# PARTNERSHIP DUE DILIGENCE CHECK

# INTRODUCTION

The best STM trips happen in the context of long-term partnerships, where change and reciprocal learning is fostered through well-established relationships.

We need to make sure, however, that these partnerships are not formed on the basis of relationship or friendships alone, but also on evidence of good practice, sufficient organisational capacity to carry out planned activities to a high standard and financial integrity and transparency. **Gathering this evidence can be done through what is called a ‘due diligence check’**, which should be conducted before establishing a long-term partnership for funding or STM purposes**.**

Without conducting a basic partner due diligence check, it’s difficult to know with any certainty if what you are contributing to, via funding and sending STM teams, is something positive or detrimental.

**DUE DILIGENCE CHECKLIST**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | COMPATIBILITY | **Y** | **N** | **?** | COMMENTS  | *WAYS TO VERIFY* |
|  | **Is the organisation able to clearly articulate the vision, mission and purpose of individual projects?** | **[ ]**  | [ ]  | [ ]  |  | * *Vision & Missions statements are clearly articulated and visible on their website.*
* *Clear links are/can be made between project goals and mission statements in key documents or websites.*
* *Activities feel cohesive and no missions drift is evident.*
* *Staff are consistently able to explain the vision & mission of the organisation & purpose of projects.*
 |
|  | **Does the organisation’s vision, mission, values and culture align with ours, and are these values evident in the organisation's practice?** | **[ ]**  | [ ]  | [ ]  | *What were the stated values and culture? How is this evidenced in their practice?* |
|  | **Do we share the same commitment to ensuring STM trips are ethical?**  | **[ ]**  | [ ]  | [ ]  |  | * *Existing information on their website demonstrates a clear commitment to ethical STM.*
* *The organisation has been willing to engage in discussion, open to evaluating and improving practice.*
 |
|  | LEGAL STATUS  | **Y** | **N** | **?** | COMMENTS  | *WAYS TO VERIFY* |
|  | **Is the receiving organisation appropriately registered with the government and operating legally?** | [ ]  | [ ]  | [ ]  | *If yes, what type of organisation? If no, what reason was given?*       | * *Organisation is able to provide a copy of their entity registration document & organizational structure.*
 |
|  | **Does the organisation have an up-to-date Memorandum of Understanding with the appropriate government ministry that approves the specific types of activities they are doing?** | **[ ]**  | [ ]  | [ ]  | *If yes, what type of agreement? If no, what reason was given?*      | * *Organisation is able to produce a current MOU (or similar document) with the appropriate government ministry or authority authorizing their activities.*
 |
|  | **Does the organisation have a stated purpose for existence or set of objectives?** | **[ ]**  | [ ]  | [ ]  | *Describe:*       | * *As demonstrated in their constitution/ governing instrument.*
 |
|  | **Is the organisation on the terrorist listings, or linked to any individuals or organisations that are?** | [ ]  | **[ ]**  | [ ]  | *Describe:*       | * *Check using online terrorist listing tools such as these:*
	+ *dfat.gov.au/issues/terrorism.html*
	+ *nationalsecurity.gov.au/listedterroristorganisations/Pages/*
 |
|  | ORGANISATIONAL CAPACITY  | **Y** | **N** | **?** | COMMENTS  | *WAYS TO VERIFY* |
|  | **Does the organisation have the capacity to effectively facilitate STM trips including the capacity to conduct proper screening and provide adequate pre-trip preparation?** | **[ ]**  | [ ]  | [ ]  |       | * *Request a copy of any STM guidance they provide and/or screening tools.*
* *Hold discussions with key staff.*
 |
|  | **Can the organisation clearly identify who their target community or target group are?** | **[ ]**  | [ ]  | [ ]  |       | * *Look for information on their website, in key organizational and programming documents and ask questions of key staff.*
 |
|  | **Does the organisation demonstrate a sound understanding of the culture and target community?** | **[ ]**  | [ ]  | [ ]  |       |
|  | **Has the organisation designed its projects in response to an in-depth and evidence-based understanding of the issues, target community and root causes (e.g. does the organisation complete needs assessments and establish baselines)?** | **[ ]**  | [ ]  | [ ]  |       | * *Look for copies of research papers or practitioner reports on their website.*
* *Request copies of program documentation.*
* *Hold discussions with key staff.*
 |
|  | **Is the organisation networked with other organisations that are working in this area (either geographical or issue-based)?** | **[ ]**  | [ ]  | [ ]  |       | * *Look for evidence the organisation is part of networks or alliances.*
* *Ask the question of key staff.*
 |
|  | **Has the organisation designed its programs in accordance with accepted good practice principles and local and international laws?** | **[ ]**  | [ ]  | [ ]  |       | * *Request copies of program design documentation.*
* *Check against summaries of relevant international conventions or treaties.*
* *Ask key staff which laws, and policies their programs are aligned with.*
 |
|  | **Does the organisation have the technical and organisational capacity to carry out its work to high standards?** | **[ ]**  | [ ]  | [ ]  |       | * *Organisational structure.*
* *Check the ‘about us’ section on the website.*
* *Ask the question of staff.*
 |
|  | **Does the organisation invest into staff development and training?**  | **[ ]**  | [ ]  | [ ]  |       | * *Discussions with staff.*
 |
|  | **Has the organisation involved the local community in a meaningful way to determine the activities of the project, as well as its implementation and evaluation?** | **[ ]**  | [ ]  | [ ]  |       | * *Request a copy of program design documentation.*
* *Ask questions about their project design and evaluation process in discussions with staff.*
 |
|  | **Can the organisation describe how it monitors and evaluates it’s projects?** | **[ ]**  | [ ]  | [ ]  |       | * *Request a copy of project documentation and/or MERL framework.*
* *Discuss with staff.*
 |
|  | **Does the organisation have a functioning governing body in place?** | **[ ]**  | [ ]  | [ ]  |       | * *Request a list of board members.*
* *Request a copy of the governing instrument.*
 |
|  | RISK MANAGEMENT  | **Y** | **N** | **?** | COMMENTS  | *WAYS TO VERIFY* |
|  | **Does the organisation have practices in place that mitigate fraud and financial misappropriate risks?** *i.e. banking of gifts and grants, multiple signatories on a bank account that is in the name of the organisation, documentation to track financial transactions and supporting documentation collected and retained.*  | **[ ]**  | [ ]  | [ ]  |       | * *Request a copy of their finance policy.*
* *Request a copy of their bank name and account number (to check it is in the organisation’s name).*
* *Discuss with staff.*
 |
|  | **Does the organisation have a process in place to monitor expenditure against a plan or budget?** | **[ ]**  | [ ]  | [ ]  |       | * *Request copies of financial reports and budgets.*
 |
|  | **Does the organisation have appropriate screening and recruitment practices?** | **[ ]**  | [ ]  | [ ]  |       | * *HR policy.*
* *Screening and recruitment section in the child protection policy.*
 |
|  | **Does the organisation provide regular financial reports (which is vital if the partnership is also financial)?** | **[ ]**  | [ ]  | [ ]  |       | * *Discuss with staff.*
* *Look at or request a copy of previous annual reports.*
* *Look online if they are required to lodge audited financial reports with a government agency.*
 |
|  | REPUTATION  | **Y** | **N** | **?** | COMMENTS  | *WAYS TO VERIFY* |
|  | **Do people in the community speak well of the organisation?** | **[ ]**  | [ ]  | [ ]  |       | * *Online searches.*
* *Ask for references from other reputable organisations in the same sector.*
* *Discussion with staff.*
* *Site visit which includes meeting with members of the community and project beneficiaries.*
 |
|  | **Does the organisation have a positive working relationship with the appropriate government authority/ies?** | [ ]  | [ ]  | [ ]  |       |
|  | **Does the organisation collaborate with other people who work in this area of development?** | [ ]  | [ ]  | [ ]  |       |
|  | **Do other well-respected organisations that work in this area of development view their approach, work and staff positively?** | [ ]  | [ ]  | [ ]  |       |
|  | **Is the organisation currently involved in any litigation or disputes?** | [ ]  | [ ]  | [ ]  |       |
|  | **Has the organisation received any negative media attention or public accusations against the organisation or its leadership?** | [ ]  | [ ]  | [ ]  |       | * *Discuss this with the organisation.*
 |
|  | CHILD PROTECTION  | **Y** | **N** | **?** | COMMENTS  | *WAYS TO VERIFY* |
|  | **Do we have the same commitment to child safeguarding?** | [ ]  | [ ]  | [ ]  |       | * *Sight the Child Protection Policy.*
* *Staff can articulate their Child Protection practices and why they are important (evidence whether it is just a piece of paper or if it is actively applied).*
* *Staff can articulate what they must do in the case that they have a Child Protection concern.*
 |
|  | **Is the safeguarding of children and the protection of their rights a priority?** | [ ]  | [ ]  | [ ]  |       |
|  | **Are adequate child protection policies and procedures in place?** | [ ]  | [ ]  | [ ]  |       |
|  | **Does the organisation require child protection screening as part of its STM recruitment process?** | [ ]  | [ ]  | [ ]  |       |
|  | **Does the organisation run residential care?** | [ ]  | [ ]  | [ ]  |       | * *Check their website and program documentation.*
* *Ask staff.*
 |
|  | **Does the organisation facilitate teams or tourism visiting and working in residential care?** | [ ]  | [ ]  | [ ]  |       | * *Check their website.*
* *Check their STM guidance if they have it in place.*
* *Check in their child protection policy.*
* *Ask staff.*
 |

