



MICRO ASSESSMENT REPORT

ORGANIZATION FOR PROMOTION OF HEALTH AND COMMUNITY
DEVELOPMENT (OPHCD)

DATE: 27 March 2023
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COMMISSIONED BY: UNICEF Afghanistan

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MICRO ASSESSMENT FINDINGS

1.1. BACKGROUND, SCOPE AND METHODOLOGY

Background

The micro assessment is part of the requirements under the Harmonized Approach to Cash Transfers (HACT) Framework. The HACT framework represents a common operational framework for UN agencies' transfer of cash to government and non-governmental implementing partners.

The micro assessment assesses the implementing partner's control framework. It results in a risk rating (low, moderate, significant or high). The overall risk rating is used by the UN agencies, along with other available information (e.g. history of engagement with the agency and previous assurance results), to determine the type and frequency of assurance activities as per each agency's guideline and can be taken into consideration when selecting the appropriate cash transfer modality for an implementing partner.

Scope

The micro assessment provides an overall assessment of the implementing partner's programme, financial and operations management policies, procedures, systems and internal controls. It includes:

- A review of the implementing partner legal status, governance structures and financial viability; programme management, organizational structure and staffing, accounting policies and procedures, fixed assets and inventory, financial reporting and monitoring, and procurement.
- A focus on compliance with policies, procedures, regulations and institutional arrangements that are issued both by the Government and the implementing partner.

It takes into account results of any previous micro assessments conducted of the implementing partner.

Methodology

We performed the micro assessment at the locations and on the dates set out in Annex I.

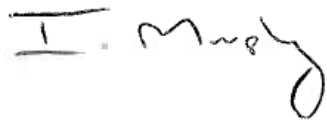
Through discussion with management, observation and walk-through tests of transactions, we have assessed the implementing partner's internal control system with emphasis on:

- The effectiveness of the systems in providing the implementing partner's management with accurate and timely information for management of funds and assets in accordance with work plans and agreements with the United Nations agencies.
- The general effectiveness of the internal control system in protecting the assets and resources of the implementing partner.

We discussed the results of the micro assessment with applicable UN agency personnel and the implementing partner prior to finalization of the report. The list of persons met and interviewed during the micro assessment is set out in Annex III.

Results

The results of our micro assessment are set out in section 1.2 below, and our detailed internal control findings and recommendations in section 1.3.

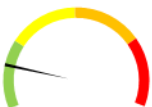
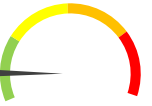
A handwritten signature in black ink, appearing to read 'I. Murphy'.

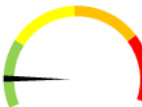
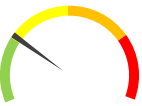
Ian Murphy
Partner
BDO LLP

27 March 2023

1.2. SUMMARY OF RISK ASSESSMENT RESULTS

The table below summarizes the results and main internal control gaps found during application of the micro assessment questionnaire (in Annex IV). Detailed findings and recommendations are set out in section 1.3 below.

Tested subject area	Risk assessment*	Comments
1. Implementing partner	Low 	Organization for Promotion of Health & Community Development (OPHCD) is registered as an NGO with the Ministry of Economy (MoE) with registration number 4160 dated 1 April 2017. OPHCD is also registered with Ministry of Public Health with registration number 762 dated 27 July 2022. The highest decision-making body is the Board of Directors consisting of five members, four of which are external to the organization. The organization has a detailed anti-fraud policy, including reporting procedures for any fraudulent activity. OPHCD has a feedback and Complaints Mechanisms Guidance Note for beneficiaries. Additionally, OPHCD is not financially stable as they do not have core funds and only relies on donor funding.
2. Programme management	Low 	OPHCD has an adequate Program Development and Planning and M&E Framework policy. They are implementing four projects funded by various organizations and have detailed work plans approved by donors. While they have policies and procedures for risk identification and assessment, there is no risk register maintained for project or for the organization as a whole. OPHCD has an adequately detailed Monitoring and Evaluation policy with procedures, methodologies, frameworks, indicators, and tools for monitoring and evaluating projects.
3. Organisational structure and staffing	Significant 	OPHCD has comprehensive HR policies and procedures, but they are not enforced, and there is no separate HR department. The Operations officer handles HR responsibilities, and personnel files are not adequately maintained. The finance department lacks segregation of duties, with the finance assistant responsible for recording transactions and payments. However, payments are only made after proper approval and appropriate review of supporting documents.

4. Accounting policies and procedures	Low 	OPHCD uses QuickBooks as its accounting system and has developed a chart of accounts to accurately capture transactions by project, expenditure type, source of funding, and budget lines. The organization reconciles its general ledger at least monthly, and explanations are provided for significant reconciling items. Time sheets are used for shared staff and a manual attendance sheet for 100% project staff. OPHCD does not have a cost allocation methodology in place for shared costs. There are no limits for cash payments in the financial policy. OPHCD does not have an internal check on its operations in the form of an internal auditor or internal audit department.
5. Fixed assets and inventory	Low 	The OPHCD has various assets, including computers, furniture, electrical equipment, and communications equipment, which are properly tagged and registered in a fixed assets register. Physical verifications of assets are performed every six months, but important information such as the date of purchase, voucher number, and asset value are not recorded in the fixed asset register. The OPHCD has warehouses in Kabul, Oruzgan, and Helmand provinces, with minimal inventory, including some not-in-use assets, stationary items, and medicines. The warehouses have adequate physical security controls, including locked doors.
6. Financial reporting and monitoring	Moderate 	OPHCD uses QuickBooks as its accounting system and has developed a chart of accounts to accurately capture transactions by project, expenditure type, source of funding, and budget lines. Organizational financial statements are audited on an annual basis. Accounting records are backed up in the cloud and accessible only to the finance department, password protected. While some internal control issues were identified, previous auditor recommendations were fully implemented, but no follow-up action plan was maintained.

7. Procurement and contract administration	Low 	OPHCD contract template includes ethical procurement principles and ineligibility criteria, and the General Director and project managers are authorized to sign contracts. They also have a well-defined conflict of interest policy to manage potential conflicts with suppliers or procurement agents. However, OPHCD lacks a policy related to exceptions to procurement procedures, and the procurement department works under the operation department without separate offices or an independent procurement specialist. The Operations Officer is responsible for procurement, and OPHCD does not maintain a database of past supplier performance.
Overall risk assessment	Low 	

* High, Significant, Moderate, Low

1.3. DETAILED INTERNAL CONTROL FINDINGS AND RECOMMENDATIONS

No.	Description of finding	Recommendation	Partner comments
1	Lack of Financial stability		
	We noted that OPHCD does not have core fund. The organization is considered financially unstable as it has no core funds to sustain the organization in case donor funds are reduced.	We recommend that OPHCD should obtain core funding in case funding received from the donors are reduced or stopped.	Accepted. Since its establishment more of the projects OPHCD implemented has had only direct cost while there was a small amount of indirect cost gained from the projects and spent for institutionalization of the organization according to the organization development plan. However, considering the recommendation OPHCD planned to work on establishment of "core budget" in 2023 through its indirect cost from the projects implemented.
2	Lack of risk register		
	We noted that there is no risk register maintained at project level nor organization level.	We recommend that OPHCD should maintain a risk register to identify assess and mitigate risks to the organization.	Accepted. OPHCD will maintain a standard risk register for risk identification and management.
3	Lack HR department		
	We noted that OPHCD does not have a separate HR department. Senior Operations Officer undertakes HR responsibilities, supported by Admin/HR assistant.	We recommend that OPHCD should form a separate HR department for increased control.	Accepted. For the time being, considering the load of work of the organization, OPHCD does not have independent HR department while the HR section is managed by the Senior operation officer supported by a dedicated Admin/HR assistant. Considering the recommendation, OPHCD is working and will establish an independent HR department until end of March 2023 led by an Admin/HR officer.

