Finn Church Aid

CHS Certification

Mid-term Audit Report

FCA-MTA-2019

2019-09-10

Table of Content

1. General information

1.1 Organisation

Organisation	Finn Church Aid				
Type	☐ National ☐ Membership/Network ☒ Direct assistance		☐ International ☐ Federated ☒ Through partners		
Mandate	☒ Humanitarian		☒ Development		☒ Advocacy
Verified Mandate(s)	☒ Humanitarian		☒ Development		☐ Advocacy
Size (Total number of country programmes/ members/partners – Number of staff at HO level)	12 programme sites, about half implemented through partners		Sampling Rate (Country programme sampled)	3	
Lead auditor	Camille Nussbaum		Auditor	Andrew Nzimbi	
			Others	-	
	Head Office			Country programme(s)	
Location	Helsinki, Remote visit			Kenya	
Dates	7th-8th of May 2019			20th to 24th of May 2019	

1.2 Indicators verified at the Mid term Audit

CHS Commitment	Organisational Responsibilities	Key Actions
1		1.1 1.2 1.3
2		2.1 2.2 2.3 2.4 2.5
3	3.7 3.8	3.1 3.2 3.3 3.4 3.5 3.6
4		4.1 4.2 4.3 4.4
5	5.4 5.5 5.6 5.7	5.1 5.2 5.3
6		6.1 6.2 6.3 6.4
7	7.4 7.5 7.6	7.1 7.2 7.3
8		8.1 8.2 8.3
9		9.1 9.2 9.3 9.4 9.5

2. Schedule summary

2.1 Verification Schedule

Name of Country programmes/members/partners verified	Location	Mandate (Humanitarian, Development, Advocacy)	Number of projects visited	Type of projects
KECO CP	Kenya	Humanitarian, Development, Advocacy	2	Education, refugees

2.2 Opening and closing meetings

2.2.1   Remote visit of Head Office:

	Opening meeting	Closing meeting
Date	7th of May 2019	3rd of June 2019
Location	Remote	Remote
Number of participants	9	18
Any substantive issue arising	-	-

2.2.2   On-site visits at Country programme(s):

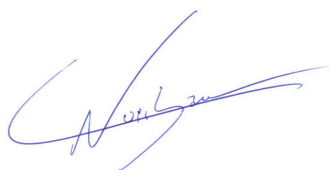|	Opening meeting	Closing meeting
Date	20th of May 2019	24th of May 2019
Location	Nairobi	Nairobi
Number of participants	3	1
Any substantive issue arising	-	-

3. Recommendation

In our opinion FCA has implemented the necessary actions to close the CARs identified in the previous audit and continues to conform with the requirements of the Core Humanitarian Standard. We recommend maintenance of certification.

Detailed findings are laid out in the rest of this report.

Lead Auditor's Name and Signature   Date and Place:

Madrid, 7th of July

Camille Nussbaum

4. HQAI Quality Control

Follow up	
First Draft	2019-07-17
Final Draft	2019-09-10

5. Background information on the organisation

5.1 Organisational structure and management system

Since the Initial Audit (2017) and Maintenance Audit (2018), Finn Church Aid (FCA) has not undergone significant changes in its organisational structure and management systems. FCA is governed by a 14 members Board of Directors (including Chair and Vice-Chair). The Board approves the strategy and annual work plan and budget. Directors are appointed by the Church Council of the Evangelical Lutheran Church of Finland. About one third of its representatives are connected to the Church.

The secretariat is led by an Executive Director. He is part of the Management Team along with the other Operational Directors.

5.2 Organisational quality assurance

There is no significant change in FCA's structure and management system from the previous report. FCA has a strong component of internal quality control that includes an internal auditor who reports functionally to the Board of Directors' audit committee and administratively to the chief executive officer.

FCA Organogram

Board of Directors
Chair Tarja Kantola

Audit Committee

Executive Director
Jouni Hemberg

Internal Auditor

Advocacy and Ecumenical Relations Team

Department for Funding, Communications and Resource Mobilisation
Dir. Ritka Heino

- Communications Unit
- Resource Mobilisation Unit
- Domestic Fundraising Unit

Department for International Programme
Dir. Tomi Järvinen & Marja Jörgensen

- Security Manager
- Regional Desk Officers
- Secretariat of the Network for Religious and Traditional Peacemakers
- Programme Development Unit
- Humanitarian Aid Unit
- Global Grants Unit
- International Operations Team
- Regional and Country Offices, US Office

Department for Finance and ICT
Dir. Antti Miettinen

- Domestic Finance Unit
- International Finance Unit
- Information and communications Technology Unit

Department for Human Resources and Administration
Dir. Hanna Saarelainen

- Human Resources Management and Development
- Organisational Quality and Accountability
- Organisational Planning and Reporting
- General Administration

5.3 Work with Partners

As observed in the Initial and Maintenance audits, FCA works both through partners and direct implementation.

