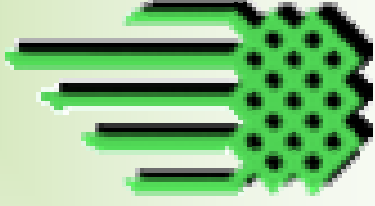


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(A Project of Aga Khan Foundation)

NGO Institutional Management and Certification Program



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Standards as Best Practices

Standards – all around us

- Environmental Management Standards (Global)
- Sphere Standards for Food Aid, Nutrition Shelter for Humanitarian Relief (UK)
- Sustainable Forest Management Standards (Canada)
- ECFA Standards For Fundraising (US)
- Local Emergency Management Standards (India)



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The Common Element

- A trend for adopting standards
- These are standards that go with **TECHNICAL COMPETENCE** of an organization.
- These are best practices for the service delivery.



Need for Organizational Standards

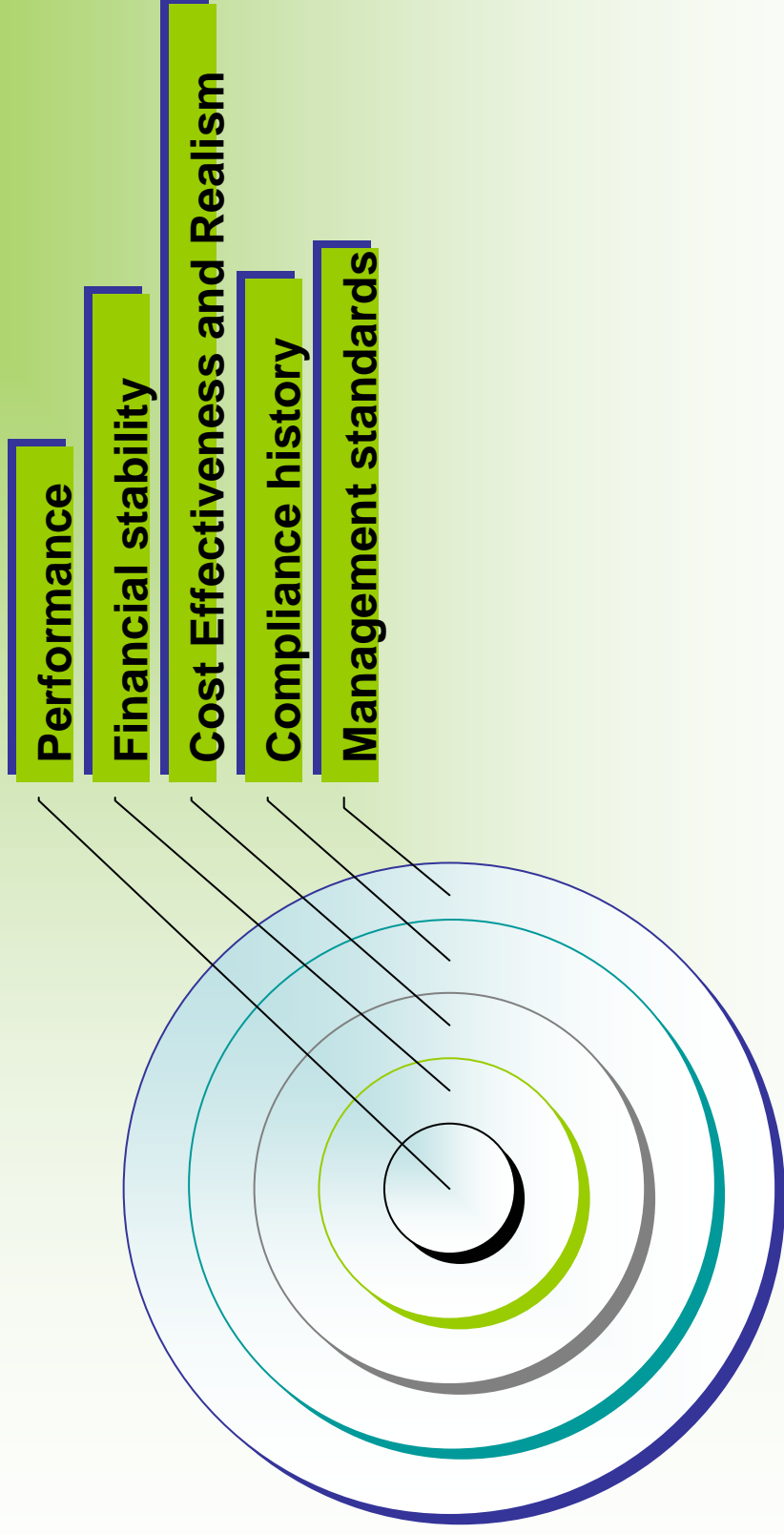
- From Technical Competence to Organizational Effectiveness
- Systems lend credibility to organizations
- Standards lead to systems
- Management Standards already being adopted
 - ISO 9000



