

# AUDIT EXPERIENCES

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# What is an audit?

- An optional external, objective assessment of a programme's monitoring system against the DCED Standard.
- The audit report is kept confidential and will not be made public unless the programme chooses to do so.

# Potential Benefits of the Audit

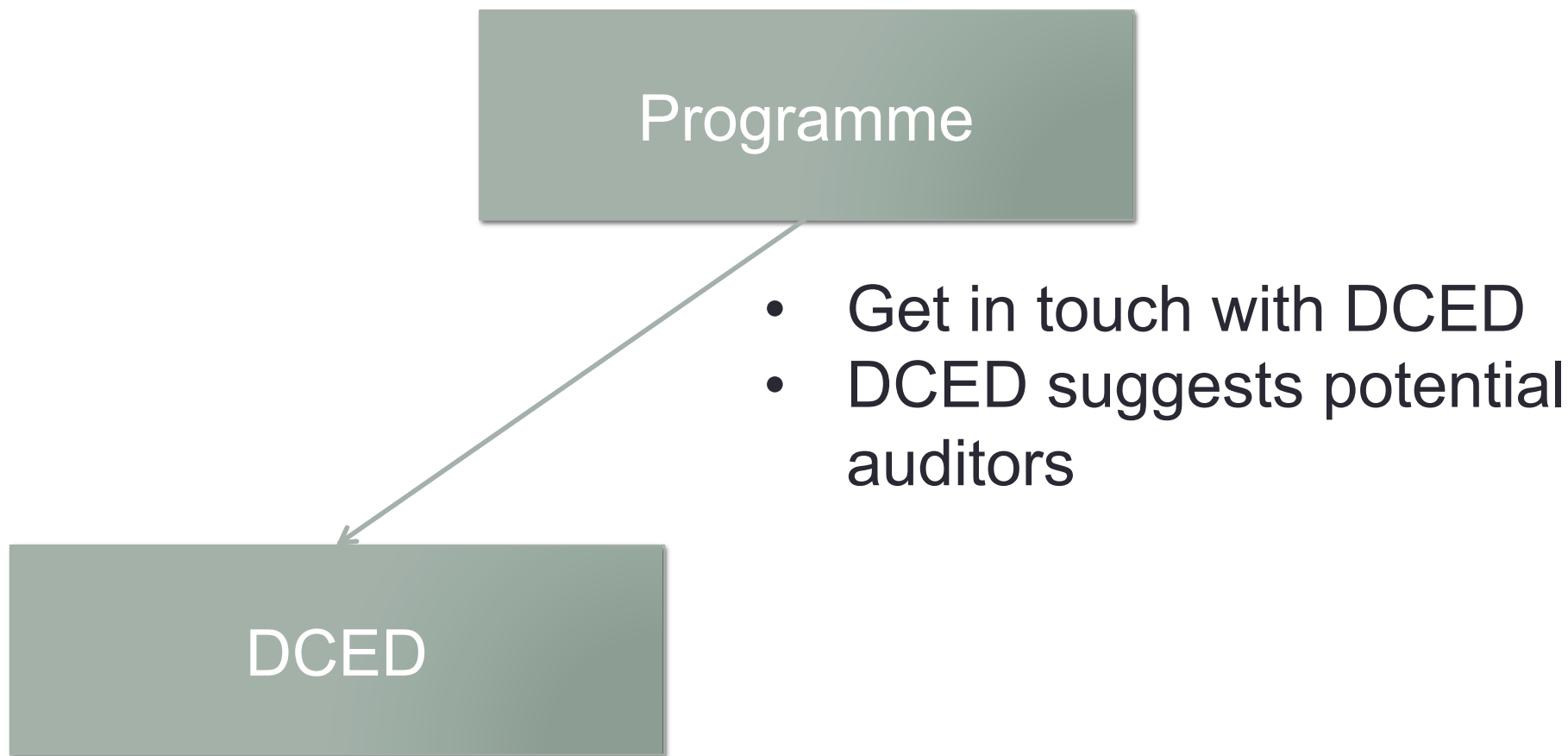
- Focusing the efforts of programme staff, managers, and the results measurement team on ensuring that the results measurement system meets the DCED Standard.
- Providing credibility to self-reported results, at a relatively low cost. Instead of relying entirely on external consultants to gather data, and write reports, the programme team continues to do that, but the system is audited to ensure that it is operating correctly.
- Bringing recognition from donors, recipient governments, and other agencies as being seriously engaged in results measurement and quality work