5.4 Certification or verification history

Initial Audit	2017-05-10
Maintenance Audit	2018-06-19

6. Sampling

6.1 Rationale for sampling

The auditors explored different alternatives for the field visit. Uganda was the only randomly selected country program with the required security level but was visited during the Initial Audit. As first alternatives, Jordan and Myanmar were subsequently discarded because of Ramadan celebrations and Visa issues respectively. Kenya was finally selected for the scale of its operations and representativeness.

For the remote assessments, Central African Republic was randomly selected as it covers different mandates (Humanitarian, development, advocacy). Myanmar was added for complementarity from a cultural/language perspective.

Disclaimer:

It is important to note that the audit findings are based on the results of a sample of the organisation's documentation and systems as well as interviews and groups with a sample of staff, partners, communities and other relevant stakeholders. Findings are analysed to determine the organisation's systematic approach and application of all aspects of the CHS across its organisation and to its different contexts and ways of working.

6.2 Interviews:

6.2.1 Semi-structured interviews (individual interviews or with a small group <6

Position of interviewees	Number of interviewees
Head Office	
Staff	14
Country programme	
Regional staff	1
National Staff	6
Partners	3
Field Staff	10
Total number of interviews	**34**

5.2.2 Group Discussions (interviews with a group >6

Type of Group	Number of participants	
	Female	Male
Girls Students (some parents as observers)	13	9
Teachers	1	8
Boys students (some parents as observers)	6	14
Boys students (some parents as observers)	3	17
Parents	1	2
Girls students	19	8
Students (some parents as observers)	11	6
Parents	39	6
Total number of participants	**93**	**70**

7. Report

7.1 Overall organisational performance

FCA has made efforts to address the corrective actions highlighted in the previous audits. As flagged in the Maintenance Audit, FCA structured its efforts around three main areas for improvement: risk management, complaints handling mechanisms and Monitoring, Evaluation, Accountability and Learning (MEAL).

In these areas FCA improved its policies, tools and processes. In this regard, the organisation trained its staff and, for MEAL, opened new positions. Nevertheless, implementation and enforcement of new, or revised, processes is not yet fully effective at field level. New tools and guidance are not systematically applied across FCA and, when in place, their use may vary in terms of consistency.

7.2 Summary of corrective action requests

Corrective Action Requests	Type (Minor/Major)	Original deadline for resolution	Status of CAR at MA	Time for resolution
2017-1.2 Risk analysis does not systematically take risks for communities into account.	Minor	2018 extended to 2019-06-26	Closed	
2017-2.1 FCA does not systematically include and address communities' safety and constraints in designing programmes.	Minor	2018 extended to 2019-06-26	Closed	
2017-2.5c Poor performances are not systematically analysed and acted upon as a result of monitoring activities.	Minor	2018 extended to 2019-06-26	Closed	
2017-3.2 FCA does not systematically analyse community risks and hazards in order to integrate them into programming.	Minor	2018 extended to 2019-06-26	Closed	
2017-3.6a FCA's programmes do not systematically identify potential or actual unintended effects.	Minor	Indicators 3.6a and 3.6b have been merged as per the CHS verification framework		
2017-3.6 Potential and actual unintended negative effects are not systematically identified and therefore not systematically acted upon.	Minor	2018 extended to 2019-06-26	Closed	
2017-3.8 FCA does not ensure effective enforcement of its systems to safeguard	Minor	2018 extended to 2019-06-26	Closed	

personal information at field level				
2019-3.8 FCA does not ensure that systems are in place at field level to safeguard personal information from affected communities	Minor		New	1 Year
2017-5.1 Communities and people affected by crisis are not systematically consulted in the design, implementation or monitoring of the complaint process.	Minor	2018 extended to 2019-06-26	Closed	
2017-5.2 FCA's complaint mechanism is not communicated to communities and affected people.	Minor	2018 extended to 2019-06-26	Closed	
2017-5.3a Complaints handling mechanisms are not systematically in place throughout FCA.	Minor	2018 extended to 2019-06-26	Closed	
2019-5.6: People affected by crisis are not fully aware of the expected behaviour of FCA staff, and organisational commitments made on the prevention of sexual exploitation and abuse	Minor		New	2 Years
2017-7.2 FCA's systems do not ensure that information coming from M&E is of constant quality, systematically analysed and feed into innovation and changes, nor do they ensure that complaints from communities inform systematically innovation closed and changes across Programme Offices.	Minor	2018 extended to 2019-06-26	Closed	