4	Discrepancies in the personal file		
	We noted that personnel files are not in compliance with the OPHCD HR policies and procedures.	We recommend that OPHCD should follow HR policies and up to date personnel files should also be maintained for each staff member	Accepted. OPHCD will maintain a standard personal file according to the OPHCD HR policy requirements. 1. Rahimdil Safi has recruited through "Head hunting" approach according to the clause 3.1.1 of the OPHCD HR policy as Projectized staff and therefore Job advertisement, Shortlisting, Written test, Interview evaluation form and etc... are not available in his personal. As until his 6 months has not completed in OPHCD therefore his appraisal is not conducted yet, and not available in his personal file. 2. Zahidullah is one of the Founder of the organization and reference to the article 3 of OPHCD Bylaw - Annex 1- and the decision of the first meeting of the Board of Trustee of OPHCD - annex 2 - he assigned as Admin/Finance Manager. Therefore, his personal file does not have vacancy announcement, long list, short list, test result, offer letter etc. However, his CV, ToR of the position, educational document, and his contract along with the minutes of the meeting of Board of Trustee are available in his file provided during the assessment.
5	Lack of segregation of duties		
	We noted that there is one person, Finance Assistant is responsible for recording transactions and payments.	We recommend that the different activities/procedures within finance, admin, and procurement are segregated to avoid any risk of fraud or misappropriation. Functions, such as ordering and receiving should be segregated.	Accepted. Due to the organization scope and load of work and availability of resources recording transactions and payments done by one person/finance assistant while there are separate departments/staff for finance, Admin/HR and procurement. However, to further improve segregation of duties for avoid any risk of fraud and misappropriation, OPHCD will segregate and assign two different finance staff for the transaction recording and payments.

6	Lack of a cost allocation methodology.		
	We noted that OPHCD does not have a cost allocation methodology in place for shared costs.	We recommend that OPHCD should establish a cost allocation methodology for shared costs capable of dealing with different donors and projects.	Accepted
7	Lack of Biometric Attendance System.		
	During our audit we observed that there was no biometric attendance system in place.	We recommend that OPHCD installs the biometric attendance system to accurate time and attendance tracking, heightened security, and enhanced productivity from staff.	Accepted. OPHCD will implement it until end of Feb 2023.
8	Lack of dual signatories.		
	We noted that OPHCD has only one signatory i.e., Director for most of company bank accounts. To meet donor requirements, there are two authorized signatories for some bank accounts. We also noted that electronic payments are only authorized by the Director.	We recommend that all the entity bank accounts, and electronic payments should be operated based on dual signatures. We also recommend that OPHCD should introduce a third authorized signatory so as to avoid any delays in case one of the signatories being absent.	Accepted

9	Limit for Cash Payments.		
	There are no limits for cash payments in the financial policy.	We recommend that OPHCD should state the relevant controls and limits on cash payments in the financial policy.	Accepted
10	Cash payments should be minimised.		
	We noted that most of the payments including salaries are made in cash. Banking channels should be used for salaries and other payments when possible. Instances are noted in Annex I.	We recommend that salaries and other payments should be made through bank payments.	Accepted and agree with the provided recommendation. Due to the banking restrictions, getting fund as Cash from donor and non-willingness of the supplier for bank system - even in some cases the banking system cause increasing of prices of suppliers - some of the payments made in cash payment.

11	Internal audit department not established.		
	We noted that OPHCD does not have an internal check on its operations in the form of an internal auditor or internal audit department.	We recommend that OPHCD should consider implementing a full-time internal audit function or full-time internal auditor. Alternatively, independent consultants can be hired to carry out regular internal audits of the Company. An internal audit department / internal auditor could be useful in the following areas: • Monitoring the organization's compliance with financial accounting policies and procedures. • Testing the accuracy and reliability of financial information. • Assisting in the annual financial statement examination. • Adherence to establish internal controls and procedures. • Opportunities for operational improvement and efficiencies. • Training of new personnel. The internal audit department / internal auditor should be independent of the organization's management and should report directly to the Board of Directors / audit committee to ensure independence.	Accepted.

12	Fixed assets register not properly maintained.		
	We noted that fixed asset register is maintained. Indeed, we noted that the current register in place does not contain information such as the date of purchase, Voucher number Value of the assets are not properly included in the asset register. These additional pieces of information would allow a complete picture of the assets held by the organisation.	We recommend that the fixed assets register should be properly maintained and should include a date of purchase, Voucher number Value of the assets.	Accepted.
13	Lack of exceptions policy.		
	We noted that OPHCD does not have a policy related to exceptions to the procurement procedures.	We recommend that OPHCD should develop a procedure regarding the exceptions to the procurement procedures.	Accepted.
14	Independent Procurement department.		
	We noted that OPHCD procurement department works together with the operations department and is not separate/independent in terms of office/room as well. Additionally, Operation officer is responsible for procurement of the organization.	We recommend that OPHCD should form a separate procurement department for increased control. We also recommend that organization should recruit an employee for procurement department responsibilities.	For the time being, considering the load of work of the organization and availability of resources, OPHCD does not have independent Procurement & Logistic department while this section is functional under operation department and managed by the Senior operation officer supported by a dedicated Procurement & Logistic assistant. Considering the recommendation, OPHCD is working and will establish an independent Procurement & Logistic department led by a Procurement & Logistic officer until end of June 2023.