**ASSESSING THE CHECKLIST**

Go back over your responses in the checklist and use the key below to assess your answers. Reflect on any areas where you’ve identified concerns or gaps in information.

* **SAFE:** Based on your answers there are no concerns.
* **APPROACH WITH CAUTION:** Carefully consider any areas where caution is advised and ask more questions of the organisation if necessary. See if there is a willingness to make changes that could reduce risk and enhance outcomes for local communities. Refer back to the website or linked resources to assist you.
* **WARNING:** If you ticked any red boxes, then it is advised that you suspend or do not enter into a partnership with the organisation until such time as all significant concerns have been address and activities that place children and communities at risks of harm have ceased.
* **UNSURE:** Conduct any further research or thinking so you can answer questions marked as unsure before determine whether to form or continue a partnership.

**DRAWING CONCLUSIONS**

|  |  |
| --- | --- |
| **SHOULD WE PARTNER WITH THIS ORGANISATION?**  | Next step: |
| **[ ]  Yes –** Based on our research and assessment of the organisation we are satisfied that we should form/continue the partnership.  | **Form/continue partnership.**  |
| **[ ] Maybe -** we need to gather more information and clarify any areas that I am unsure about or have potential concern before deciding whether we should partner with this organisation.  | **Continue research.**  |
| **[ ] No –** Serious concerns have been raised during the assessment about the organisation that prohibit partnership.  | **Explore and assess alternative partnerships.**  |