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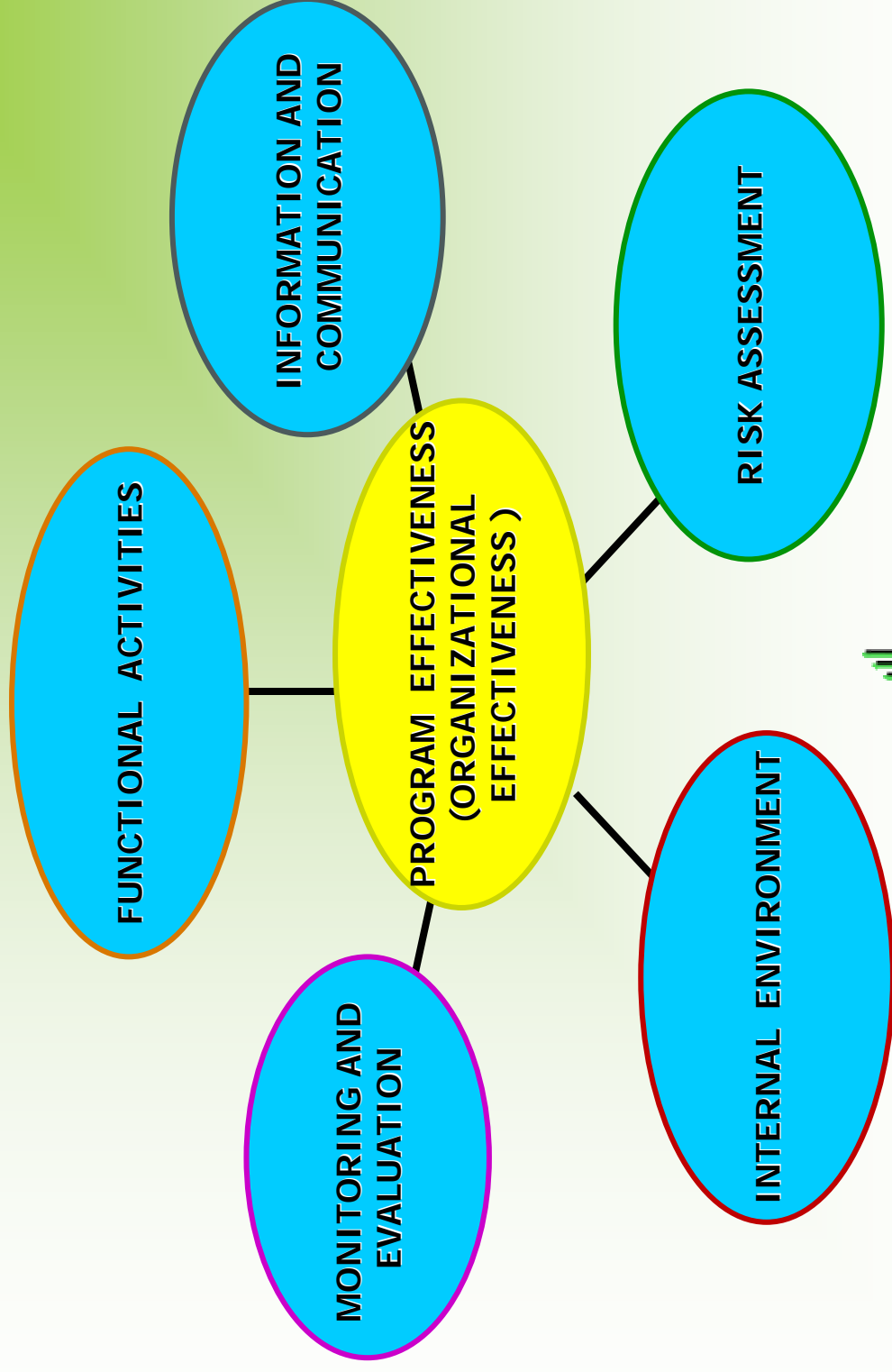
Responsibility Determination



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Management Standards – P.E



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Key to Program Effectiveness