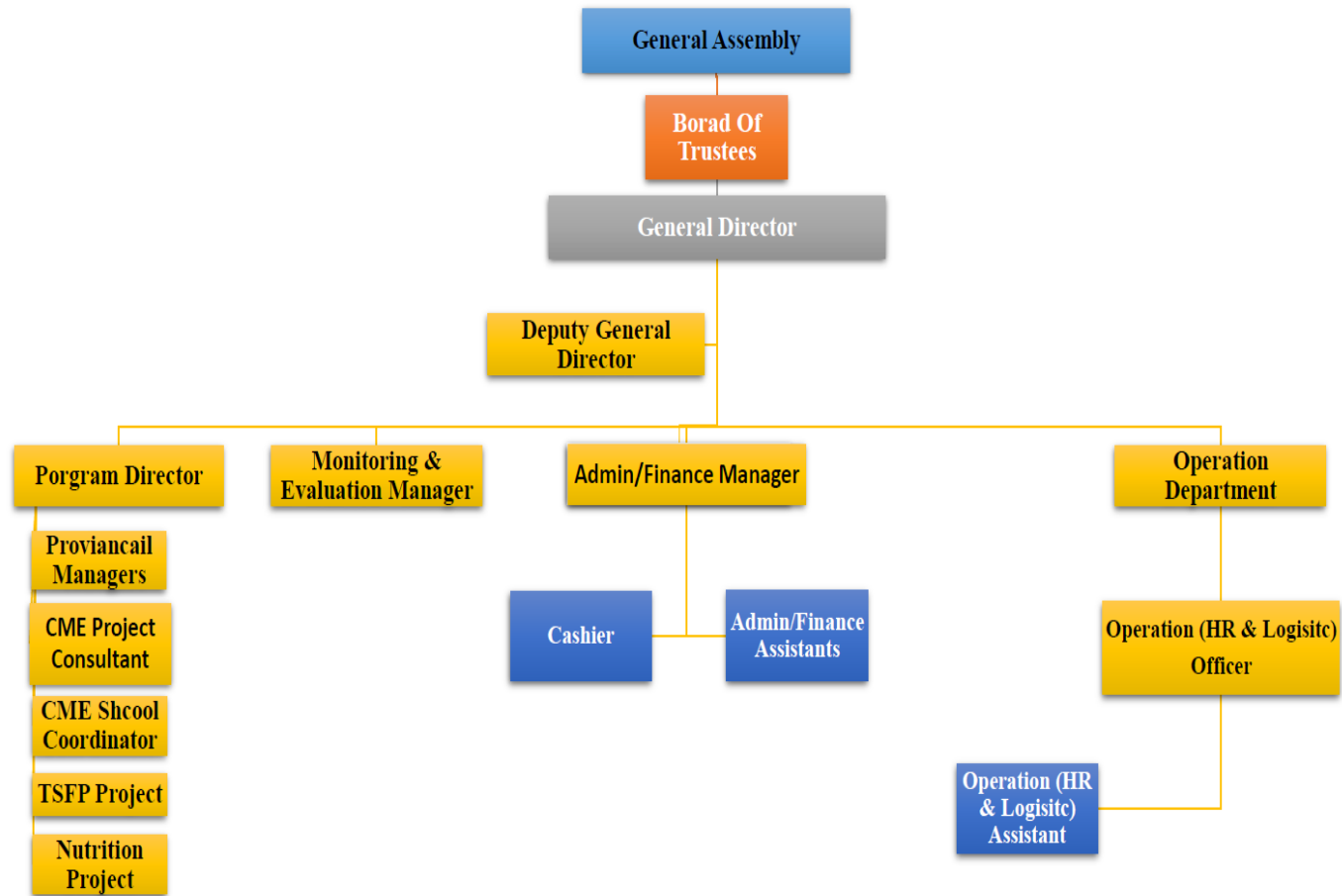
15	Supplier database not maintained.		
	We noted that OPHCD does not maintain a database of the past performance of suppliers.	We recommend that OPHCD maintains a database of the past performance of suppliers. This database should be referred to when selecting future suppliers.	Accepted

ANNEXES

ANNEX I: IMPLEMENTING PARTNER AND PROGRAMME INFORMATION

Implementing partner name:	Organization for Promotion of Health and Community Development (OPHCD)
Implementing partner code or ID in UNICEF, UNDP, UNFPA records (as applicable)	N/A
Implementing partner contact details (contact name, email address and telephone number)	Name: Mr. Mohammad Aziz Paewaston Email: director@ophcd.org/ophcd.afg@gmail.com phone#: +93-747198740 Name: Mr. Naqibullah mohammadi Email: ophcd.finance@gmail.com Phone: +93-783 638382
Main programmes implemented with the applicable UN agency/ies	WFP
Key official in charge of the UN agency/ies' programme(s)	Mr. Mohammad Aziz Paewaston
Programme location(s)	Urozgan and Helmand provinces
Location of records related to the UN Agency/ies' programme(s)	Baghlan, Faryab, Helmand, Kapisa, Paktia, paktika, Wardak, Laghaman, Nangarhar, Takhar, Kabul, Parwan, Khost, Ghazni and Logar.
Currency of records maintained	US Dollar
Expenditures incurred/reported to UNICEF, UNDP and UNFPA (as applicable) during the most recent financial reporting period (in US\$)	None
Cash transfer modality/ies used by the UN agency/ies to the implementing partner	N/A
Intended start date of micro assessment	Jan-22-2022 to Jan-25-2022
Number of days to be spent for visit to implementing partner	4 Days
Any special requests to be considered during the micro assessment	N/A

ANNEX II: IMPLEMENTING PARTNER ORGANISATIONAL CHART



ANNEX III: LIST OF PERSONS MET

Name	Unit / organisation	Position
Mohammad Aziz Paewaston	Directorate	General Director
Mohammad Yousuf Tayab	M&E Department	Program Director
Naqibullah Amini	Finance Department	Finance Manager
Abdul Mokhtar Hamdard	Technical program Department	Nutrition Coordinator
Rahim Dil Safi	Operation and procurement department	Operation Officer

ANNEX IV: MICRO ASSESSMENT QUESTIONNAIRE

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
1. Implementing partner						
1.1 Is the IP legally registered? If so, is it in compliance with registration requirements? Please note the legal status and date of registration of the entity.	Yes			Low	1	Organization for Promotion of Health & Community Development (OPHCD) is registered as an NGO with the Ministry of Economy (MoE) with registration number 4160 dated 1 April 2017. OPHCD is also registered with Ministry of Public Health with registration number 762 dated 27 July 2022.
1.2 If the IP received United Nations resources in the past, were significant issues reported in managing the resources, including from previous assurance activities.		No		Low	1	OPHCD has received funds in past from UN Organizations such as the WFP. Previous audit reports from 2018 to 2021 obtained. No significant issues were reported in managing the resources.

1.3 Does the IP have statutory reporting requirements? If so, are they in compliance with such requirements in the prior three fiscal years?	Yes			Low	1	Statutory requirements are as follows: 1. As required by law governing NGOs, statutory audited financial statements must be submitted to the Ministry of Economy annually. Statutory audited financial statements for 2018, 2019, 2020, and 2021 were obtained and reviewed. Audited financial statements were prepared according to international standards and as required by NGOs laws. 2. Semi-annual activity reports are submitted to the Ministry of Economy. We obtained and reviewed three semi-annual reports submitted to MoE for the year 2021 full year and 2022 mid-year. 3. OPHCD has submitted the annual tax returns till the year 2022 (1401) to Ministry of Finance (MoF) and has obtained tax clearance letters from MoF for the years 2019 to 2022.
1.4 Does the governing body meet on a regular basis and perform oversight functions?	Yes			Low	1	The Board of Directors is the highest decision-making body of the organization and consists of five members. Four board members are external to the organization. They hold functional meetings every 4 months. Meetings minutes of the Board of Directors are recorded, documented and available. The BoD's meeting minutes were obtained and reviewed for the years 2021 and 2022.
1.5 If any other offices/ external entities participate in implementation, does the IP have policies and process to ensure appropriate oversight and monitoring of implementation?			N/A	N/A	-	No external entities involved in the IP's projects.

