

# SUB PARTNERSHIP MANAGEMENT POLICY

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## RISDA-Bangladesh

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## **1. Policy Statement**

RISDA-Bangladesh (“the Organization”) adopts this sub-partnership policy for working with the local NGO/CSO with full commitment and strictly adhering to its own vision, mission and values. This sub-partnership policy is guided by the constitution and other relevant policies of RISDA-Bangladesh and law of the country as and when is necessary to obtain legal support.

## **2. Objective of sub-partnership**

The objective of the policy is to guide the organization to build partnership with the local NGO/CSO to serve the people in the local level where RISDA- Bangladesh does not have regular programs. The Specific objectives are-

- To achieve the organizational vision and mission in the holistic contexts of hard-to-reach geographical areas in the country and global aspects.
- To provide integrated services to the targeted population through sub-partnership actions where there is lack of expertise and resources of the organization towards achieving its vision and mission statement.

## **3. Scope of sub-partnership**

The term “sub-Partnership” refers to relationships with local NGO or CSO for implementing any project funded by development partners. This sub-partnership gives scope to RISDA-Bangladesh for mutually organized work with local NGO/CSO for field level project/program implementation, participation, cooperation and joint sponsoring of a specific event to achieve common goal and objectives. Further scope of this sub-partnership is an institutional arrangement between RISDA-Bangladesh and local NGO/CSO for optimal and efficient utilization of resources available for the common goal.

## **4. Conceptualization of sub-partnership**

RISDA-Bangladesh and NGO partnership can be described as a relationship rooted in the acceptance of both parties for the delivery of social services through projects or programs within a policy framework of both organizations.

- It is an acknowledgment, acceptance and respect by each party of the other's distinct, but mutually complementary and interdependent roles for the attainment of common goal and objectives.
- Sub-partnership embodies the notion of acceptance by both parties that their respective roles are of equal importance in the pursuit of common goals and objectives.
- Partnership demands both close cooperation between the parties and the coordination of roles and functions throughout the entire implementation process of any project or program.
- The sub-partnership accepts that there is strength in unity and that the total is greater than the sum of the individual parties.
- Sub-partnership allows for such levels of consultation, participation, contribution and negotiations that would result in the filling of the investment gap in social and economical service provision.
- Accountability between the parties is reciprocal with the parties engaged for common goal in consideration with the degree and magnitude of responsibilities

entrusted to each one. The interdependent and interactive nature of the sub-partnership as a working relationship requires openness, transparency, ownership, visibility and accessibility between the partners.

## **5. Definition**

A partnership is made for achieving a common goal/ business in relation with economical, social, political, environmental and empowerment of people through engagement by working, consultation/ knowledge sharing and resource sharing.

### **5.1 Lead partner**

Lead partner is the primary recipient of grant and program from any development/Government agencies to whom is accountable for delivering the expected results of programs and projects for which support may be extended to sub-partner's capacity building as deemed necessary.

### **5.2 Sub-partner/ sub-recipient**

The sub-partner is entrusted with shared responsibilities of grant and/or program implementation, monitoring and reporting as specified in sub-partnership agreement with lead partner.

## **6. Identification and selection of sub-partner/ sub-recipient**

RISDA-Bangladesh will conduct an assessment on potential local NGO/CSO for identification and selection as sub-partners prior to enter into sub-partnership as per the following criteria:

- The sub-partner will be registered in social welfare department and NGO Affair Bureau of Bangladesh
- Partners legal status should be updated (Constitution, Registration, List of EC Committee, Last two board meeting minutes, TIN Certificate, Tax Certificate)
- Policy strength – The diversified required policies should be updated and standard in relation to donor compliance (HR Policy, Financial Policy, Gender Policy, Procurement Policy, Monitoring and Evaluation System, Organogram etc.)
- Good governance is practiced in organizational governance structure through the involvement of EC and other actors.
- Have working experience (Length, skill, resources) in the relevant field (program)/ any technical experience of the applicant organizations.
- Fund flow/fund management capacity/Fund management capability ( assessment of financial capacity, yearly budget, fund flow for the last 5 years, audit report, updated financial policy, procurement policy, internal control system)
- Existing financial control and management is in relation to RISDA's compliance as well as donor requirement ( Fund control, Internal audit, external audit, accounting system, financial monitoring and reporting)
- Procurement system and management including maintenance of equipment and inventory control is met the required compliance of RISDA and others standard as well
- Available of annual program report, financial report and audit report for last three years
- Shall be like minded organization enabling to work for common goal and objective having relevant experiences in similar works and areas
- Selected like-minded sub-partners NGO/CSO or CBO which may not have any formal structure or may not fulfill all of the above criteria. In that case, the lead partner will

take decision to what extent RISDA- Bangladesh will explore and engage that institute in sub-partnership role.

