

Annex 2. Draft SR Risk Assessment

No	Indicator	High Risk	Significant Risk	Moderate Risk	Low Risk	No Info
1.	The SR or its executive members have faced criminal allegations or other legal claims (including fraud) within the last five years	Yes			No	
2.	The annual budget contains all significant government expenditures, including relevant donor contributions	No	Not adequate, not kept up to date	Mostly	Yes	
3.	Budget and performance	Budget decisions are only nominally debated. Little consideration of previous performance is taken into account when setting future budgets.	Some discussion but not based on expert advice or recent experience with the operational context	Budget decisions are subject to reasonable discussion, but there is no expert budget committee	Budget decisions are fully debated with assistance from expert committees. Full consideration of previous performance is taken into account when setting future budgets.	
4.	The procedures manual (written or best practices) for the procurement of goods and services includes: (i) minimum amount for purchase of goods (direct contracting), (ii) cost comparison requirements for specified amounts (shopping), (iii) minimum amounts for obtaining estimates/tendering goods and services, (iv) procedures for contracting external consultants	No manual	Some procedures adequately documented	Mostly adequate	Yes, a comprehensive procedures manual	
5.	Formal roles and responsibilities are assigned within the Institution for the procurement, management and oversight of goods and services	No formal assignment	Partially allocated but varies according to work load	Mostly allocated and complied with	Yes, strictly allocated	

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6.	Adherence to internal controls and financial procedures	Procedures are largely non-existent. Emergency procedures are routinely used.	Procedures are generally followed. However, there are significant exceptions. Doubt exists as to whether or not the internal control system can be relied upon.	Procedures are generally followed. While exceptions exist, they are not frequently enough to prevent reliance on the internal control system.	Always	
7.	Bank reconciliations	Many accounts are not reconciled monthly. Reconciliations are often poorly performed.	A number of significant accounts are not reconciled monthly. Quality in some instances is poor.	Generally banks are properly reconciled each month. Exceptions exist, but appropriate follow-up action is taken in all cases.	Performed to a high standard for all bank accounts at least once a month.	
8.	Transfer of cash resources	Cash transfers from central/regional levels to projects level takes more than one month.	Cash transfers from central/regional levels to projects level takes between two weeks and one month.	Cash transfers from central/regional levels to projects level takes between one and two weeks.	Cash transfers from central/regional levels to projects level take a week or less.	
9.	Financial systems	Financial systems only capture and report on the most basic financial data, and this is frequently unreliable. System maintenance and performance is generally poor.	Financial systems only capture and report on the most basic financial data. While there are system maintenance and performance problems, generally the system is stable.	Financial systems are adequate for most but not all existing data capture and reporting needs. They are reliable and properly maintained.	Financial systems are adequate for all existing data capture and reporting needs. They are reliable and properly maintained.	
10.	Reporting of cash and asset position to government	Analysis of cash and asset position made to government contains significant omissions.	Frequently out of date	Mostly satisfactory, but records not always up to date	Full analysis of cash and asset position is made to government.	
11.	The code of ethics and/or clear policies regarding conflicts of interest include sanctions with regard to procurement and contracting processes, such as the involvement of family members and/or upper-level managers.	No formal code	Generalized code does not target procurement	Documented for procurement but not well communicated	Yes, clearly documented and communicated. Targets procurement activity	

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12.	Separation of duties is maintained within the Institution for procurement activities (i.e. the person who receives the goods is not the same person who does the purchasing and is not the same one that adjudicates/awards the contract)	No, or not managed	Sometimes	Mostly complied with	Yes, strictly applied	
13.	The contracts administration system (electronic or manual) makes it possible to identify terms of the contract and establish a link with respective payments	No formal system	Yes, but unreliable; sometimes links are not entered	Mostly reliable, some errors	Yes, very clear	
14.	Assigned staff to archive documents on procurement and administer a secure filing system	No	Filing room secure, but staff not assigned specialist access	Secure room, but access not always strictly managed	Yes	
15.	The Institution has a selection committee for the procurement of goods and services	No such committee	Sometimes	Mostly except for small value procurement	Yes	
16.	The SR has previous experience administering projects that have been funded by donor organizations or other external financing sources. Specify the organizations in 'Comments' section.	No	Little	Some	Extensive	
17.	The Institution has an updated organizational chart indicating the chain of command for the entire staff	No	Partial and often out of date	Not fully up to date and some omissions	Yes, comprehensive and up to date	
18.	The Institution has job descriptions or profiles for upper management staff	No	Some, but descriptions are inadequate	Mostly	Yes	
19.	The managerial team of the Institution has remained stable in the last two years	No, there has been a lot of turnover	Not stable	Reasonably stable, some significant departures	Yes, very stable	

