




THE ASHI INTERNAL AUDIT PROCESS




VISION

We are a community of servant leaders working with marginalized families for social transformation and prosperity.



MISSION

We provide a holistic approach for human and environmental development through microfinance.



CORE VALUES

Accountability
Social Commitment
Human Dignity
Integrity



DEVELOPMENT PROCESS IN THE INTERNAL AUDIT POLICIES

FINANCIAL TRANSACTIONS & POLICIES: Maintaining Accounting Standards.

- Centralized Treasury Management
- ❖ Summary of collection remittances, template & deposit slips.
- ❖ Loan Disbursement and Bank confirmation report.
- Bank Reconciliation Report & FS.
- Budget Performance.
- Regulatory Compliance.

OPERATIONAL PROCESS: Adherence to documented policies.

- Field visit to Branches and Centers.
- House visit & interview with members.
- Group formation Process observation.

CLIENT PROTECTION:

- Check savings & loan balances, MIS vs. members' record.
Repayment schedule, Passbook, Group Notebook & Center register.

Challenges

Non Compliance with documented policies, recurring issues.

Frequency and instances when policies are reviewed & improved

- We audit branches randomly once every quarter.
- Financial transactions & policies:
 - Monthly meeting with account officers (first line of defense).
- OPERATIONAL PROCESS:
 - Monthly meeting with Center Leaders.
 - Monthly meeting with Operations Division.
- After the audit, organize data and submit report.
- Do exit meeting with Branch Managers.
- Quarterly report to the Board Audit Committee.

FRAUD DETECTION and measures to mitigate fraudulent acts.

Through the MIS, collections and compliance are monitored.

Record keeping through google drive.

Transfer of staff assignment:

Management level in branch & area maximum 3 years

Development officers/loan officers 6 months to 1 year

Center meeting visits & grievance mechanism.

Deeper understanding of the social mission of ASHI.

Retreat and recollection.

Regular engagement sessions of HR with branches.

How digitalization helps in internal audit and the prevention of fraud.

Cash count & vault checking is done virtually.

Real time information on Development Officers actions from MIS.

Digital record keeping, uploading documents via google drive for easy access and validation.

Lessons learned

The consciousness of Risk Management at all levels.

Availability of monitoring tools for financial and documented policies.

Staff rotation within the branch.

Easy access of internal control system for managers.

Monitor staff attendance through MIS.



QUALITY IS EVERYONES RESPONSIBILITY

THANK YOU