- A standard template will be used for selecting sub-partner based on the eligibility criteria for sub-partner selection.

## 7. Template of sub-partner assessment

**Name of Project (To be assessed):**

**Name of Organization:**

**Address:**

**Year of establishment: (Starting year/ date)**

Selection Criteria	Criteria permit (Yes/No)	Point = 5 (0-5) (Based on standard with the compliance of criteria, No = 0 point)	Comments
Registered in social well-fare department			
Registered NGO Affair Bureau of Bangladesh			
Legal status updated (Constitution, Registration, List of EC Committee, Last two board meeting minutes, TIN Certificate, VAT Certificate)			
Common goal and objective having relevant experiences in similar works and areas			
HR Policy			
Financial policy			
Gender policy			
Procurement policy			
Monitoring and Evaluation System			
Organizational Organogram			
Good governance is practiced involvement of EC			
Involvement of other actors			
Have working experience of required program (Length, skill, resources)			
Total Fund flow in last five year			
Fund management capacity			
Fund management capability			
Audit report of last three years			
Updated financial policy			
Updated procurement policy			
Internal financial control system			
Financial monitoring and			

Selection Criteria	Criteria permit (Yes/No)	Point = 5 (0-5) (Based on standard with the compliance of criteria, No = 0 point)	Comments
reporting			
Equipment and inventory management system			
Annual report available in last three years			
Use Accounting software			
Budget approval procedure			
Banking and cash management system			
Staff appraisal system			
Staff recruitment and capacity building			
Travel/ allowance system			
Vehicle management system			
Staff benefit			
Corruption/fraud/ GBV management			
Conflicts of interest and management			
Others concerned issues related compliance of program/ donor			

## 8. Contracting mechanism of sub-partner/ sub-recipient

8.1. Based on the selection criteria, a MOU (agreement) will be signed with the sub-partner. The chief of organization for both party will sign the MOU. Here minimum 80% selection criteria should be fulfill for signing contract as sub-partner. The MOU will sign in presence of witness of both party. The official pad will be used for signing the MOU.

8.2. All sorts of terms and condition should be written in the agreement. The terms and condition would be considered based on the nature of project/ program in line with time, human resources, financial aspects (amount of fund, payment procedure, reimbursable system, etc.), expertise in relation to the required field, responsibilities of both parties, accountability and governance concerned in both organizations and so on.

8.3. The contract should be accomplished by-lateral discussion focusing on both parties' interest in line with the project goal and objectives and compliance of the respective donor of the project.

8.4. The financial fraud and information authentication would be an important part of contract. The misappropriation of financial resources, inconsistency of information and failed to achieve the target of activities would be the discontinuation strategy of partnership through open discussion and written letter/ memo.

The following template would be used for signing the MOU (Contract agreement)

## Memorandum of Understanding (MOU)

1. 1<sup>st</sup> Party (Lead Organization):
2. 2nd Party (Partner Organization):
3. Purpose of agreement:
4. Introduction of MOU:
5. The Terms and Conditions of MUM are as follows.
6. Preamble
7. Governance
8. Project Management Committee (PMC):
9. Specific roles of lead organization
10. Specific roles of sub-partner/ sub-recipient organization
- 11 Key Assignments of the project for sub-partner
12. Accountability to the donor agency
13. Financial management
14. Amendment to the MOU
15. Force Measure
16. Settlement of possible disputes
17. Duration and validity of the MOU
18. Any others issues as required

Signature with date of the sub-partner

Signature with date of the Lead & Consortium

Signature with date of the Witnesses

Signature with date of the Witnesses

### **9. Jurisdiction of RISDA-Bangladesh and Sub-partners with Segregation of roles & responsibilities (Operational Management of Sub-recipients)**

9.1. RISDA-Bangladesh will clarify Sub-Partnership criteria, terms and condition with potential local NGO/CSO for sub-partnership mode or inclusion in consortium for any program or project.

9.2. Sub-partner selection could be done to formulate a consortium prior to receiving fund but during formulation a project/program to approach for potential funding or after confirmation of fund from donor provided that the program/project has kept provision for such partnership or consortium for inclusion of sub-partners.

9.3. Segregation of roles and responsibilities of Lead partner and sub-partners shall have clear articulation where the lead partner will bear additional responsibilities than the sub-partner despite some roles and responsibilities may be found equal at the implementation level. The essential element of the lead partner's responsibilities include: a) project implementation plan and negotiation with development agency/donor, b) preparation of a budget and financial management with proper accounting system, c) monitoring of project progress using indicators or result matrix, d) technical support to Sub-partner in project implementation e) periodic reporting and final evaluation.