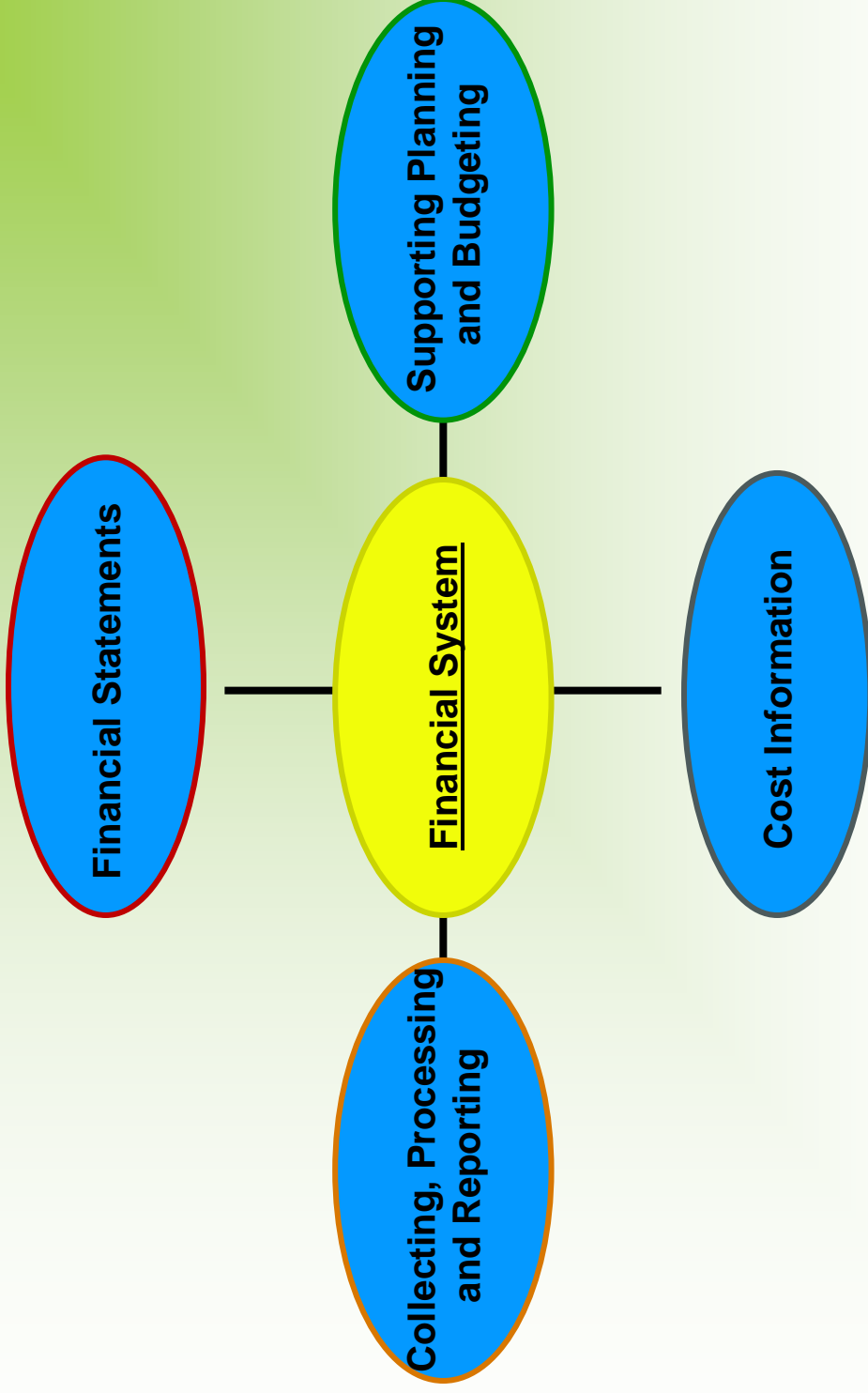
- **SYSTEM FORMULIZATION**
- **DOCUMENTATION-SOPS**
- **IMPLEMENTATION**
- **MONITORING AND EVALUATION**



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Financial System



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Effective Financial Management System (FMS)

The standard requirements for an effective FMS are

- Internal Controls
- Accounting Standards
- Documentation
- Financial Information Classification Structure
- Functional Requirements
- Financial Reporting
- Budget Reporting



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Systems Improvements

USAID management standards will improve:

1. Recording and reporting system (e.g. Project/award cost on program basis).
2. Analytical information system by establishing
 - Reporting deviation from budgeted financial activity
 - Reporting deviation from the program activity
 - Procurement analysis of items
3. Corrective action plans of NGOs



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Systems Improvements

4. Integrated information system by relating Financial Information System (FIS) to Management Information System (MIS)
5. Cost effective function
6. Environment friendly policies (e.g. resource conversion policies)
7. Unit of measurement system (Single unit of measurement).



THANKS



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