2017-9.4 FCA's system does not ensure that the environmental impact of the use of local and natural resources is significantly considered	Minor	2018 extended to 2019-06-26	Closed		
Total number of open CARs					2

7.3 Strong points and areas for improvement:

Commitment 1: Humanitarian assistance is appropriate and relevant

Score: 2.3

FCA conducts context and stakeholder analysis in their areas of operation. FCA engages community structures for community related analysis. FCA also sits in government led fora and inter agency working groups where they access data to inform context and stakeholder analysis. However, FCA does not systematically identify and analyse risks and vulnerabilities to communities. Context and stakeholder analysis received is discussed and followed up in FCA monthly meetings with staff at the national and global levels and is incorporated into planning, design/redesign and reporting processes.

Organizational responsibilities for this commitment were not reviewed during the mid-term audit.

Feedback from people affected by crisis and communities on Commitment 1

Communities state that FCAs programmes are relevant and meet their needs. They however mention that there is a gap in two-way flow of information between FCA, community structures and community members.

Commitment 2: Humanitarian response is effective and timely

Score: 2.6

FCA works with community structures through which community constraints, including safety and access to assistance, are identified to ensure programmes implemented are realistic and safe. CPs develop MEAL plans though this is not systematic across FCA. Monthly meetings are held to monitor progress of implementation and to address challenges identified. Field staff conduct frequent (daily and weekly) field monitoring visits while CO and HO staff conduct quarterly visits. Challenges not within the remit of FCA are shared during fora that FCA participates in (IAWGs and government led fora). Staff in the education response are aware of gaps in meeting technical standards, primarily because of budgetary constraints and they communicate this to the donors.

Organizational responsibilities for this commitment were not reviewed during the mid-term audit.

Feedback from people affected by crisis and communities on Commitment 2:

Communities expressed satisfaction in the timeliness in implementation of FCA's programmes. Communities mentioned not being fully aware of the selection criteria used by FCA in identifying their direct beneficiaries.

Commitment 3: Humanitarian response strengthens local capacities and avoids negative effects

Score: 2,4

FCA implements its programmes based on the capacities of local people, local authorities and other humanitarian agencies, to improve the resilience of communities and people affected by crisis. The organisation contributes to the development of local leadership by relying on committees in schools that are encouraged to develop school improvement plans with grants to implement them. It also benefits, whenever possible, the local economy through employment local staffing and local purchases. The main weaknesses are that field staff have not yet systematically adopted the risk assessment tool that enables the identification of potential or actual unintended effects in a systematic manner. This is particularly applicable to environmental aspects which are not systematically considered as in their potential negative effects. FCA is in the process of fully including Do No Harm principles in guidelines and tools. In addition, the systems to safeguard personal information of communities is not fully in place at field level.

Feedback from people affected by crisis and communities on Commitment 3:

Communities expressed satisfaction about the social benefits gained from FCA projects, for themselves and their families. However, they also mentioned that information they shared about risks was not systematically used for program design.

Commitment 4: Humanitarian response is based on communication, participation and feedback

Score: 2,2

FCA shares information with affected communities and uses languages, formats and media that are easily understood and respectful. Staff are fully aware of the importance of language and culture in communication with communities. FCA involves communities through consultations and asks for feedback mainly through visits and meetings. However, two-way information dissemination between the community structures and communities is not systematic as FCA works in general through community structures that are not always ensuring good information sharing.

Feedback from people affected by crisis and communities on Commitment 4:

Communities reported that information about programmes is generally well known but, in some cases, key aspects are not understood such as selection criteria. They also mentioned that information shared through community representatives is not systematically used.

Commitment 5: Complaints are welcomed and addressed

Score: 1,8

FCA improved the roll-out of the CRM. The system is in place in almost all CPs in at least one project. FCA finalized the country programme guideline on complaints handling and staff have been trained in its implementation along with the specific plans

developed locally based on community consultations. A specific mechanism is in place for sensitive complaints and examples of consistent investigation processes have been documented. Nevertheless, the small number of sensitive and operational complaints raised demonstrates the novelty of the implementation. Potential advantages of the system for continuous learning and improvement are not yet understood by all staff. Some projects and affected communities remain without access to CRM.