# Preparing for an audit

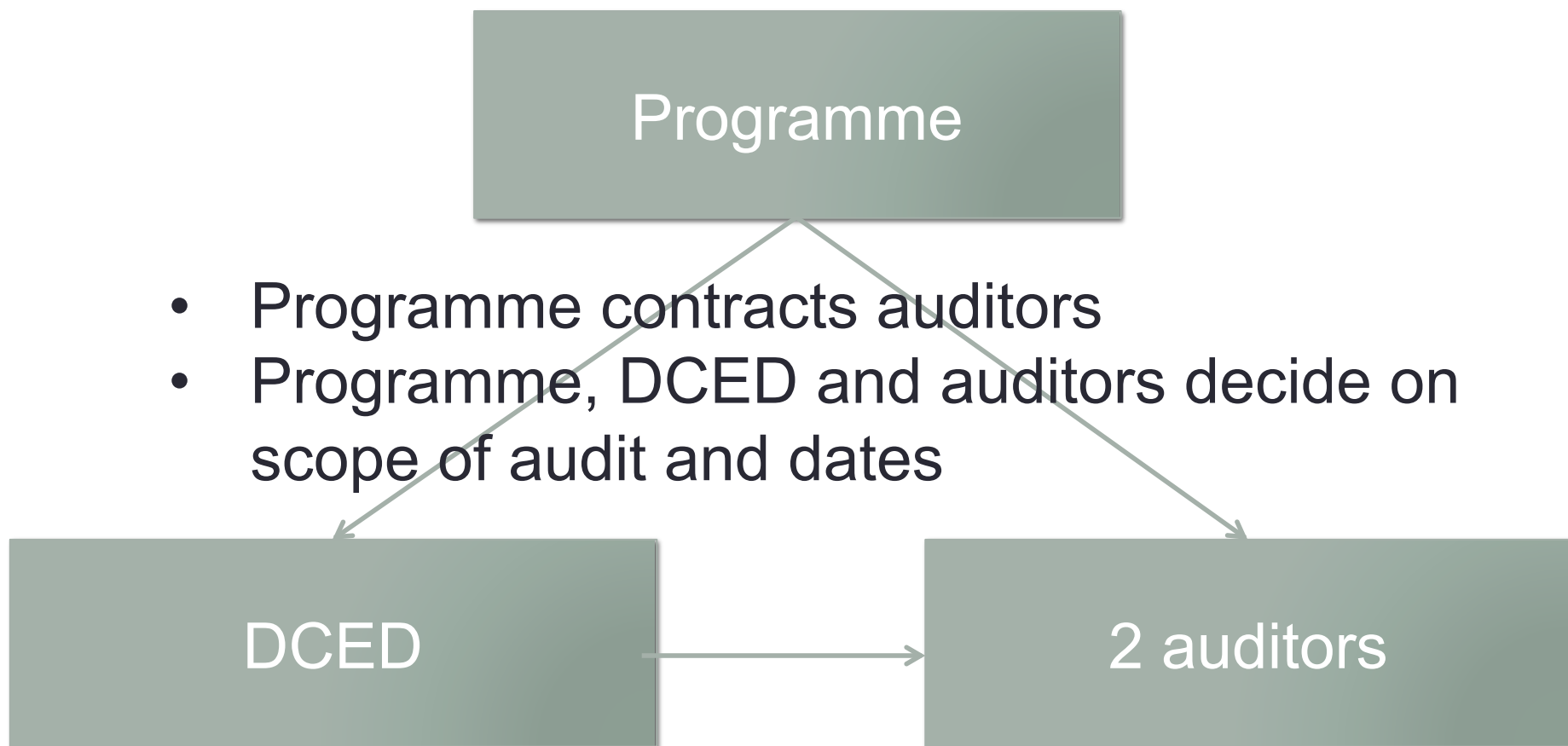
## Programme

- Get a pre-audit review done by a consultant
- Based on the findings of the pre-audit review make necessary changes as required.