1.6 Does the IP show basic financial stability in-country (core resources, funding trend) <i>Provide the amount of total assets, total liabilities, income, and expenditure for the current and prior three fiscal years.</i>	Yes			High	8	2021 (US\$): Total assets - 75,289 / Total liabilities - 75,289 Income - 165,469 / Expenditure - 281,038 2020 (US\$): Total assets - 196,046 / Total liabilities - 196,014 Income - 291,688 / Expenditure - 137,625 2019 (US\$): Total assets - 33,065 / Total liabilities - 33,065 Income - 44,756 / Expenditure - 19,210 The organization is considered financially unstable as it has no core funds to sustain the organization in case donor funds are reduced. Refer to internal control finding 1.
1.7 Can the IP easily receive funds? Have there been any major problems in the past in the receipt of funds, particularly where the funds flow from government ministries?	Yes			Low	1	No such issues were identified as OPHCD has its own bank account and funds are transferred easily to that bank account from donors.
1.8 Does the IP have any pending legal actions against it or outstanding material/significant disputes with vendors/contractors? <i>If so, provide details and actions taken by the IP to resolve the legal action.</i>		No		Low	1	No pending legal actions or outstanding material / significant disputes with vendors / contractors were identified during the assessment.
1.9 Does the IP have an anti-fraud and corruption policy?	Yes			Low	1	OPHCD has an anti-fraud and corruption policy, the "Anti-Fraud Policy".

1.10 Has the IP advised employees, beneficiaries, and other recipients to whom they should report if they suspect fraud, waste or misuse of agency resources or property? If so, does the IP have a policy against retaliation relating to such reporting?	Yes			Low	1	The OPHCD has a detailed anti-Fraud policy. According to policy reference 8. Reporting of fraud and Case Management, any employee, representative of vendors, suppliers, contractors, consultants, service providers or any other agency(ies) doing any type of business with OPHCD as soon as they come to know of any fraud or suspected fraud, or any other fraudulent activity must report such incident(s). OPHCD also has a feedback and Complaints Mechanisms Guidance Note for beneficiaries.
1.11 Does the IP have any key financial or operational risks that are not covered by this questionnaire? If so, please describe. <i>Examples: foreign exchange risk; cash receipts.</i>		No		Low	1	No financial or operational risks were identified that are not covered by this questionnaire.
Total number of questions in subject area:	11					
Total number of applicable questions in subject area:	10					
Total number of applicable key questions in subject area:	4					
Total number of risk points:	17					
Risk score	1.7					
Area risk rating	Low					

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
2. Programme management						
2.1. Does the IP have and use sufficiently detailed written policies, procedures, and other tools (e.g., project development checklist, work planning templates, work planning schedule) to develop programmes and plans?	Yes			Low	1	OPHCD has a separate program planning policy, the Program Development and Planning and M&E Framework policy. It foresees the project implementation plan that includes overall program activities and objectives and their implementation schedule, protocols (activities plan and tracking in the form of a checklist). In addition, a work plan is submitted to the donor which includes project activities, time frame, and budget for those activities.
2.2. Do work plans specify expected results and the activities to be carried out to achieve results, with a time frame and budget for the activities?	Yes			Low		OPHCD is currently implementing 4 projects funded by the Global Polio Eradication Initiative (GPEI), Deutsche Welthungerhilfe, Qatar Red Crescent Society (QRCS) and the Infinet Foundation Netherlands for the projects, strengthening routine immunization in Helmand and Oruzgan, Emergency nutrition project, Community Midwifery education program, Primary education in Kunduz. Work plans were approved by the donors, along with project activities, timeframe, and budget for those activities.
2.3 Does the IP identify the potential risks for programme delivery and mechanisms to mitigate them?	Yes			Significant	3	OPHCD has policies and procedures for risk identification, assessment, and the mitigation of risk is properly discussed in M&E policy. However, there is no risk register maintained for the organization as a whole. Refer to internal control findings 2

2.4 Does the IP have and use sufficiently detailed policies, procedures, guidelines, and other tools (checklists, templates) for monitoring and evaluation?	Yes			Moderate	2	OPHCD has a detailed monitoring and evaluation policy, the "Monitoring and Evaluation policy". It has sufficiently detailed procedures, methodologies, framework, indicators guidelines and other tools for monitoring and evaluation of the projects which includes M&E plan, activity tracker, tracking checklist and Quarterly site visits report.
2.5 Does the IP have M&E frameworks for its programmes, with indicators, baselines, and targets to monitor achievement of programme results?	Yes			Low	1	OPHCD has M&E frameworks for its programs, with indicators, baselines, and targets, means of verifications, data collection method, and a nominated responsible person for monitoring the achievement of program and gathering the results.
2.6 Does the IP carry out and document regular monitoring activities such as review meetings, on-site project visits, etc.	Yes			Low	1	Monthly management meetings are held by the Project Manager to observe the progress of the project and ensure the delivery of the program activities. M&E field visits are carried out and monitoring reports are prepared based on the visits as per the M&E plan on a quarterly basis. National level meetings are held with the senior team like Program Director, M&E Manager, General Director, Finance Manager, Operation Manager. Quarterly management meeting minutes and monitoring reports were obtained and reviewed.

2.7 Does the IP systematically collect, monitor, and evaluate data on the achievement of project results?	Yes			Low	1	The organization does systematically collect, monitor, and evaluate data on the achievement of project results as detailed in the M&E policy for a project by collecting the means of verifications for the activities as per the work plan.
2.8 Is it evident that the IP followed up on independent evaluation recommendations?	Yes			Low	1	Recommendations were followed up and implemented accordingly
Total number of questions in subject area:	8					
Total number of applicable questions in subject area:	8					
Total number of applicable key questions in subject area:	2					
Total number of risk points:	11					
Risk score	1.38					
Area risk rating	Low					

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
3. Organizational structure and staffing						
3.1 Are the IP's recruitment, employment and personnel practices clearly defined and followed, and do they embrace transparency and competition?	Yes			High	8	OPHCD has detailed HR policies and procedures which cover areas such as personal file, vacancy, recruitment, joining, probation, performance appraisal/staff training and development, promotions, holidays, entitlements and benefits, safety and security, code of conduct, complaint process, termination, disciplinary policy and non-discrimination policy. An open vacancy is advertised through online platforms such as local announcement in through billboards ACBAR, kept opened for 1 to 2 weeks. After receipt of CVs, an initial long list and/or short list is prepared. Face to face interviews is conducted. Depending on the vacancy, a written test is also taken if applicable. The interview panel includes the relevant program director, the operation officer and one member of administration and Deputy Director or general Director. Final approval is given by the Interview panel (at least three staff). However, we noted that Senior operations officer undertakes HR responsibilities who is supported by Admin/HR assistant and there is no separate HR department. Refer to internal control findings 3.

