



## **Due Diligence Process at United Way of Chennai**

Due Diligence at United Way of Chennai is a collaborative effort and a multi-stakeholder process involving:

- United Way Chennai personnel and team
- Non-Profit/NGO partner
- Beneficiaries of the project
- Corporate partner
- Experts from the focus area/field
- United Way Board Members

### **During the selection process, some of the key criteria against which partners would be evaluated are mentioned below:**

- The potential to grow in effectiveness and impact
- Ability to replicate the program in other geographical areas
- Strong leadership and sound Management
- Passion for strong community participation through demonstrated experiences
- The use of technology and new age media to deliver innovative and creative solutions to address issues of education, health and livelihood
- Transparency and Integrity in fund management
- Engagement with UWI through a constant feedback mechanism

### **Key Principles:**

1. Legal Compliance: The NGO must conform to all legal requirements of the country as a registered non-profit body
2. Sustainability: The NGO programs must have quantifiable monitoring and evaluation indicators
3. Measurable Results: The NGO programs should lead to social/financial empowerment of beneficiaries and measurable positive behavior
4. Long Term Impact: The NGO must have a long term vision and mission and preferably be working with large population groups and its programs should aim at creating self-sufficiency among the beneficiaries
5. Scalability: Organized systems and processes of project execution with clearly defined goals and objectives, potential to grow and implement programs over a significant geographical area (city/district/state)
6. Legislative Potential: The NGO understands the relationship between the governmental agencies and beneficiary groups and explores solutions to help change/modify systems to impact the groups positively

**Eligibility:**

To be eligible to receive funding from United Way of Chennai, an NGO must meet the following criteria:

1. Be a registered not-for-profit organization in India
2. Have an active board of directors that meets with a quorum at least every quarter
3. Have a stated mission and bye-laws
4. Not be affiliated with any political party
5. Conduct an annual audit and submit the audit report to the concerned authorities
6. Subscribe to the mission of United Way as demonstrated by conforming to the Memorandum of Understanding (to be signed between the NGO and United Way)

**Documentation required for selection:**

Non profits are required to fill out Form I which provides an overview of the organization and the program/project that support is sought for.

Form II is required to be filled by NGOs by invitation.

**Signing the Memorandum of Understanding**

Once the Grants Administration Committee agrees to support a specific non-profit organization, a Memorandum of Understanding document is created. United Way of India enters into a legal contract with the non-profit partner by signing a Memorandum of Understanding (MOU). The Memorandum of Understanding clearly states the purpose of the grant, activities under the program and the money allocated for each activity. The MOU also states the key milestones and measurable outcomes expected on the completion of the program. The MOU also makes mandatory for the selected non-profit to submit quarterly reports and financial statements as per pre-designed reporting templates.

**FORM –I**

<b>Part 1 B - Project Profile</b>	
Brief project summary:	
Name of the project:	
Problem statement:	
Objectives:	
Expected no. of beneficiaries and outcomes:	
Geographical area:	
Brief implementation plan:	
Project duration:	
Monitoring and reporting mechanism:	
Volunteer engagement:	
Budget:	

***Please find attached the budgets in an excel file.***

<b>1C. Program Budget</b>				
<b>S. No</b>	<b>Particulars</b>	<b>Unit Amount</b>	<b>No. of Units</b>	<b>Total</b>
1	Administrative Costs: (Rent, electricity, etc.)			
2	Salary: (list major job categories below, add rows if necessary)			
	•			
	•			
	•			
3	Direct Project costs: (list major categories below, add rows if necessary)			
	•			
	•			
	•			
4	Infrastructure: (Computers, land, vehicle, etc.)			
	•			
	•			
5	Transportation:			



	•			
6	Other: (add rows if necessary)			
	•			
	<b>TOTAL</b>			

***Please find attached the budgets in an excel file.***

Please Note: Kindly also provide the budget in an excel sheet

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Print Name & Title



The Fact Sheet is divided into 7 main sections.