Feedback from people affected by crisis and communities on Commitment 5:

Communities reported that the scope of issues CRM can address is not well understood. They also mentioned that they are not fully aware of the expected behaviour of FCA staff, and organisational commitments made on the prevention of sexual exploitation and abuse.

Commitment 6: Humanitarian response is coordinated and complementary

Score: 3

FCA works with a range of stakeholders at the global, national and local levels. These stakeholders are identified on the basis of their roles, capacities, regions they work in and inclination to FCAs thematic focus. In areas where FCA works with partners, they conduct capacity assessments for the partners and develop capacity building plans as deemed necessary.

FCA participates in various fora (ACT Alliance, coordination mechanisms, IAWGs, government led fora) and are involved in joint processes with other stakeholders including joint needs assessments, joint planning, implementation (for joint appeals) and monitoring to minimize demands on communities and to avoid duplication of services. FCA shares information from their interventions in these fora.

Organizational responsibilities for this commitment were not reviewed during the mid-term audit.

Feedback from people affected by crisis and communities on Commitment 6:

Communities report that FCA coordinates their response with local authorities and other agencies. FCA also works with community structures, which are the linkages between FCA and the communities.

Commitment 7: Humanitarian actors continuously learn and improve

Score: 2,3

FCA's country programs hold annual planning and reflection workshops and participate in internal cross regional program workshops which promote learning. During the implementation of projects, monthly project meetings and HO-CO meetings are held. Decisions to redesign/design programmes are made in these meetings. FCA has invested in M and E processes (development of M and E guidelines, M and E tools, M and E budgets and incremented M and E staff). FCA commissions programme evaluations and management responses to the evaluation recommendations are developed. However, FCA does not systematically ensure the adoption of the recommendations

FCA has a global Knowledge Management staff, a knowledge management taskforce, Knowledge management plan and quality and accountability framework which commit to ensure learning from programming. FCA uses monitoring and evaluation results to inform innovation. It has signed MOUs with various stakeholders to promote innovation. However, resourcing and communication on innovation is weak in the organization. Sharing of innovation is not widespread and is done more internally than externally for wider sector learning.

Feedback from people affected by crisis and communities on Commitment 7:

Communities report being involved in the design of innovative classroom and desk designs. They report a lapse in feedback processes, with FCA over relying on community structures to relay communication and not following up on the same.

Commitment 8: Staff are supported to do their job effectively, and are treated fairly and equitably

Score: 2

FCA ensures adverts for new job positions are in line with the organization's mandate and values. Recruiters put this into consideration when selecting candidates to fill different positions. FCA has an elaborate induction process outlined in country HR manuals and staff sign a contract, code of conduct and child safeguarding policy. However, the setting and review of key performance objectives is not systematic across FCA.

There is inconsistent adoption of new policies across country programmes due to overload. Monthly staff meetings are held to communicate HR related updates. Staff have access to internal and external trainings to improve their capacities. Staff have access to the intranet and other internal record management systems to access diverse technical standards and requirements, and best practices on overall programming across FCA.

Organizational responsibilities for this commitment were not reviewed during the mid-term audit.

Feedback from people affected by crisis and communities on Commitment 8:

Communities reported that FCA staff are professional in their approach to them.

Commitment 9: Resources are managed and used responsibly for their intended purpose

Score: 2,6

FCA manages its HR, finances, assets and project funding resources to achieve their intended purpose. Projects have a well-planned budgetary and review process. The organisation manages the risk of corruption through strong internal controls and procurement guidelines and a robust approach to disciplinary procedures. The main weakness is that FCA does not generally consider the impact on the environment when using local and natural resources.