3.2 Does the IP have clearly defined job descriptions?	Yes			Low	1	OPHCD does have clearly defined job descriptions for all staff.
3.3 Is the organizational structure of the finance and programme management departments, and competency of staff, appropriate for the complexity of the IP and the scale of activities? Identify the key staff, including job titles, responsibilities, educational backgrounds and professional experience.	Yes			High	8	Key Management personnel include: 1. Muhammad Aziz General Director is MBA from Peshawar University Pakistan, BSc from Jawahar University, Faculty of Geology & Mines Engineering. He has more than 7 years' experience in the relevant role. 2. Mohammad Yousaf Tayeb Project Director is Master of Public Health (MPH), October 2015, OPJS University-India, MD From Nangarhar University Afghanistan, DPN, MPH. He has more than 10 years' experience in the relevant role. 3. Rahimdil Safi Operation Manager is MBA. He has more than 10 years of experience in the relevant role. 4. Naqibullah Amini Finance Manager is graduated from Nangarhar University faculty of Economics Department of Finance and banking. He more than 5 years' experience in the relevant role. 5. Hazrat Gul Zaheer M&E Manager is MPH (Master of Public Health) OPJS (Om Perakash Jogender Singh) University, MD (Doctor of Curative Medicine) Sheikh Zayed University. He has more than 10 years' experience in the relevant role. 6. Abdul Mukhtar Nutrition Coordinator is MD, from Nangarhar Medical College in year 2003. He has more than 5 years' experience in the relevant role. However, we noted some deficiencies during personnel file compliance. Refer to internal control findings 4.

3.4 Is the IP's accounting/finance function staffed adequately to ensure sufficient controls are in place to manage agency funds?	Yes			Significant	6	The finance staff is adequately staffed to perform the necessary functions to ensure sufficient controls are in place to manage the agency funds. However, the Finance Assistant is responsible for recording transactions and payments. There are four finance staff one finance manager and finance assistant in Kabul and two finance assistants in provinces. Refer to internal control findings 5.
3.5 Does the IP have training policies for accounting/finance/ programme management staff? Are necessary training activities undertaken?	Yes			Low	1	OPHCD's HR policy section 7.3 constituting "Staff Training and Development " states that: "A key objective in OPHCD is to provide employees with opportunities for professional growth within the organization. OPHCD strives toward providing training opportunities for national staff through funding of education/courses related to professional development, as allowed by budgetary constraints. A yearly plan is developed by HR showing office needs and budget and presented to the Head of Office for action". Considering HR policy, during 2022 OPHCD conducted these trainings for Program and operation staff: 1) Management/M&E training for all staff, 2) PSEA training for all staff, and 3) ETS & CTS trainings for CME instructors, 4) IMAM & MIYCN trainings for HFs staff. Supporting documents of all these training including training plan 2022, agenda of all trainings, pre-test and post-tests, participants list, training completion certificates were provided and reviewed.

3.6 Does the IP perform background verification/checks on all new accounting/finance and management positions?	Yes			Low	1	Before an appointment is made, the HR must check at least one to two references (past employers). References are checked through emails and documented in the personnel files. Additionally, background checks of the prospective staff are also made and documented.
3.7 Has there been significant turnover in key finance positions the past five years? If so, has the rate improved or worsened and appears to be a problem?		No		Low	1	There has been no significant turnover in key finance positions in past five years.

3.8 Does the IP have a documented internal control framework? Is this framework distributed and made available to staff and updated periodically? If so, please describe.	Yes			Low	1	The elements are described in separate individual documents that constitute an effective framework, which is adequate to the size of the IP. OPHCD has detailed by-laws, policies and procedures including a Human Resource Policy, Program Development Planning Policy, Finance Management Policy and Procedures Manual, Finance - Petty Cash Safe Mgmt., Code of Conduct and Disciplinary Rules, Conflict of Interest Manual, Child Protection Policy, Communication protocols, Gender policy, Generic SOP, Inventory Department Policy, Procurement Logistics policy, Anti-terrorism and security Policy, Administration Policy, Internal-audit-procedures-manual, Indirect Cost Recovery Policy, IT Policy, Sub Awardee Assessment Policy, PSEA Policy, Organizational Ethics, Anti-Fraud Policy, Safety & Security Policy, Information & Record Management Policy, Whistle-blower Policy, Complaints & Investigation Policy, Accountability to Affected Population Policy, M & E Framework policy, Annual Training Program, Management Staff Policy, Procurement Oversight and Procurement Review Committee, Needs Assessment Guideline, Community Involvement Strategy, Working Environment Policy, Self-declaration Procedure form for-applicants, PSEA awareness strategy with communities, Standard Service Delivery Guidelines, Asset Disposal Policy, Internal Control Policy and Retention archiving policy.
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Total number of questions in subject area:	8
Total number of applicable questions in subject area:	8
Total number of applicable key questions in subject area:	3
Total number of risk points:	27
Risk score	3.38
Area risk rating	Significant

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4. Accounting policies and procedures						
4a. General						
4.1 Does the IP have an accounting system that allows for proper recording of financial transactions from United Nations agencies, including allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds?	Yes			Low	1	OPHCD uses QuickBooks as an accounting system which is adequate for an organization of the size of OPHCD. QuickBooks is a double-entry accounting system. A chart of accounts is developed which accurately captures the transactions by project, expenditure type, source of funding, and budget lines.
4.2 Does the IP have an appropriate cost allocation methodology that ensures accurate cost allocations to the various funding sources in accordance with established agreements?		No		High	8	Shared costs are allocated based on budgets agreed with different donors. For shared salaries, project wise timesheets are prepared indicating the time spent on each project. For other shared cost, no cost allocation sheet is maintained to allocate cost to different projects. The costs which are not foreseen in the budget are charged to admin cost/indirect costs. Refer to internal control findings 6.
4.3 Are all accounting and supporting documents retained in an organized system that allows authorized users easy access?	Yes			Low	1	The financial documents and vouchers are kept in the finance department and archived in a cabinet for each department which is locked and the key to the cabinet is with the relevant department head.
4.4 Are the general ledger and subsidiary ledgers reconciled at least monthly? Are explanations provided for significant reconciling items?	Yes			Low	1	The general ledger and subsidiary ledgers are reconciled at least monthly. Explanations are provided for significant reconciling items and are properly documented. Reconciliations of receivables, payables, cash, and bank are carried out.

