

## Audit Protocol

### **Purpose of Document**

The role of Audits is important for a cash transfer organisation like NI-ABAE. To do justice to this role, it is essential to plan, execute and report on audits in an efficient and cost-effective manner.

The Audit Protocol details the guidelines, process steps and Service Level Agreements (SLAs) expected from the Audit function.

### **Key Guidelines for Audits and On-field Investigations**

- The Audit team should always be neutral and fair while performing their duties. Any conflicts of interest such as a relationship to those requesting an audit or those being audited or investigated, as well as any sign of impartiality, would lead to immediate employment review. The Audit Supervisor is required to solicit and review potential conflicts of interest from auditors, and report any such conflicts or breaches to Operations Support Manager (OSM) and Management.
- The role of the Auditor is to observe, listen, assess and report the findings of an audit or investigation in an objective manner. The Auditor should never interfere or influence the field operations in any manner.
- The Audit Team, including the Auditors, are to maintain full confidentiality of the Work Plan and Audit findings. The Auditors should not disclose the findings of the audits or investigations to anyone in Operations Unit without explicit approval from the OSM or the Management.
- To the extent possible, auditor field visits should be planned in the most cost-effective manner, using methods like auditing two clinics in a day for a large majority of audits.
- The Audit Supervisor should communicate with the Auditor and others in the organisation using only [audits@newincentives.org](mailto:audits@newincentives.org) Live Agent mailbox.
- All meetings of the Audit team should be recorded and documented in the [Audits - Meeting Notes](#) document.
- Any communications regarding audits outside of the above channels that are not pre-approved by the Management are subject to Disciplinary Action.

### **Service Level Agreements (SLA) for Audit Supervisor**

Breaches of SLAs will result in Disciplinary Action for the Audit Supervisor and OSM.

- Each clinic is expected to be audited at least once every 8 weeks. There should be no Clinic without an audit in the prior 10 weeks if randomly checked at any point in time.
- Any investigation assigned to the Audit Team should be carried out within 7 days.
- Audit Work Plan should be proposed for approval 10 days in advance.
  - No audit should be carried out without approved Work Plan Identifier present.
  - This SLA does not apply to urgent investigation requests, however the Work Plan entry should be added to NI-ABAE Audits Work Plan sheet before execution.
- The Post Expenditure Assessment (PEA) and issue entries to myDay Issues for each audit / investigation activity should be updated within 2 days.
- Investigation Report for each on-ground investigation carried out should be updated using the [\[Template\] Investigation Report <IC Number>: <Name/Clinic>, <State>](#) template format and added to the [Investigation Reports and Evidence](#) folder within 48-hours of the investigation visit and/or meeting.

- Issues identified during the audit or investigation should be added to the [Field Issues Log](#) or [Investigations Pool](#) or [Disciplinary Action Log](#) within 1 working day of the activity execution as per [Issue Handling Matrix](#).
- Cost Controls:
  - As far as possible, the Auditor should be encouraged to use public transport - especially on days where there is only one location being audited. All rows in the NI-ABAE Audits Work Plan with a Full Day Disbursement Audit should clearly note if car hire or public transportation is being used, along with a reason addressing the cost point if car hire is being used.
  - Car hire is only to be used when more than one clinic is audited in one day or when the audit destination is above 150 km and the COO has explicitly approved use of car hire in the Audit Work Plan. Same applies for audit visits carried out for investigation purposes.
- Security:
  - [Clinic and Settlement Security Assessments](#) sheet should be referred before planning the Auditor visits to ensure that the Auditors are not visiting clinics / settlements with 'HIGH' risk rating and are cautious about 'MEDIUM' rating locations.
    - The Auditor should always comply with the 'Travel Safety Recommendations'.
    - If visit to a 'HIGH' risk rating location is needed for audit purpose, approval from the Security Manager should be sought first as an Auditor would not be able to contact Operations team or Clinic Staff in advance of the audit.