1	Organization Information
2	Management Team & Governance
3	Employee Information
4	Impact & Outreach
5	Financial Information
6	Volunteering
7	Support-In-Kind
8	Application Checklist

The Non Profit is required to provide a hard copy of Form II duly dated and signed, and accompanied with the list of required annexure documents.

**List of Annexure Documents:**

1. Registration Documents with Charity Commissioner
2. Income Tax Relief Certificate 80G
3. FCRA Documents
4. Memorandum of Association
5. Income and Expenditure over last three financial years
6. Annual report

**SECTION I: ORGANIZATION INFORMATION**
**1.1 CONTACT DETAILS**

ORGANIZATION :	
ACRONYM IF ANY :	
MEANING OF NAME :	
AREA OF FOCUS :	
ESTABLISHMENT DATE :	
ORGANIZATION ADDRESS :	
No. of Offices : Mention Cities	
PHONE(S) ( <i>please mention STD code for landlines</i> )	
FAX :	
CONTACT PERSON :	
CONTACT PERSON'S DESIGNATION :	
CONTACT PERSON'S MOBILE NO. :	
CONTACT PERSON'S E-MAIL ID:	
WEBSITE URL :	
DATE FORM FILLED:	

**1.2 ORGANIZATION MISSION STATEMENT (Not more than 100-150 words)**

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#### 1.4 LEGAL COMPLIANCE

Please provide ONE copy of each registration as annexure along with FCRA certificate.

TYPE OF REGISTRATION	REGISTRATION NUMBER	DATE OF REGISTRATION	VALIDITY

#### 1.5 Do you have FCRA registration? (Please check one)

Yes  No

If yes, please provide the number: \_\_\_\_\_

#### 1.6 Do you conduct an external audit on an annual basis? (based on last three years)

Yes  No

#### 1.7 Do you file your annual returns with the Charity Commissioner? (Please check one)

Yes  No

#### 1.8 Please furnish the following details for your INTERNAL auditor.

SE.NO	NAME OF FIRM	CONTACT PERSON	ADDRESS OF THE FIRM	PHONE NUMBER	FAX	EMAIL (If any)
1.						

#### 1.9 Please furnish the following details for your EXTERNAL auditor.



SE.NO	NAME OF FIRM	CONTACT PERSON	ADDRESS OF THE FIRM	PHONE NUMBER	FAX	EMAIL (If any)

**Does your External Auditor serve on your Board in any capacity?**

Yes

No

### **1.10 Awards & Recognition**

S.No.	TITLE OF AWARD	AWARDING ORGANIZATION	YEAR



## SECTION II: MANAGEMENT TEAM & GOVERNANCE

2.1 Please furnish details of the Board.

S. No.	NAME	COMPANY	DESIGNATION IN COMPANY	ROLE ON BOARD	AGE	RELATIONSHIP WITH OTHER BOARD MEMBERS

*Please provide a complete list of all Board Members and their contact details as annexure.*

*Also provide copy of Bye-laws as annexure if your organization is new or if the bye-laws have been amended in the last one year.*

2.2 What is the quorum for Board meetings and resolutions?

2.3 How often does the Board meet? *(Please check one)*

- Weekly                       Fortnightly   
 Monthly                       Quarterly   
 Every 6 months                       Annually

Others *(Please specify)*

## SECTION III: EMPLOYEE INFORMATION

3.1 Please highlight the presence and number of each kind of staff in your organization currently.

TYPE OF STAFF	YES/NO	CURRENT NUMBER



Others ( <i>Please specify</i> )		
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3.2 Please state education, skills, and experience of persons in the top 5 staff positions.

<b>Name</b>	<b>Educational Qualifications</b>	<b>Years</b>	<b>Work Experience</b>

3.3 Please provide details on the level of computerization and use of information systems in your organization.

No. of computers in the organization.	
What kind of network, if any, do you have (e.g. - LAN/WAN)?	
No. of people using email. Do you have official email ids for all staff?	
What MIS is in place for planning, tracking and reviewing?	