4b. Segregation of duties						
4.5 Are the following functional responsibilities performed by different units or individuals: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction?	Yes			Low	1	Individuals/services responsible for each function: (a) (General Director) - authorization to execute a transaction. (b) (Finance officer/Finance Assistant) - recording of the transaction; and (c) (Operation Officer/Operation Assistant) - custody of assets involved in the transaction. All the roles and responsibilities of each function are detailed in the personal file of employees.
4.6 Are the functions of ordering, receiving, accounting for and paying for goods and services appropriately segregated?		No		Significant	6	Individuals/services responsible for each function: (a) Operation Officer - ordering. (b) Operation Officer - Stock Assistant. (c) Finance Assistant - accounting; and (d) Finance Assistant - payment. Due to the small number of staff, there is a lack of segregation of duties. Refer to internal control findings 5.
4.7 Are bank reconciliations prepared by individuals other than those who make or approve payments?	Yes			Low	1	Bank reconciliations are prepared by the Finance Manager and approved by the General Director.
4c. Budgeting system						
4.8 Are budgets prepared for all activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance?	Yes			Low	1	OPHCD is currently implementing four projects. Each project has a budget which was approved by the donor. The budget has been prepared with enough detail and explanation to provide meaningful information for the project implementation and monitoring purpose.

4.9 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations from the budget?	Yes			Low	1	OPHCD carries out the comparison of actual expenditures with budgeted expenditures for the projects on monthly basis. We were provided and reviewed with budget Versus actual follow up on a monthly basis.
4.10 Is prior approval sought for budget amendments in a timely way?	Yes			Low	1	Prior approvals of budget amendments are obtained from the donor as required by the project agreement signed between the donor and OPHCD.
4.11 Are IP budgets approved formally at an appropriate level?	Yes			Low	1	The budget or any amendments to the budget are approved by the General Director subsequently by the donor.
4d. Payments						
4.12 Do invoice processing procedures provide for: • Copies of purchase orders and receiving reports to be obtained directly from issuing departments? • Comparison of invoice quantities, prices and terms with those indicated on the purchase order and with records of goods/services actually received? • Checking the accuracy of calculations?	Yes			Low	1	Yes, invoice processing procedures are as follows: Each voucher includes supporting documentation such as purchase requisition, purchase order, copies of competitive bids (if applicable) and the vendor selected, sole source justification (if appropriate), the vendor invoice, goods receipt, proof of payment and proof of tax payment (if applicable). Before processing of invoice, purchase order and goods received note are reviewed by the finance department. Invoices are compared with purchase order for price and with goods received note for quantity as per the purchase order and also to check the accuracy of calculations.

4.13 Are payments authorized at an appropriate level? Does the IP have a table of payment approval thresholds?	Yes			Low	1	Payments are authorized at an appropriate level. The payment approval thresholds are given below: - For expenses up to AFN 25,000.00 - Operations Manager approval is required. - For expenses between AFN 25,000 to 50,000 - Finance Manager approval is required. - For expenses between AFN 50,000 to 200,000 - Deputy Director approval is required. - For expenses between AFN 200,000 or above - General Director approval is required.
4.14 Are all invoices stamped 'PAID', approved, and marked with the project code and account code?	Yes			Low	1	The invoices are stamped as PAID, vouchers are approved and marked with the project code and account code.
4.15 Do controls exist for preparation and approval of payroll expenditures? Are payroll changes properly authorized?	Yes			Low	1	HR officer prepares the payroll which is verified by Finance Manager for any changes in salaries and approved by General Director.
4.16 Do controls exist to ensure that direct staff salary costs reflects the actual amount of staff time spent on a project?	Yes			Moderate	4	Time sheets are prepared only for shared staff which are signed by the employee, approved by line supervisor, and shared with HR for review. These timesheets are then used for preparation of the payroll. For all 100% project staff the organizations use manual attendance sheet. However, there is no biometric attendance system in use.
4.17 Do controls exist for expense categories that do not originate from invoice payments, such as DSAs, travel, and internal cost allocations?	Yes			Low	1	Travel expenses are incurred according to HR policies on actual basis for transportation and hotels; DSAs are charged based on the DSA rate per province mentioned in HR policy from AFN 2,000 to 5,000.

4e. Policies and procedures						
4.18 Does the IP have a stated basis of accounting (i.e. cash or accrual) and does it allow for compliance with the agency's requirement?	Yes			Low	1	OPHCD uses an accrual basis of accounting which allows compliance with the Agency's requirements.
4.19 Does the IP have an adequate policies and procedures manual and is it distributed to relevant staff?	Yes			Low	1	Yes, the policies and procedures are distributed to relevant staff.
4f. Cash and bank						
4.20 Does the IP require dual signatories / authorization for bank transactions? Are new signatories approved at an appropriate level and timely updates made when signatories depart?		No		High	8	OPHCD requires single authorized signatory for the bank payments. There are two authorized signatories, the General Director, and the Admin Finance Director. Refer to internal control findings 8.
4.21 Does the IP maintain an adequate, up-to-date cashbook, recording receipts and payments?	Yes			High	8	The IP maintains an up-to-date cashbook (which was obtained and reviewed). However, cash payment limit was not mentioned in the organization policies. Refer to internal control findings 9.
4.22 If the partner is participating in micro-finance advances, do controls exist for the collection, timely deposit and recording of receipts at each collection location?			N/A	N/A	-	The IP does not participate in micro-finance advances.
4.23 Are bank balances and cash ledger reconciled monthly and properly approved? Are explanations provided for significant, unusual and aged reconciling items?	Yes			Low	1	The bank balances and cash ledger are reconciled on a monthly basis and are properly approved by the General Director of the organization. The explanations for significant, unusual, and aged reconciling items are obtained and are properly documented.

4.24 Is substantial expenditure paid in cash? If so, does the IP have adequate controls over cash payments?	Yes			High	8	Most of the payments are made in cash including salaries. Each voucher includes adequate supporting documentation. such as a purchase requisition, purchase order form, comparative quotation / bid analysis statement (if applicable) and the vendor selected, sole source justification (if applicable), the vendor invoice, service / goods receipt note, authorized payment instruction form vendor and proof of tax payment (if applicable) and payment voucher. However, walkthroughs were performed, and issues were observed. Refer to internal control findings 10.
4.25 Does the IP carry out a regular petty cash reconciliation?	Yes			Low	1	Weekly cash counts are carried out by the Finance Assistant, supervised by Finance Manager. The cash counts include reconciliation with the cash book. Surprise cash counts are checked by Finance Manager and witnessed by the Executive Director.
4.26 Are cash and cheques maintained in a secure location with restricted access? Are bank accounts protected with appropriate remote access controls?	Yes			Low	1	Cash and cheques are kept in a safe. The safe is operated with the use of two keys. However, all the keys are kept by the Finance Manager and executive director. The safe is fireproof.
4.27 Are their adequate controls over submission of electronic payment files that ensure no unauthorized amendments once payments are approved and files are transmitted over secure / encrypted networks?			N/A	N/A	-	OPHCD does not use electronic online banking services.