## Guidelines for preparing the NI-ABAE Audits Work Plan

- Disbursement Audit:
  - Scheduling
    - Whenever two clinics are geographically near as per the [Clinics Map](#) and they are holding disbursement sessions on the same day as per the [Clinic Schedule](#) (Fixed or Outreach) or [NI-ABAE Work Plan](#) (Targeted Outreach), both clinics should be planned for audit on the same day.
      - If there are no nearby clinics with a disbursement session holding, an audit of a scheduled State Work Plan activity should take place. The Audit Team should wait 24 hours until the State Work Plan activity has been updated with PEA or cancellation status. This would help surface cases whereby the auditors could not track down the particular activity but the Ops Team reported the activity as completed.
    - Reason for Audit and Audit Objectives
      - Open issues from [Field Issues Log](#) and [Work Plan Inputs](#) should be part of the reasons
      - The Objective would be to assess if the issues are still present or now have been resolved.
    - Low / High enrollments as per Performance Dashboard [Enrollments](#) page
      - Compared against Target overall and also against previous 3 months enrollment performance against Target
        - For high enrollments, the Objective should be to understand if there is any enrollment fraud (like outside catchment, double enrollments).
        - For low enrollments, the Objective should be to assess if there is non-compliance or block rejection of immunization services and the reasons.
    - Good / Poor Immunization Rates
      - Check for overall Immunization Rates for the clinic on the [Clinic Performance](#) page of Performance Report to understand the overall Immunization Rates,

Immunization Rate at each stage and progressive trend from Penta 1 to Measles.

- Objective would be to assess the reasons behind good or poor rates overall or for specific stage or increasing / decreasing trend across stages.
- For poor rates for any stage, check which settlements are contributing to the poor rates as per the Immunisation Rate pages of the Performance Dashboard.
  - Objective would then be to assess the reasons for the poor rates at those specific settlements during the SAME audit visit.
- Supply-Side Issues
  - Check the [Supply Side Dashboard](#) for frequent stock-outs / run-outs in previous 4-6 weeks.
    - Objective would be to assess what is the impact of the supply side issues and what is the current status and measures taken as per the clinic staff
- Activity Audit
  - For auditors, the Activity Audit should be scheduled mainly for assessing the quality of LGA Training sessions conducted every month. The Auditor should visit different location each time.
  - Activity Audit can also be scheduled if the Work Plan for a day only covers one Disbursement Audit and there is an activity planned nearby as per NI-ABAE Work Plan.
  - Objective of the Activity Audit should be to assess how well the activity is being carried out, what the community members feel about the activity and NI-ABAE program.

### Minimum Inputs Expected from Disbursement and Activity Audits

- Observations by Auditor on the following points:
  - Clinic Staff Protocol Non-Compliance
  - NI-ABAE Staff Protocol Non-Compliance
  - Supply-Side Issues
  - Awareness Issues
  - Beneficiary Fraud
  - Clinic Staff Fraud
  - NI-ABAE Staff Fraud
  - Security Issues
  - Volunteer Fraud / Performance and are the helpers getting paid on time and how much
  - NI-ABAE Staff Bag Check for blank/used CHCs and used ABAE Cards
  - Issue Status
    - Issue 1 issue\_1: Auditor assessment
    - Issue 2 issue\_2: Auditor assessment
    - ....
  - Last visit by NI-ABAE Staff like FM/SFM
    - Visit1, approximate date, who visited (name/designation), what was the objective
    - Visit 2, approximate date, who visited (name/designation), what was the objective
- Inputs from the Beneficiaries regarding:
  - Behavior of NI-ABAE Staff
  - NI-ABAE Program
  - Awareness issues in their communities
  - Any beneficiaries sent back due to shortage of funds with NI-ABAE staff
  - Prospective fraud
  - Behavior of Clinic Staff
  - Immunization Services