9.4. RISDA- Bangladesh as a lead partner will develop a coordination mechanism with sub-partner organization involving stakeholders in consultation process when analysis of what to

coordinate, where to coordinate, who to coordinate and when to coordinate shall be considered in determining coordination mechanism development.

9.5. RISDA-Bangladesh facilitate with sub-partner to establish constructive feedback on any findings and observation on project implementation by sub-partner organization enabling to improvise in quality of delivering outputs.

9.6. To breach partnership in the midst of contract period, both lead and sub-partner shall have to find an amicable and alternative solution to complete outstanding works of project implementation entrusted to sub-partner following which the sub-partnership can be breached with mutual understanding as per terms of partnership agreement.

9.7. In case of any crisis emerged during the program/project implementation, sub-partner shall have the capacity to deploy resource and meet the emergency/crisis until the lead-partner comes forward to participate and respond to the situation from available resources and capacity. Therefore, the sub-partner shall have an arrangement of core funds and resources on a contingency basis to meet such a crisis situation.

9.8. In case of absence of budget allocation for goods, services and works shall have a mutual agreement between the lead partner and sub-partners to make provision from existing resources for the project/program implementation.

9.9. In accordance with the coordination mechanism communication protocol and line with the lead partner and the sub-partner end has to be identified which should be used during project implementation.

9.10. The Executive Director/Chairman as authorized by EC/constitution of the sub-partner organization will be the holder of the sub-partner agreement to execute his/her authority for financial, communication and management decisions unless otherwise is authorized by any other staff.

9.11. At the implementation level, both lead partner and sub-partners may have been entrusted either equally or the lead partner should have more responsibility provided that the capacity and experience of the lead partner is higher than sub-partners to implement in larger areas and in numbers.

9.12. RISDA-Bangladesh as a lead partner will be held responsible for signing a contract agreement with development agency/donor and receive fund on monthly/quarterly basis as per terms of agreement and submission of fund request accompanying with financial report, vouchers and supporting documents to make satisfy donor for fund disbursement. Upon receipt of fund lead partner will disburse fund to sub-partner organization in line with terms of agreement in sub-partnership agreement for financial transaction and accountability duly review of financial statements, programs reports, work plan with budget forecast for project implementation by sub-partner

9.13. In some cases and as appropriate with budget provision for procurement of goods, materials and services under sub-partnership component and for that RISDA-Bangladesh may procure and supply equipment and materials instead of handling over cash to sub-partner to procure at its end.

9.14. RISDA-Bangladesh as lead partner organization will make aware to sub-partner that lead partner is accountable to development agency or donor while sub-partner may need to take roles and responsibilities as per terms of agreement.



9.15. To meet donor's compliance, the Lead Partner is obliged to impose certain responsibilities and obligations on sub-partners in order to arrive at a reasonable sharing of working condition. The Sub Partner will also be aware that it is an obligatory matter of sub-partner.

9.16. The lead partner will make aware to sub partner about eligibility of grant money for specific sub-partnership which is to be disbursed through prescribed format and following terms and condition of donor. Sub-partner will receive donor grant through lead partner to its account.

9.17. The Lead partner will make aware to sub-partner that the conditions under which the grant will be awarded will allow little scope for altering or adjusting the Project. The sub-partners will make every reasonable effort to comply with the request to refrain from any alteration or adjustment in project implementation without prior permission and approval from donor through lead partner.

9.18. RISDA- Bangladesh will responsible to monitor financial application related to "value for money" in the project. The sub-partner will recover the identified findings related financial management concerned related to value for money.

9.19. RISDA- Bangladesh will monitor and assess the results of program activities in line with measurable indicators of outcomes/ outputs. The findings of monitoring and assessment will be shared with sub-partner. The sub-partner will take remedy actions for improving the identified gaps/ backblock.

9.20. RISDA- Bangladesh will ensure the capacity building of sub-partners and continuously support them in enhancing the quality of the program.

9.21. Being the implementing organization at the local level and sub-recipient of fund from Lead partner RISDA-Bangladesh, the sub-partner organization need to comply with the followings:

- a. Separate bank account for the project.
- b. Authorized personnel for monitoring and Expenditure of project budget.
- c. Shall have an exclusive reporting system on project implementation.
- d. Maintenance and protection of fixed assets (fixed asset ownership?)
- e. Need to be gender friendly and sensitive organization.
- f. Branding of RISDA-Bangladesh and development agency/donor in all types of communication materials and assets.