4g. Other offices or entities						
4.28 Does the IP have a process to ensure expenditures of subsidiary offices/ external entities are in compliance with the work plan and/or contractual agreement?			N/A	N/A	-	OPHCD does not have or use other offices.
4h. Internal audit						
4.29 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?			N/A	N/A	-	OPHCD is implementing 4 projects. An internal audit department is not feasible for them, but an Internal Audit function could be instigated. Due to the size of the organisation, an internal audit function has not been set up. Refer to internal control findings 11.
4.30 Does the IP have stated qualifications and experience requirements for internal audit department staff?			N/A	N/A	-	N/A
4.31 Are the activities financed by the agencies included in the internal audit department's work programme?			N/A	N/A	-	N/A
4.32 Does the IP act on the internal auditor's recommendations?			N/A	N/A	-	N/A
Total number of questions in subject area: 32 Total number of applicable questions in subject area: 25 Total number of applicable key questions in subject area: 18 Total number of risk points: 61						
Risk score 2.44 Area risk rating Low						

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
5. Fixed assets and inventory						
5a. Safeguards over assets						
5.1 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?	Yes			Low	1	OPHCD assets consist of computers, furniture & fixtures, electrical equipment, and communications equipment. All the assets are properly tagged and tag numbers for each asset are recorded in the fixed assets register for control purposes. Assets are stored in a warehouse when not in use. Assets related to each department are registered on the name of that relevant department head and he is responsible for those assets. A fixed assets register is maintained, and physical verifications are performed on six-month basis. However, date of purchase, Voucher number & amount/value of the assets are not recorded in the fixed asset register. Refer to internal control findings 12
5.2 Are subsidiary records of fixed assets and inventory kept up to date and reconciled with control accounts?	Yes			Low	1	The subsidiary records of fixed assets and inventory are kept up to date are reconciled with control accounts.
5.3 Are there periodic physical verification and/or count of fixed assets and inventory? If so, please describe?	Yes			Low	1	Physical verification of assets is performed every six months. Physical asset verification documents were reviewed.
5.4 Are fixed assets and inventory adequately covered by insurance policies?			N/A	N/A	-	OPHCD has IT equipment and office furniture which does not need insurance.

5b. Warehousing and inventory management						
5.5 Do warehouse facilities have adequate physical security?	Yes			Moderate	4	The OPHCD has warehouses located in Kabul, Oruzgan and Helmand provinces offices. The Pharmacy Assistant is responsible for warehouses in Oruzgan, Helmand and the Operation Officer is responsible for the warehouse in Kabul. Based on our review, warehouses have adequate physical security controls. Warehouses are physically locked; there also have video-surveillance systems in place. OPHCD maintains minimal inventory in the warehouse including some not-in-use assets, stationary items, and medicines both in provinces and in Kabul.
5.6 Is inventory stored so that it is identifiable, protected from damage, and countable?	Yes			Low	1	Inventory stored are identifiable, protected from damage and countable.
5.7 Does the IP have an inventory management system that enables monitoring of supply distribution?	Yes			Low	1	The inventory items of OPHCD include some goods received from Action Contre la Faim/Action Against Hunger (ACF) and the WFP for distribution like Supplementary feeding, medicines Hygiene Kits and stationery. Currently, spreadsheets are used by the entity for maintaining the inventory records. However, this is deemed adequate to the size and activities of the organisation.
5.8 Is responsibility for receiving and issuing inventory segregated from that for updating the inventory records?	Yes			Low	1	The operation officer is responsible for maintaining inventory records in Kabul, Stock Assistant is responsible for issuance of inventory and in provinces the Pharmacy assistant is responsible for maintaining inventory and Stock assistant is responsible for issuance of inventory.

5.9 Are regular physical counts of inventory carried out?	Yes			Low	1	The Targeted Supplementary Feeding Program (TSFP) Project Supervisor is regularly carrying out inventory count every month.
Total number of questions in subject area:	9					
Total number of applicable questions in subject area:	8					
Total number of applicable key questions in subject area:	2					
Total number of risk points:	11					
Risk score	1.38					
Area risk rating	Low					

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
6. Financial reporting and monitoring						
6.1 Does the IP have established financial reporting procedures that specify what reports are to be prepared, the source system for key reports, the frequency of preparation, what they are to contain and how they are to be used?	Yes			Moderate	2	The OPHCD uses the QuickBooks accounting system, which is able to generate financial reports for multiple projects on project code basis. The reports are generated as per the donor requirements. The reports include profit and loss, budget variance and balance sheet if required.
6.2 Does the IP prepare overall financial statements?	Yes			Moderate	2	OPHCD prepares full fledge financial statements which are audited as well.
6.3 Are the IP's overall financial statements audited regularly by an independent auditor in accordance with appropriate national or international auditing standards? If so, please describe the auditor.	Yes			Moderate	4	Yes, the financial statements are audit by Alliot Gulf Limited on annual basis as per the audited statements that were presented for review. The audit reports for the past three years were obtained and reviewed.
6.4 Were there any major issues related to ineligible expenditure involving donor funds reported in the audit reports of the IP over the past three years?	No			Moderate	4	There were no major issues identified. We observed that the recommendation of previous auditors was fully implemented. However no follow up action plan was maintained.
6.5 Have any significant recommendations made by auditors in the prior five audit reports and/or management letters over the past five years and have not yet been implemented?	No			Moderate	2	There were no major recommendations for issues apart from some internal controls which were also reviewed during the interview and walkthroughs. Whilst we noted that the recommendation of previous auditors were fully implemented, there was no follow up action plan that was implemented nor maintained.
6.6 Is the financial management system computerized?	Yes			Low	1	Yes, OPHCD uses QuickBooks accounting system.

6.7 Can the computerized financial management system produce the necessary financial reports?	Yes			Low	1	The reports include profit and loss, cashflow, budget variance and balance sheet and trial balance.
6.8 Does the IP have appropriate safeguards to ensure the confidentiality, integrity and availability of the financial data? <i>E.g., password access controls; regular data back-up.</i>	Yes			Low	1	Accounting records are backed up in cloud. The data is accessible to finance department only and password protected as well.
Total number of questions in subject area:	8					
Total number of applicable questions in subject area:	8					
Total number of applicable key questions in subject area:	3					
Total number of risk points:	17					
Risk score	2.13					
Area risk rating	Moderate					

Subject area (key questions in bold)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
7. Procurement and contract administration						
7a. Procurement						
7.1 Does the IP have written procurement policies and procedures?	Yes			Low	1	OPHCD has detailed procurement policies which includes separate sections for each procedure according to the amount of procurement. The policy includes generation of PR, PO/Contract, GRN/SRN, Bid Analysis, Tendering process, and the provision of supporting documents necessary for the payment such as Invoice/bills, bank details, License etc..
7.2 Are exceptions to procurement procedures approved by management and documented?	No			Significant	3	There are no exceptions to procurement procedures. However, proper approval is taken from the senior management for any procurement made. Refer to internal control findings 13