- Inputs from the Clinic Staff regarding:
  - NI-ABAE Staff performance
  - Reasons behind good or bad clinic performance
  - Supply-Side Issues including staff and/or facility shortages
  - Community awareness, security issues
  - Last visit from NI-ABAE staff other than serving Field Officers, date and reason
- Inputs from the NI-ABAE Staff
  - Reasons behind good or bad clinic performance
  - Supply-Side Issues including staff / facility shortages
  - Community awareness, security issues
  - Performance of the community helpers
- Office Money Spot-check
  - FO 1 Name
    - Last Week Submitted Balance (*check Google Form submission in Gmail*):
    - Expenses in current week (*as per myDay App*):
    - Current Bank Account Balance (*Carry out Balance SMS check, if network available. Check last Balance SMS if network not available*):
      - Take a good photo of Balance SMS and attach in your myDay as Photo 2 (after ABAE Progress Poster)
    - Total Cash on Hand (*including disbursement & transport expenses since morning*):
    - Difference in Actual Vs Expected balance:
      - *Actual balance: Bank Account Balance + Cash on Hand*
      - *Expected balance: Last Week Submitted Balance - myDay Expenses till yesterday*
    - FO explanation:
      - If difference is more than N1000 (positive / negative)
    - Auditor conclusion:
      - Do you think the FO is managing the Office Money correctly?

Every Monday, the Audit Supervisor is required to assess findings from all completed Audits during the week prior against the above inputs to determine which are adequately covered. The Audit Supervisor is expected to identify inputs that are being missed and take necessary steps (such as provide reminders and additional reinforcement) to ensure the missing input is audited and reported.

## Format of Questions by Auditors

Auditors ask 2 types of question - General questions (common for all audits) and Objective-based questions (SMART objectives specified in Work Plan - including issues observed in last audit)

### NI-ABAE Staff

- General Questions
  - What do you think about the Clinic Staff performance, protocol compliance, behavior towards beneficiaries?
  - Do you suspect any fraud / potential fraud by Clinic Staff or Beneficiaries?
  - Are you aware of any compliance issues in any settlement? Details? Reasons?
  - What is the security situation in the catchment?
  - What is your assessment of the contribution by community mobilizers?
  - Who (FM/SFM) has visited the clinic last, approximately when, what was the objective?
  - Any outside catchment fraud suspected?
  - Have they faced supply-side issues recently?
  - Any other observations, comments, suggestions?

- Objective-based Questions:
  - What are the reasons for increase / decrease in enrollment / immunization rates?
  - Have previously noted issues about compliance / security / clinic staff / supply-side was observed. Is the issue resolved, how?

### Clinic staff

- General Questions
  - What do you think about the NI-ABAE Staff performance, behavior towards beneficiaries?
  - Are you aware of any compliance issues in any settlement? Details? Reasons?
  - Any beneficiaries sent back due to insufficient cash with NI-ABAE Staff?
  - What is the security situation in the catchment?
  - Who (FM/SFM) has visited the clinic last, approximately when, what was the objective?
  - Any outside catchment fraud suspected?
  - Have they faced supply-side issues recently?
  - Any other observations, comments, suggestions?
- Objective-based Questions:
  - What are the reasons for increase / decrease in enrollment / immunization rates?
  - Last time Issue X about compliance / security / supply-side was observed. Is the issue resolved, how?

### Beneficiaries

- General Questions
  - Why is immunization important? When are they supposed to visit next? What are the different stage of immunization? How much money they are expected to get for each visit? Why is the incentive given?
  - Is there any compliance issue in their household, nearby households, community? Details.
  - How are they being treated by the Clinic Staff, NI-ABAE Staff?
  - Have they ever been sent back due to lack of funds or vaccines?
  - Have they noticed any fraud by Clinic Staff / NI-ABAE Staff during or after session? (examples: asking for money, special treatment to some caregivers)
  - Do they know of any caregivers getting disbursement who are not from the settlement?
  - What is the security situation in the catchment?
  - Any other observations, comments, suggestions?
- Objective-based Questions:
  - Have previously known issue about compliance / security at their settlement resolved?