# Preparing for an audit



# Preparing for an audit



## Preparing for an audit (continued):

- Programme needs to make available a complete set of documents on all sectors/projects that are put up for the audit at least 6 weeks before actual audit. **Subsequent submission of documents may not be accepted by auditors.**
- Documents include results chains, measurement plans, strategy documents, baselines, monitoring and impact reports, annual aggregation of results, research TORs, planning documents, Results measurement manual, etc.

## The audit process:

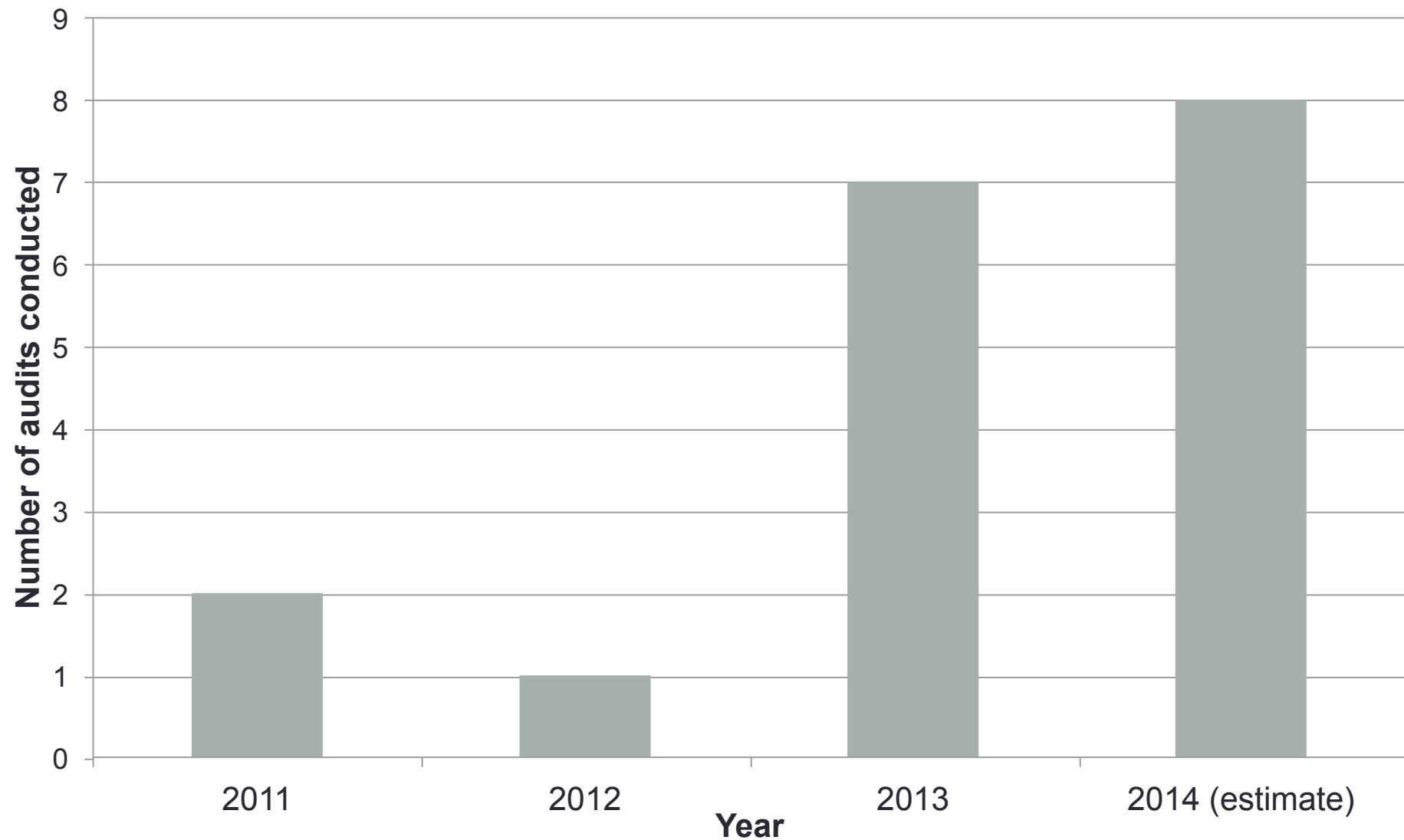
- Once documents are submitted (six weeks before audit), DCED and auditors select a representative sample from the nominated components/projects available for audit.
- The auditors and DCED inform the programme of this selection so that programme can make appointments for audit interviews.
- Auditors visit the programme to interview programme manager, senior management, implementation team, results measurement team, external researchers and other stakeholders such as key partners and co-facilitators