## SECTION IV: IMPACT AND OUTREACH

4.1 What is the primary nature of operations? (*Please check one that describes your organization best*)

- Funding Agency
- Advocacy
- Direct Service Provider
- Research

Others (*Please Specify*)

\_\_\_\_\_

4.2 What is the primary target segment of operations? (*Please check all the segments that best describe the programs of your organization*)

ACTIVITY	CHECK BOX	IMPACT	ACTIVITY	CHECK BOX	IMPACT
Child Education					
Civic Issues					
Environment					
Health					
Women's Empowerment					
Livelihood					

Others (*Please specify*)

- 1.
- 2.
- 3.
- 4.
- 5.

4.3 Please provide a brief description of all programs for last one year in the table below.



Ex.: If boats have been provided to 6 fishermen, then the number of impacted beneficiaries would be "6". Please do not include headcount of indirect beneficiaries like family members etc.

Ex. Vocational training for destitute women, Noise Pollution abatement, Health Check up for Special children, Slum cleanliness drive etc.

Se. No	NAME OF PROGRAM	GEOGRAPHY	DURATION (From dd/mm/yyyy To dd/mm/yyyy)	IMPACT – DIRECT BENEFICIARIES	CATEGORY OF OPERATION

4.4 Please include two Case Studies related to your work. (Provide background, needs, and other relevant information about the service target group). This section is optional.

**Case Study 1:**

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<b>Case Study 2:</b>

## SECTION V: FINANCIAL INFORMATION

5.1 Rank the primary source of funding in the last three years.

DONOR CATEGORY	YES/NO
Corporate	
Foundation/Trust	
Individual	
Others( <i>Pls specify</i> )	

5.2 Please provide the details of top 3 donors in the last 3 years in the table below.

YEAR	Se. No.	NAME OF THE DONOR	COMPANY	AMOUNT (in Rs.)
	1			
	2			
	3			
	1			
	2			
	3			
	1			
	2			
	3			

5.3 What is the average amount of inflow of grants in the last three years? (*Please check one*)

Less than Rs.1,00,000

Rs.1,00,000 – Rs.5,00,000





- Rs.5,00,000 – Rs.15,00,000
- Rs.15,00,000 – Rs.50,00,000
- Greater than Rs.50,00,000

#### 5.4 Bank Accounts

No. of Bank Accounts  State each bank account and balance as of date	
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5.5 Please provide the Administrative Expenses: Total Outflow ratio.

9% \_\_\_\_\_

**5.6 Please provide a copy of the following documents as annexure.**

5.61 Audited copy of balance sheet for the last three financial years.

5.62 Income-Expenditure statement for last three years.

#### 5.7 Organization Financials

Please complete the following budget sheet for your NGO.

**Fiscal Year (mm/dd/yy to mm/dd/yy):** \_\_\_\_\_

### 5.8 Financial Breakdown as Per Audited Accounts

*All financial documents have been attached with the proposal for the last 3 years*

S.No.	Financial Details			
	<b>BALANCE SHEET</b>			
<b>1</b>	<b>LIABILITIES</b>			
<b>1.1</b>	CAPITAL FUND			
<b>1.2</b>	CURRENT LIABILITIES			
<b>1.3</b>	TRUST FUND & CORPUS			
<b>2</b>	<b>ASSETS</b>			
<b>2.1</b>	IMMOVABLE PROPERTIES (fixed assets)			
<b>2.2</b>	MOVABLE PROPERTIES(Current assets)			
<b>2.3</b>	LOANS ADVANCES AND DEPOSITS			
<b>2.4</b>	WORK IN PROGRESS			
<b>2.5</b>	INVESTMENTS			