### Community mobilizers

- General Questions
  - What are they doing to improve NI-ABAE program performance?
  - Are you aware of any compliance issues in any settlement? Details? Reasons?
  - What is the security situation in the catchment?
  - Are they getting paid on time? How much? When were they last paid?
  - Any other observations, comments, suggestions?

### Auditor Selection Process

- Auditors are considered equivalent to Field Officer 3. For any Auditor opening, the first preference be given to Field Officers 3 from the same State. If there are no or very few eligible Field Officers 3, the potential candidate population will be extended to Field Officer 2.
- Selection steps:
  - Invite applications through [GForm](#). (Typical time frame: 2-3 days)
    - Responsibility: Console Supervisor / OSM

- Shortlist candidates for interviews
  - Responsibility: Unit Head
  - Selection Criteria:
    - Quality of responses to GForm questions, including communication clarity
    - Previous Audit experience
    - Overall experience as per the applicant CV
    - No past investigations against the applicant
    - Performance of the clinic serviced by the applicant
    - Number of Discrepancies, Disciplinary Actions against the applicant
  - [Update the decision](#) (Not Qualified, Interview) against the applicants. Capture the reasons for Not Qualified.
  - Send thank you and regret email to 'Not Qualified' candidates.
- Form Interview Panel and create Candidate Evaluation Grid
  - The interview panel should consist of the Unit Head, Audit Supervisor, State Head, Outgoing Auditor (Optional), Auditor from another State (Optional)
  - [Interview Evaluation Grid format](#)
  - Schedule interviews with each candidate - About 25 minutes per candidate and 5 minutes for interview panel discussion
- Conduct candidate interviews
  - Typical questions to ask the candidates:
    - Tell us about yourself and why do you want to be an auditor?
    - Your clinic performance is so and so. How did you manage that?
    - Present different audit scenarios (potential fraud or suspicious behavior observed). What will you do next? Why?
    - Present investigation scenarios. How will you carry out the investigation?
    - Ask a few operational protocol questions to check knowledge.
    - Ask about candidates view about colleagues he/she worked with, challenges faced, etc to understand collaboration and team player aspects.
    - Where do you see yourself in (say) 5 years from now? Why?
  - Each panel member rates the candidate on different evaluation criteria as per the grid.
  - Post interview, the Panel discusses their view about the candidate.
    - If there are strong differences in member opinions about a candidate, the differences should be noted in the member row in the grid sheet.
  - The Panel should then shortlist the best 2 or 3 candidates for Trial Audit.
  - Thank you and regret email should sent to unsuccessful candidates. Where possible, feedback should be provided about areas of improvement to the candidates for future.
- Trial Audit
  - Using Work Plan tools, Trial Audit should be scheduled for each candidate.
  - Trial Audit: Full day audit at Clinic during disbursement by the candidate where each candidate assesses protocol compliance as well as presents his own fraud assessment. There are no other inputs / investigation agenda given to the candidate.
  - A meeting should be carried out in advance with candidates about the Trial Audit, which tools to use and what they can or cannot do.
    - During the Trial Audit, no investigation is expected.
    - The Trial Audit should ideally be scheduled at a clinic near the candidate's place of residence so that the candidate can spend the whole day at the clinic for the audit.
      - If practical, the trial audit should be scheduled at a clinic where there are known issues or frauds reported in recent past.