## The audit process (continued)

- Auditors prepare draft report and share with DCED.
- DCED convenes and chairs a panel of auditors to review report and scores (in confidence).
- A draft audit report shared with programme. Programme given chance to respond against issues or possible inaccuracies.
- DCED and auditors take points into consideration.
- Programme and auditors sign off on the report.

# Number of DCED audits



## Programme Experiences: Katalyst

“Katalyst found the audit process to be a rewarding and valuable learning experience for its staff and management. For example, the repeated and careful review of results chains helped Katalyst to enhance the understanding of the market systems and the underlying assumptions of interventions. Similarly, application of a continuous monitoring system has allowed for consistent measurement, and valuable feedback for management decision-making. We can confidently recommend the DCED Standard as a practical and useful framework for processes and instruments of monitoring and results measurement in private sector development programs”

## Programme Experiences: CAVAC

“ A major benefit of a planned audit is of course that it enforces internal discipline. We expect that the positive outcome of the audit will also give more confidence that we are on the right track. ... Overall CAVAC has experienced the whole audit process as useful, pleasant and constructive.”

## Programme Experiences: Samarth NMDP

“The audit process itself was a great learning process for me. The expert auditors asked various questions mainly taking result chains as basis and asked us several questions mainly focused on the logics proposed and supporting evidences behind it.”

“I would highly value the importance of audit. What I found is audit focused in the efforts of programme staff, managers, and the results measurement team on ensuring that they understand the results measurement system which meets the DCED Standard”

# General Findings

- Most programmes have result chains articulated for each intervention. The result chain are supported by adequate research and analysis.
- Programme staffs use result chains to guide their activities.
- There is at least one indicators for each changes and universal impact indicators are included in most cases.
- Measurement plans are developed for each intervention.
- Most of the programmes have a system to estimate the attributable results.

# General Findings

- Some of the programme have a system to estimate the systemic changes.
- Costs are tracked annually and cumulatively.
- Results are reported annually.
- Most of the programmes have a system in place to show how information from result measurement system will be used in management decision making including the MRM manual.

# Concerns

- In few cases, researches and analysis do not adequately support the logic of the results chains, sustainability of results and displacement effects. And, there is no documented system to regularly review the result chains.
- There is insufficient use of qualitative and quantitative indicators to assess the sustainability of results. And anticipated impacts are not realistically projected or are not adequately supported by documented assumptions and calculation.
- In few cases, information collection methods do not conform to good practices. And there is insufficient use of qualitative information.



# Concerns

- In some cases, the methods chosen to establish counterfactuals do not conform to good practices.
- In a few cases, the documented systems to aggregate the results and taking into account the overlapping among interventions and sectors are inadequate.
- Also, inadequate documented system to integrate the result measurement system into program management and to show how the findings on results will be used in programme management and decision making.