<b>3</b>	<b>INCOME</b>			
<b>3.1</b>	DONATIONS RECEIVED			
<b>3.2</b>	GRANTS RECEIVED			
<b>3.3</b>	INTEREST			
<b>3.4</b>	DIVIDEND			
<b>3.5</b>	OTHERS (SPECIFY) - Consulting income Training and School fees Miscellaneous income			
<b>3.6</b>	TOTAL INCOME			
<b>3.7</b>	EXCESS OF EXPENSES OVER INCOME EXCESS OF INCOME OVER EXPENSES			
<b>4</b>	<b>EXPENDITURE</b>			
<b>4.1</b>	EXPENDITURE ON THE OBJECT			

	(DONATIONS PAID)			
<b>4.2</b>	PROJECT 1(NAME PROJECT)			
<b>4.3</b>	PROJECT 11			
<b>4.4</b>	PROJECT 111			
<b>5</b>	ADMINISTRATIVE EXPENSES (GIVE PERCENTAGE IN RELATION TO ITEM 3 ABOVE			
<b>6</b>	<b>OTHER INFORMATION</b>			
<b>6.1</b>	REGISTRATION NO. AND DATE WITH CHARITY COMMISSIONER			
<b>6.2</b>	VALIDITY OF SEC, 80-G CERTIFICATE			
<b>6.3</b>	REG. NO. WITH FOREIGN CONTRIBUTION AUTHORITY			

**6.4** Please write a summary note on the financial status of the organization and add any questions, if required.



## SECTION VI: VOLUNTEERING

We often get requests from corporate employees for volunteering opportunities. We request you to provide the following information to help us facilitate the process of helping volunteers find a role that they would be committed to and helping you find committed volunteers. This section is optional.

NAME OF THE PROGRAM	NUMBER OF VOLUNTEERS REQUIRED	GEOGRAPHY OF WORK	DURATION	NATURE OF WORK	SPECIAL SKILL SETS

Note: For duration, please mention the month(s) and timings during the day when the volunteers would be required.

For 'Nature of Work', please choose one of the following:

- a) In-field Operation (E.g. *Teaching, Medical Check-ups, cleanliness drive in slums, etc.*)
- b) Administrative (E.g. *Receptionist, Telephone Operator, Accountant, IT, etc.*)
- c) Strategic (E.g. *Standardizing HR policies, setting up financial policies, etc.*)
- d) Others (Please elaborate in the box provided)

## SECTION VII: SUPPORT-IN-KIND

What are the non-funding requirements for your organization? (*Please check and quantify all that apply to your organization*). This section is optional.

CATEGORY OF ITEM	QUANTITY REQUIRED	REMARKS
Computer Pool		

Educational Aid / School Supplies		
Clothes		
Toys and Books		
Household Essentials		
Others		

## SECTION VIII: APPLICATION CHECK-LIST

Please indicate if you have completed all requirements as per checklist below and attached required documents as annexure. Kindly indicate compliance with a 'Yes' or a 'No'.

S. No.	INFORMATION REQUIREMENT	YES / NO
1	Contact Details	
2	Legal Compliance Information	
3	Board	
4	Staff	
5	Agency Outreach Profile	
6	Financial Details	
7	Program Description – Outcome and Implementation Plan	
8	Program Financials	
9	In-kind investment details	
10	Dated signatures of Executive Director and Board Chairperson	

S.No.	TITLE OF ANNEXURE	YES / NO
1	Copy of Registration Certificate	
2	Copy of FCRA	
3	Copy of Memorandum of Association	
4	Complete list of Board Members with Contact Details (current)	
5	Minutes of last 2 Board Meetings	
6	Audited Balance Sheet for last 3 financial years	
7	Income-Expenditure Statements for last 3 financial years	
8	Copy of any newsletter published/circulated by your organization	



9	Copy of any Press Coverage received	
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**This submission was considered and approved by:**

	EXECUTIVE DIRECTOR	BOARD CHAIRPERSON
SIGNATURE		
NAME		
DATED		