Sub-Awardees that receive US$25,000 or more of commodities and/or monetized proceeds are excluded from the Awardee's audit responsibility.

**Sites to Be Visited**

* Program office
* Warehouses
* Port office
* Distribution agency’s office and warehouse
* Distribution sites

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| **Program Planning** | |
| ⬜ | Do existing agreements with distribution agencies (including partners at distribution sites) and contractors for service comply with local laws and regulations? Are they enforceable? |
| ⬜ | Are there any weaknesses in the commodity pipeline analyses procedures? |
| ⬜ | Are sales orders for commodity (calls forward) submitted in a timely manner? |
| ⬜ | Are there adequate numbers of staff to ensure sufficient separation of duties, staff rotation, and supervision (especially of inexperienced staff members)? |
| **Control Documents and Systems** | |
| ⬜ | Are inventory accounting control systems established at each node in the logistics network? |
| ⬜ | Are only authorized individuals responsible for receiving, storing, and dispatching commodity? |
| ⬜ | Is there verified receipt of the waybill copy signed by the receiver as proof of delivery? |
| ⬜ | Are dispatch waybills compared to receipts at each dispatch location to make sure that the amounts received are correct? |
| ⬜ | Are transactions recorded promptly on warehouse ledgers and stack cards? |
| ⬜ | How is information concerning receipts, dispatches, and distribution schedules communicated throughout the network? |
| ⬜ | Are regular warehouse inspection reports submitted on time? Review random reports and ensure any identified problems were corrected in a timely manner. |
| ⬜ | Are regular (at minimum quarterly) physical counts of commodity conducted, reconciled, and documented? |
| ⬜ | Are surprise after-hours visits conducted? |
| ⬜ | Are procedures for disposing of and documenting damaged or unfit commodity strictly followed? |
| ⬜ | Does control and utilization of funds from the sale of empty containers or unfit commodities (if applicable) conform to donor regulations? |
| ⬜ | Are individuals who prepare loss reports **not** the same as those who authorize changes in inventory records? |
| ⬜ | Is there a corresponding loss report for all losses reported on the Commodity Status Reports? Is every loss report properly authorized? Is supporting documentation (e.g., waybill) attached to every loss report? |
| ⬜ | Have claims been filed for all losses that occurred when commodity was under the custody of a contracted transporter? |
| ⬜ | Have claims been collected? |
| ⬜ | Do warehouse records reconcile with the losses actually claimed from the transporter? |
| ⬜ | In case of major shortages/damages, have the necessary authorities been informed? |
| ⬜ | Are clearing and forwarding systems effective (if applicable)? |
| **Warehouse(s)** | |
| ⬜ | If warehouse is leased:   * Is the agreement current? * Is the current rent rate competitive? |
| ⬜ | Is entry and exit controlled? Does the warehouse have adequate security during the day and night? |
| ⬜ | Is the number of laborers adequate to avoid delays in off-loading and loading? |
| ⬜ | Is the “first in first out” (FIFO) system practiced? |
| ⬜ | Do stack card balances correspond to balances listed on the ledgers? |
| ⬜ | Do ledgers correspond to source documents (such as B/L, waybills, and loss reports)? |
| ⬜ | Are records of pest/rodent control up to date? |
| ⬜ | Are fumigation management plans in place? |
| ⬜ | Are reconstitution procedures promptly followed? Does the warehouse have empty containers and items for reconstitution? |
| ⬜ | Are costs of reconstitution (when required) paid in accordance with USAID policies and procedures? |
| ⬜ | Is there any commodity pending disposal/removal? |
| ⬜ | Are the following records maintained at the warehouse?   * Authorized distribution and dispatch plans * Dispatch waybills * Receipted copies of waybills * Loss reports with supporting documents * Monthly reports |
| **Staff Safety** | |
| ⬜ | Is a first-aid kit available and fully equipped? |
| ⬜ | Is all fire safety equipment available and functioning? |
| ⬜ | Are fire and safety evacuation guidelines posted? |
| ⬜ | Are fire drills conducted as planned? |
| ⬜ | Are fumigation safety measures and guidelines in place? |
| ⬜ | Do the warehouse staff wear protective clothing when necessary? |
| **Distribution** | |
| ⬜ | Are written guidelines or criteria concerning recipient eligibility in place? Are they consistent with donor laws and regulations and program requirements? Were these guidelines or criteria shared with recipients? |
| ⬜ | Is recipient eligibility periodically revalidated and the master recipient list updated to prevent ineligible recipients from receiving food rations? |
| ⬜ | Are distribution plans/lists verified by management to ensure the number of recipients is commensurate with the levels stipulated in the Award (or later approved by USAID)? |
| ⬜ | Have community leaders/representatives been identified and involved in planning distributions? Are they clear about their roles? |
| ⬜ | Do community leaders verify their respective distribution list prior to distributions? |
| ⬜ | Can community committee members (or distribution centers) provide copies of signed waybills for food deliveries? |
| ⬜ | Are distribution lists produced prior to distribution and used as recipient acknowledgement forms for all distributions? |
| ⬜ | Have the distribution staff received orientation on distribution procedures? Do they know what they are supposed to do? |
| ⬜ | Do branding and marking efforts at distribution sites conform to the approved Branding Strategy and Marking Plan? |
| ⬜ | Do recipients know the donor and understand the approved ration sizes? |
| ⬜ | Are monitoring personnel sufficiently independent of warehousing, recipient registration, distribution, and accounting functions? |
| ⬜ | Is the frequency and quality of end-use monitoring and inspections (including reports and actions taken) sufficient? |
| ⬜ | Compare requested rations (per distribution plan) with rations dispatched from warehouses and with rations actually distributed at three selected program sites. Note and explain any discrepancies. |
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| ⬜ | What more can be done to improve coordination between those planning/programming distributions, those implementing distributions (or collecting data), and those monitoring/reporting on distribution? |
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