7.3 Does the IP have a computerized procurement system with adequate access controls and segregation of duties between entering purchase orders, approval and receipting of goods? Provide a description of the procurement system.	No			Moderate	2	No computerised procurement system in place. However, proper segregation of duties is present for generation and approval of PO, receipt of goods and requesting personnel in the initial stage. A request is made for any procurement required and proper approvals taken. Documents raised for the procurement include the Requisition form, Procurement committee consideration, Quotations, comparative Quotation / Bid Analysis Statement, Purchase Order form, and Service / Goods Received Note. A purchase requisition form is raised by the Logistic Officer, which is checked by the Finance Manager, approved by General Director. For procurement above AFN 5,000, three quotations are obtained from the open market. The Comparative Quotation / Bid Analysis Statement is prepared by Logistic officer, checked by the Finance manager, and approved by the General Director. After the completion of supplier selection, the Logistic officer prepares the purchase order form which is verified / checked by the Finance manager and approved by the General Director. Service / Goods are received by the prepared by Finance Assistant, Delivered by Logistic Officer, received by CME Coordinator and the invoice is processed by finance. This is deemed appropriate to the size and activities of the IP.
7.4 Are procurement reports generated and reviewed regularly? Describe reports generated, frequency and review & approvers.			N/A	N/A	-	OPHCD has a manual procurement system.

7.5 Does the IP have a structured procurement unit with defined reporting lines that foster efficiency and accountability?		No		High	4	Procurement department works under the operations department and is not independent. The Operations Officer is responsible for procurement activities. Refer to internal control findings 14.
7.6 Is the IP's procurement unit resourced with qualified staff who are trained and certified and considered experts in procurement and conversant with UN / World Bank / European Union procurement requirements in addition to the IP's procurement rules and regulations?	Yes			Moderate	2	Yes, the organization procurement staff are qualified, trained and have relevant expertise. The Operation Officer is responsible for the procurement of goods / services who is supported by procurement and logistic Assistant.
7.7 Have any significant recommendations related to procurement made by auditors in the prior five audit reports and/or management letters over the past five years and have not yet been implemented?		No		Low	1	There were no significant recommendations made by auditors relating to the procurement made in the prior five audit reports and management letters.
7.8 Does the IP require written or system authorizations for purchases? If so, evaluate if the authorization thresholds are appropriate?	Yes			Low	1	OPHCD has a system for authorization for payment. For expenses up to AFN 25,000.00 - Operation Manager is required. For expenses above AFN 25,000 to 50,000 - Finance Manager approval is required. For expenses above AFN 50,000 to 200,000 - Deputy Director approval is required. For expenses above AFN 200,000 or above - General Director approval is required.
7.9 Do the procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria?	Yes			Low	1	We are provided and reviewed contract template. The contract template includes references to ethical procurement principles or the exclusion and ineligibility criteria.

7.10 Does the IP obtain sufficient approvals before signing a contract?	Yes			Low	1	General Director in Kabul and the project managers in provinces are authorized to sign / approve a contract on behalf of OPHCD.
7.11 Does the IP have and apply formal guidelines and procedures to assist in identifying, monitoring and dealing with potential conflicts of interest with potential suppliers/procurement agents? If so, how does the IP proceed in cases of conflict of interest?	Yes			Low	1	Yes, the OPHCD has a well-defined conflict of interest policy and procedures for identifying, monitoring, and dealing with potential conflicts of interest with potential suppliers/procurement agents.
7.12 Does the IP follow a well-defined process for sourcing suppliers? Do formal procurement methods include wide broadcasting of procurement opportunities?	Yes			Low	1	OPHCD has detailed procurement policies which includes separate sections for each procedure according to the amount of procurement. The policy includes generation of PR, PO/Contract, GRN/SRN, Bid Analysis, Tendering process and the provision of supporting documents necessary for the payment such as Invoice/bills, bank details, License etc. Procurement is advertised publicly as per the policy limits and open to tender as well. Procurement thresholds are stated below: AFN 1 to 5,000: PR, Invoice and GRN AFN 5,001 to 50,000: PR, three quotations, quotations committee, Invoice, GRN, Delivery Note. AFN 50,001 to 750,000: PR, three quotations, quotations committee, Invoice, GRN, Delivery Note, CBA, contract, purchase order and Quality control. AFN 750,001 to 1,000,000: PR, three quotations (Sealed), quotations committee, Invoice, GRN, Delivery Note, CBA, contract, purchase order and Quality control. for above AFN 1,000,000: Open Tendering (via media).

7.13 Does the IP keep track of past performance of suppliers? E.g., database of trusted suppliers.		No		Significant	3	The organization does not keep track of past performance of suppliers. Refer to internal control findings 15.
7.14 Does the IP follow a well-defined process to ensure a secure and transparent bid and evaluation process? If so, describe the process.	Yes			Low	1	• The logistic officer prepares the RFQ according to the description. • The quotation committee distributes the RFQ to three potential suppliers for collecting of quotations. • The quotation committee recollects the offers in a sealed envelope (s), reviews and signs the quotations. • All quotations should be listed in the Comparative Bid Analysis to select the best quotation. This form is used to compare the price of items between different suppliers. The purchasing committee members check the quality, specification, and best price for the item. • The Comparative Bid Analysis is checked by the Finance Manager and approved by the operations Director or General Director.
7.15 When a formal invitation to bid has been issued, does the IP award the contract on a pre-defined basis set out in the solicitation documentation taking into account technical responsiveness and price?	Yes			Low	1	Yes, the award is based on the pre-defined basis as set out in the procurement policy. Technical responsiveness and price is reviewed by the tendering committee.
7.16 If the IP is managing major contracts, does the IP have a policy on contracts management / administration?			N/A	N/A	-	OPHCD is not managing major contracts.

7b. Contract Management - To be completed only for the IPs managing contracts as part of programme implementation. Otherwise select N/A for risk assessment						
7.17 Are there personnel specifically designated to manage contracts or monitor contract expirations?			N/A	N/A	-	N/A
7.18 Are there staff designated to monitor expiration of performance securities, warranties, liquidated damages and other risk management instruments?			N/A	N/A	-	N/A
7.19 Does the IP have a policy on post-facto actions on contracts?			N/A	N/A	-	N/A
7.20 How frequent do post-facto contract actions occur?			N/A	N/A	-	N/A
Total number of questions in subject area:	20					
Total number of applicable questions in subject area:	14					
Total number of applicable key questions in subject area:	5					
Total number of risk points:	23					
Risk score	1.64					
Area risk rating	Low					

Totals						
Total number of questions:	96					
Total number of applicable questions:	81					
Total number of applicable key questions:	37					
Total number of risk points:	167					
Total risk score	2.06					
Overall risk rating	Low					