<u>Feedback from people affected by crisis and communities on Commitment 9:</u>

Communities say that FCA is not wasteful and uses resources appropriately. They do not have access to budgets for projects

8. Organisation's report approval

Acknowledgement and Acceptance of Findings

For Organisation representative – please cross where appropriate

I acknowledge and understand the findings of the audit   ☒

I accept the findings of the audit   ☐

I do not accept some/all of the findings of the audit   ☐

Please list the requirements whose findings you do not accept
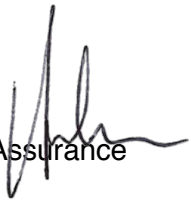
Name and Signature   *16.9.2019 HELSINKI*

Date and Place

Jouni Hemberg
Executive Director

2019-09-10

9. HQAI's decision

<table>
<tr><td colspan="2">Certification Decision</td></tr>
<tr><td colspan="2">Certificate:

☒   Maintained   ☐   Reinstated

☐   Suspended   ☐   Withdrawn</td></tr>
<tr><td colspan="2">Next audits

Before date: type of audit (MTA, MA or re-certification, as relevant)</td></tr>
<tr><td>Pierre Hauselmann

Executive Director

Humanitarian Quality Assurance Initiative</td><td>Date:

2019-09-10</td></tr>
</table>

Appeal

In case of disagreement with the decision on certification, the organisation can appeal to HQAI within 14 days after being informed of the decision.

HQAI will investigate the content of the appeal and propose a solution within 10 days after receiving the appeal.

If the solution is deemed not to be satisfactory, the organisation can inform in writing HQAI within 30 days after being informed of the proposed solution of their intention to maintain the appeal.

HQAI will transmit the case to the Chair of the Advisory and Complaint Board who will constitute a panel made of at least two experts who have no conflict of interest in the case in question. These will strive to come to a decision within 30 days.

The details of the Appeals Procedure can be found in document PRO049 – Appeals Procedure.

Annex 1: Explanation of the scoring scale

0	**A score of 0 denotes a weakness that is so significant that it indicates that the organisation is unable to meet the required commitment. This is a major weakness to be corrected immediately.**
	EXAMPLES:
	Operational activities and actions contradict the intent of a CHS commitment.
	Policies and procedures contradict the intent of the CHS commitment.
	Absence of processes or policies necessary to ensure compliance at the level of the commitment.
	Recurrent failure to implement the necessary actions at operational level make it impossible for the organisation to ensure compliance at the level of the commitment.
	Failure to implement corrective actions to resolve minor non-conformities in the adequate timeframes (for certification only)
	More than half of the indicators of one commitment receive a score of 1 (minor non-conformity), making it impossible for the organisation to ensure compliance at the level of the commitment. (for independent verification or certification only)
1	**A score of 1 denotes a weakness that does not immediately compromise the integrity of the commitment but requires to be corrected to ensure the organisation can continuously deliver against the commitment.**
	EXAMPLES:
	There are a significant number of cases where the design and management of programmes and activities do not reflect the CHS requirement.
	Actions at the operational level are not systematically implemented in accordance with relevant policies and procedures.
	Relevant policies exist but are incomplete or do not cover all areas of the requirement/commitment.
	Existing policies are not accompanied with sufficient guidance to support a systematic and robust implementation by staff. A significant number of relevant staff at Head Office and/or field levels are not familiar with the policies and procedures.
	Absence of mechanisms to monitor the systematic application of relevant policies and procedures at the level of the requirement/commitment.
2	**A score of 2 denotes an issue that deserve attention but does not currently compromise the conformity with the requirement.. This is worth an observation and, if not addressed may turn into a significant weakness (score 1).**
	EXAMPLES:
	Implementation of the requirement varies from programme to programme and is driven by people rather than organisational culture.
	There are instances of actions at operational level where the design or management of programmes does not fully reflect relevant policies.
	Relevant policies exist but are incomplete or do not cover all areas of the requirement/commitment.
3	**The organisation conforms with this requirement, and organisational systems ensure that it is met throughout the organisation and over time.**
	EXAMPLES:
	Relevant policies and procedures exist and are accompanied with guidance to support implementation by staff.
	Staff are familiar with relevant policies. They can provide several examples of consistent application in different activities, projects and programmes.
	The organisation monitors the implementation of its policies and supports the staff in doing so at operational level.

		Policy and practice are aligned.
4		**The organisation demonstrates innovation in the application of this requirement/commitment. It is applied in an exemplary way across the organisation and organisational systems ensure high quality is maintained across the organisation and over time.**
		EXAMPLES:
		Field and programme staff act frequently in a way that goes beyond CHS requirement to which they are clearly committed.
		Relevant staff can explain in which way their activities are in line with the requirement and can provide several examples of implementation in different sites. They can relate the examples to improved quality of the projects and their deliveries.
		Communities and other external stakeholders are particularly satisfied with the work of the organisation in relation to the requirement.
		Policies and procedures go beyond the intent of the CHS requirement, are innovative and systematically implemented across the organisation.