- Audit should be about observation and inputs from the stakeholders. The candidate should refrain from making suggestions to NI-ABAE Staff, Clinic Staff or other other stakeholders during the audit.
- FO PT Route cost assessment can also be included in the Trial Audit assessment where practical.
- Trial Audit Assessment
  - Preliminary Checks:
    - Completeness of submission
    - Quality of comments against standard questions
  - Additional Checks:
    - Grammar and command over written language
    - Candidate's own assessment and observations along with evidence presented.
      - Is the assessment/comment comprehensive as well as actionable?
    - Comparison of last audit for the Clinic Vs Audit submission by the Candidate
    - Are the observations helpful in understanding the performance data of the clinic available through various report?
  - The Unit Head should make the final assessment and provide the recommendation to Management for preferred candidate.
- New Auditor onboarding in team:
  - Auditor should be given 2 weeks of learning period and another 2 weeks of comprehension period. The new auditor is then expected to perform at the level of other auditors in the team.
  - To ensure quick performance from the new auditor, following are recommended on-boarding / training steps.
    - 2 to 3 training sessions with the Supervisor - role of Audit unit, Auditor, Ways of working in the team, different tools to use, transportation planning, how to carry out investigations, rules of engagement on the field.
      - Known issues or frauds in clinics
      - Recently concluded investigations
    - Introduction to other Auditors and appointment of a 'buddy' auditor who can be the guide to the new auditor during the initial period.
      - This is a critical step and should not be skipped.
      - 'Buddy' can be on a rotation basis so that each team member gets a chance to mentor.
    - On-ground audits with outgoing auditors - 3 to 5 sessions where outgoing auditor can train the new auditor on ways to carry out audit
      - At least 1 full day audit at a clinic
      - At least 2 half day audits (this would help the new auditor on how to plan travel and time at each clinic)
    - During the training period, Supervisor should provide feedback after each audit submission (where practical) so that the new auditor can correct behavior immediately.
    - Training emphasis should also include correct grammar and evidence-based observations which can stand scrutiny.

## **Additional Document / Report Repository for Audits**

- [Audit and Investigations Schedule](#) - for transportation cost reference and rough planning work

## **Communicating Audit Work Plans with Auditors**

- Primary mode of Audit Work Plan communication is through Work Plan entry in myDay.
- Additionally, the Reason / Issue and Objectives should be shared with the Auditor over email at least a day in advance to reinforce the goal of the audit / investigation.

## Audit Findings and Next Steps

- **Post Expenditure Assessment (PEA)**

- Following minimum information should be contained in the PEA

- Audit:

- Quality of service & protocol compliance
    - Other observations and inputs from stakeholders
    - Status of Issues
    - Reason for higher cost than budgeted

- Investigation

- Investigation finding
    - Other observations and inputs from stakeholders

Reason for higher cost than budgeted

- Each audit observation matching the Issue Handling Matrix criteria should be either added to the Issue Handling Matrix or to Field Issues Log or to Work Plan Input (WPI) sheet by the Audit Supervisor.
- **Field Issues Log**
  - If audit finding points out to the issue being addressed, the status should be changed to Closed in Field Issues Log.
    - The Audit ID, Date and Auditor email address should be captured along with the audit observation in the 'Notes' column of Field Issues Log.
  - If the audit finding points out to the issue still being open and the Target Resolution Date is past, the issue should be escalated to the supervisor of the Issue Owner with a two week timeline for resolution.
    - Any issue open beyond two weeks after assigned to the Supervisor should be escalated to Management by the Operations Support Manager for intervention.
- **Issue Handling Matrix**
  - Cases qualifying for Disciplinary Action should be added to the [Disciplinary Actions Log](#) with the date of audit as the 'Date of Issue'.
- **Adding issues to myDay Issues sheet**
  - The practice of adding issues to Work Plan Inputs (WPI) sheet is replaced with adding the issues directly to [myDay Issues](#) sheet so that Managers have better visibility and higher accountability about key audit findings which need action by the Operations Team.
  - [Guidelines: Adding entries in myDay Issues](#) details out the steps the Audit Supervisor needs to follow for audit findings.
  - The addition of issue to myDay Issues sheet should be done along with the PEA updates and within one day of the audit so that the information can be made available to Operations team for action quickly.