9.22. Sub-partner will have direct linkage and relationship with lead partner and, communicate further with stakeholder like development agency, shall be through lead partner unless otherwise is specified to have direct communication with donor/development agency. Sub Partner will maintain its accounts and records in a certain manner and to supply all information to the Lead Partner as soon as possible upon request.

9.23. Sub Partner is directly accountable to the Lead Partner for proper implementation of its portion of the Project and for properly performing and complying with its duties and obligations as set out in the Partnership Agreement.

9.24. The sub-partner will submit fund requisite monthly basis as per plan of action. The lead organization will deliver fund in time according to plan and justification of cost.

9.25. The sub-partner will reimburse fund which was not incurred in project during agreement. The lead organization will incorporate the fund reimbursement process in the MOU.

9.26. Fixed asset of project will be sorted out by the both organization according to agreement of MOU.

## **10. Monitoring (Oversight) and support to sub-partner for program implementation**

The lead partner will monitor the process, progress and results of activities implemented by sub-partner. The lead organization will support the sub-partner for implementing program in the field for the followings aspects:

- Support for recruiting qualified and experience human resources according to project needs
- Support for preparing details work plan in weekly, monthly and quarterly basis
- Support to develop M&E system and data management aspect in the part of sub-partners activity level
- Support to develop/ revise existing financial management system in line with donor/ lead organization's compliance
- Support to prepare qualitative and quantitative reports according to donor/ lead organization's compliance.
- Support to the sub-partner for developing/ reviewing different policies and implementation strategies in line with donor requirements
- Provide feedback and recommendations on the standard of program activities in terms of quality and quantity through regular monitoring of activities at the field level and also reviewing the different s reports and policy guidelines.
- Capacity building of staff in the light of conceptual understanding of project activities, M&E aspects, reporting and communication aspects.

## **11. Mechanism of sub-partners capacity assessment and development**

RISDA-Bangladesh will develop the capacity of sub-partner in the light of program implementation and financial management. In this connection, RISDA-Bangladesh will carry out a SWOT analysis of the sub-partner for its capacity building. Based on the results of the SWOT analysis. RISDA- Bangladesh will organize sharing meetings, orientation, training and workshop by facilitation of external or internal concerned experts. The parameters of SWOT analysis are (a) Financial management including budget preparation, (b) program knowledge and skill of staff related to project, (c) coordination and communication strength of staff, (d) reporting preparation, (e) monitoring and evaluation (f) documentation and knowledge management, (g) planning strength, etc.

## **12. Fund management policy (Financial management of sub-recipients)**

12.1. Procurement policy and financial management policy relevant to the project shall have to follow as agreed in the partnership document.

12.2. The user-friendly and standard accounting system (GAAP and IAS) will be practiced for project implementation under partnership management aspects.

12.3. Financial fraud and inconsistency of information will be given priority for resolving and "value for money" to be considered under financial management aspects.

12.4. The fund from donor will be received by RISDA- Bangladesh as per contract with donor. Similarly necessary fund will be delivered/ supplied to the sub-partner as per plan of actions according to budget line of proposal and agreement.

12.5. The under spent fund will be reimbursed from sub-recipient as per agreement (MOU) before finalizing the project completion report (PCR).

12.6. The sub-partner will have a separate bank account for accomplishing transaction of project fund.

12.7. The sub-partner will submit financial report at monthly basis including requisition of fund for the following month.

12.8. All payment procedure will be followed by sub-partner according to financial guideline of RISDA-Bangladesh.

12.9. The conflict of interest may not be considered under the financial management of sub-partner engagement. The sub-partner or any staff of sub-partner may not be allowed as supplier of goods, equipment's, fixed asset and so on for the project. In addition, any kind of conflict of interest will be considered as termination of the agreement with the sub-partner. Any financial fraud or found conflict of interest will be verified and checked with the primary and secondary sources before taking action. The bi-lateral discussion and mutual understanding will be accomplished before taking a decision against financial fraud or any other conflict of interest. The others conflicts of interest are any kinds of financial and social benefits received from the project through procurement of goods and services as well as recruitment of human resources in the project.

### **13. Termination policy**

In case of crisis for withdrawing of partnership with sub-partner then implementation role will be shifted to lead partner in order to continue the project without any interruption or incidence of donor withdrawal. The following issues will be part of the termination policy of the agreement.

- The agreement between the lead organization and sub-partners will be terminated automatically at the end of the contract period.
- In case of fund crisis, the contract will be terminated by lateral discussion and issuing a written letter/ memo by the lead organization to the sub-partner.
- In case of identified financial fraud; the lead organization will terminate the sub-partner by lateral discussion and issuing the written memo or letter.
- Any financial fraud case will be treated as zero (0) tolerance and the agreement will be terminated