period of agreement. |  | | |
| 1. Who appoints, regulates and provides oversight of the Executive/Directors? |  | | |
| 1. Is there an effectively operating Audit Committee?   How often are meetings held?  Are meeting minutes produced? (Please provide evidence of the last two meetings minutes.)  Is there evidence of actions being followed through? (Please provide evidence documents.) |  | | |
| 1. Does the organization employ an external auditor?   Is there a transparent and competitive process for the selection of an external auditor and members of the Board/Audit Committee? |  | | |
| 1. How often are external and internal audits/reviews performed? |  | | |
| 1. Does your organization have recent audit (finance and performance) report? If any, please provide. |  | | |
| 1. Does your organization have recent audit report of a large value project? If any, please provide. |  | | |
| 1. Is there evidence of formal policies on fraud, bribery and corruption? If any, please provide. |  | | |
| 1. Does the organization have a whistleblowing hotline?   Is it widely and effectively communicated? |  | | |
| 1. **Internal Controls** | | | |
| 1. **Bank Management** | | | |
| 1. How many bank accounts does your organization have with your organization name? |  | | |
| 1. Who are the bank signatories? | Name | | Title |
|  | |  |
| 1. Who signs cheques and authorizes bank transfer payment? How many authorized signatory does require signing a cheque or making payment? – e.g. Single or Dual |  | | |
| 1. Who authorizes changes to bank accounts? | . | | |
| 1. Who reconciles the bank statement to the accounting records? |  | | |
| 1. Who reviews bank statement reconciliations? |  | | |
| 1. How does the fund flow for the operations in the Philippines? Please provide fund flow chart with a separate sheet. |  | | |
| 1. Does your organization have bank account in the Philippines with organization name? | YES  NO  If Please provide the scanned copy bank account page that shows bank account name and number. | | |
| 1. Does your organization have joint bank account in the Philippines? | YES  NO  If Please provide the scanned copy bank account page that shows bank account name, number or chequebook. | | |
| 1. Who are the bank signatories for the bank account in the Philippines? (if any) | Name | Title | |
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| 1. How often are bank reconciliations performed? (monthly/ quarterly/yearly) |  | | |
| 1. Who maintains the cheques books and cheques register? |  | | |
| 1. Do you complete the cheque stubs at the time of payment? |  | | |
| 1. **Cash Management** | | | |
| 1. What is your office cash storage limit (equivalent in USD)? |  | | |
| 1. How do you safeguard cash in the office? |  | | |
| 1. Is there adequate segregation of duties? 2. Who keeps the safe key and manage cash disbursement? 3. Who keeps the combination? 4. Who authorizes the cash disbursements? 5. Who records cash transactions in the accounting system? |  | | |
| 1. Who reconciles cash in the office to cash logs and accounting records? |  | | |
| 1. How often do you reconcile cash in the office? (Daily/ weekly/ monthly cash count?) |  | | |
| 1. **Procurement and Asset Management** | | | |
| 1. Does your organization have procurement policy? If any, please provide. |  | | |
| 1. Does your organization have written policy for consultancy services? If any, please provide. |  | | |
| 1. Who maintains asset register? Please provide sample register. |  | | |
| 1. Who authorizes asset procurement and disposal? |  | | |
| 1. Who maintains inventory records? |  | | |
| 1. Who reviews the asset and inventory physical counts? |  | | |
| 1. How often do you reconcile the assets and inventory records with the physical counts?   (monthly/quarterly/yearly) |  | | |

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| 1. **Financial Management** | | | |
| 1. Does your organization have written finance policies and procedures? If any, please provide. |  | | |
| 1. Has your organisation budget increased or decreased from last year? Why, please explain? |  | | |
| 1. What role does the board play in financial oversight? |  | | |
| 1. Does your management and program staff know how to read the financial statements? |  | | |
| 1. How are the financial reports used? |  | | |
| 1. What is your organization accounting system?   (manual/accounting software/Excel) |  | | |
| 1. Does your organization have written procedures for delegation of authority (i.e. who signs what on behalf of the organisation and within what limits – cheques, procurement, leases, contracts, etc.)? |  | | |
| 1. Does your organization have templates and forms related to finance? If it does, please provide.   (e.g. Advance form, payment form, receipt, expenditure receipt, etc) |  | | |
| 1. Who checks expenditures to make sure they are eligible (in accordance with your organization’ policies)? |  | | |
| 1. Who authorizes contracts/purchase with vendors or service providers? |  | | |
| 1. Who ensures that individual budget line item categories do not exceed budget limits? |  | | |
| 1. Who is responsible for maintaining financial documents? |  | | |
| 1. Do you monitor the advances? |  | | |
| 1. Will you have other funding during the proposed period of CSO-SEED grant? If yes, please specify:   (Add row if necessary.) | Donor Name | Grant Period (start/end dates) | Grant Value |
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| 1. Are there any circumstances in which invoices, receipts and timesheets cannot or will not be obtained? | YES  NO | | |
|  | If yes, please describe such circumstances and also your policy of treating such expenses : | | |
| 1. Does your organisation have written policies for the rates or allowances which are applied to claims for travel, per diem, meeting, meal and refreshment costs? | YES  NO  If yes, please provide in detail your system and policies regarding these costs? | | |

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| 1. **Human Resources Management** | |
| 1. Does your organization have organogram showing positions and names of staff members? If any, please provide. |  |
| 1. Do you maintain an employment letter of contract which includes the staff’s salary? |  |
| 1. Does your organization have written human resource policy? If any, please provide. |  |
| 1. Does your organization have written policy for staff salary scale? If any, please provide. |  |
| 1. Does your organization have written policy or guideline for volunteer and temporary staff? |  |
| 1. Do you maintain time sheet for staffs’ time allocation? If any, please provide. |  |
| 1. Do you maintain staff attendance record and leave records? |  |
| 1. Who prepares the payroll calculation? |  |
| 1. Who reviews and approves the payroll? |  |
| 1. How do you pay salaries to staffs?   (in cash or bank transfer) |  |
| 1. Does your organization have procedures for performance review and yearly salary increment? |  |
| 1. Do your staffs have to sign the declaration of conflict of interest form? |  |
| 1. Does your organisation have child protection policy? |  |
| 1. Does your organisation have policies for equal opportunity and diversity? |  |
| 1. How do you invest in professional development for staff? |  |

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| 1. **Capacity Development Needs** | |
| 1. Does your organization have training programme/plan for staff capacity development? |  |
| 1. In the next two years, in which priority areas your organization intends to engage and develop in capacity building? |  |

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| 1. **Organization Vision and Strategy** | |
| 1. What is your organisation’s mission? |  |
| 1. What is your organization’s vision? |  |
| 1. Do you have current strategic plan? |  |

**Declaration**

I certify that to the best of my knowledge, information and belief after having made due and careful enquires, the information that I have supplied above and with this questionnaire is correct, complete and not misleading.

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| Name of Organization |  |
| Full name of signatory duly authorised to sign this questionnaire on behalf of the organization |  |
| Signature |  |
| Title/ Position |  |

**Verified and Checked by CSO-SEED Project**

|  |  |
| --- | --- |
| Name |  |
| Signature |  |
| Title/ Position |  |