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20.	The Institution has adequate and sufficient hardware, software and internet connectivity to carry out their activities (at least two computers no older than five years)	No, little use of technology	Some technology, but not trained staff, systems not reliable, poor backup	Reasonable use of technology, some paper systems, software is not adequate	Modern technology-based organization	
21.	The Institution has dedicated senior staff to carry out financial management duties (e.g. budget, treasury and accounting)	No	A book-keeper	Some accounting staff	Well-qualified and experienced staff	
22.	The receipts generated by the electronic accounting system include the adequate number of copies to be issued , identifies to whom they should be issued and the necessary signatures required for each	No electronic system	Some records remain only on paper	Yes, but staff not fully trained	Yes	
23.	The Institution has an accounting and financial procedures manual (providing details on staff roles and responsibilities concerning established accounting processes)	No manual	Significant weaknesses and/or not easily accessed	Mostly reasonable	Yes, comprehensive and well communicated	
24.	A separation of duties exists for adequate financial/administrative management (e.g. the person who authorizes cheques is not the same person who issues the payment)	No, or not managed	Sometimes	Mostly complied with	Yes, strictly applied	
25.	The Institution has annual audited financial statements with clean opinion	No recent audit	Audit has significant findings	Audit mostly reasonable, with some issues	Recent audit with clean opinion	
26.	External audit/the auditor general (supreme audit body)	External audit covers less than 80% of central government expenditures	External audit covers 80 to 90% of central government expenditures	External audit covers 90% of central government expenditures	External audit covers all central government expenditures	

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27.	Follow-up action to audit reports	Points raised by external audit are infrequently followed up.	Points raised by external audit are usually, but not always, followed up. A significant number of points recur in following years.	Points raised by external audit are always followed up. In a few cases points recur in following years.	Points raised by external audit are always properly followed up. Points generally do not recur in following years.	
28.	Transparency of audit process	Statutory external audit reports are infrequently published. These are rarely debated in the press, even where of public interest.	Most statutory external audit reports are published. These are sometimes debated in the press when of public interest.	All statutory external audit reports are published. These are usually debated in the press when of public interest.	All statutory external audit reports are published. They are debated in the press when of public interest.	
29.	Staff qualifications and skills	It is often not clear that staff have the skills and qualifications necessary to discharge their duties.	In some cases it is not clear if staff do not have the skills and qualifications necessary to discharge their duties.	In only some isolated case is it not clear if staff do not have the skills and qualifications necessary to discharge their duties.	It is always clear that all staff have the skills and qualifications necessary to discharge their duties.	
30.	Financial systems: the SR has administrative, financial, internal control and auditing system(s) in place. (Briefly explain the main components of the system.)	Financial systems only capture and report on the most basic financial data, and this is frequently unreliable. System maintenance and performance is generally poor.	Financial systems only capture and report on the most basic financial data. While there are system maintenance and performance problems, generally the system is stable.	Financial systems are adequate for most but not all existing data capture and reporting needs. They are reliable and properly maintained.	Financial systems are adequate for all existing data capture and reporting needs. They are reliable and properly maintained.	
31.	The Institution has staff with relevant experience in the activities and the subject matter of the project.	No experience	Very little	Some	Significant experience	
32.	The current institutional Annual Operating Plan includes details regarding activities, corresponding indicators, defined roles and responsibilities for staff, timing and an itemized budget .	No proper plan	The plan has significant deficiencies	Yes, with some details missing	Yes	