

Terms of Reference

Ministry of Health and Sanitation

Provision of Internal Audit Services to the Ministry of Health and Sanitation (MoHS)

Provision of Internal Audit Services to the Ministry of Health and Sanitation (MoHS) of the Government of Sierra Leone (GoSL) in respect of the World Bank supported Sierra Leone's COVID-19 Emergency Preparedness and Response Project.

Background

In January 2020, Sierra Leone became aware of the outbreak of the novel coronavirus in Wuhan, Hubei Province, China. Since then, the Government of Sierra Leone (GoSL) has taken immediate preventive measures and been monitoring the progress very closely. Since WHO declared COVID-19 as Public Health Emergency of International Concern (PHEIC) on 30th January 2020, the GoSL immediately activated at level 2, the National Public Health Emergency Operations Center (PHEOC) commonly referred to as Emergency Operations Center (EOC). On 24th March 2020 Sierra Leone declared a state of public emergency in response to the emerging global COVID-19 pandemic. Sierra Leone announced its first confirmed cases on Tuesday 31st March 2020.

The World Bank, on Thursday 2nd April 2020, approved an emergency support operation for Sierra Leone. The objective of the support is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in Sierra Leone. The support consists of the following four components: Component 1: Supporting National and Sub-national Public Health Institutions for Prevention and Preparedness; Component 2: Strengthening Multi-sector, National Institutions and Platforms for Policy Development and Coordination of Prevention and Preparedness using One Health Approach; Component 3: Emergency COVID-19 Response; and Component 4: Implementation Management and Monitoring and Evaluation.

Under component 4 an independent accounting and auditing firm is required to provide internal auditing services that will include pre - and post - transaction activities. The implementing Agency of Sierra Leone's COVID-19 Emergency Preparedness and Response Project is the Ministry of Health and Sanitation (MoHS) with fiduciary services being provided by The Integrated Health Project Administration Unit (IHPAU) of MoHS.

Objective of the assignment

The firm shall undertake pre – and post transaction reviews with the view of providing assurance that the funds provided by the Bank under COVID 19 Project are utilized for the intended purposes. In particular, the firm will be expected to assist in reducing the risk of fraud and misuse of the IDA funds disbursed for the response.

Mission and Scope of work

The mission of the internal audit activity is to provide independent, objective assurance and consulting services designed to add value and improve the operations of the IHPAU and EOC. It helps EOC accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of work of the internal audit activity is to determine whether IHPAU's and EOC's network of risk management, control, and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- Effectiveness of internal controls and systems within the agencies;
- Reviewing proposed grant/transfer budget, workplan and related supporting documents in ensuring that they are authentic and in line with the approved work plan;
- Risks are appropriately identified and mitigated/managed before requisite payment is made
- Interaction with the various governance groups occurs as needed.
- Significant financial, managerial, and operating information is accurate, reliable, and timely.
- Employees' actions follow policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected.
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in IHPAU's and EOC's control process.
- Significant legislative or regulatory issues impacting IHPAU's and EOC are recognized and addressed appropriately.
- Sporadic Visits to selected sites are undertaken to verify results and data quality
- The capacity of the Internal Audit Unit of IHPAU is strengthened.

Opportunities for improving management control, profitability, and the IHPAU's and EOC's image may be identified during audits. They will be communicated to the appropriate level of management.

Accountability

The Assignment Manager, in the discharge of his/her duties, shall be accountable to National Coordinator – EOC to:

- Provide semi - annually an assessment on the adequacy and effectiveness of IHPAU's and EOC's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work.
- Report significant issues related to the processes for controlling the activities of IHPAU and EOC and its affiliates, including potential improvements to those processes, and provide information concerning such issues through resolution.
- Periodically provide information on the status and results of the audit plan and the sufficiency of activity resources.
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance, security, legal, ethics, environmental, external audit).
- Undertake relevant pre – and post transactions reviews (Inclusive of reviews of invoices, contracts, purchase orders, and other requests for funds to substantiate a transaction or series of transactions before they are executed and recorded).

Responsibility

The Assignment and staff of the internal audit activity have responsibility to:

- Develop a flexible audit plan(s) using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit the plan(s) to the National Coordinator - EOC for review and approval as well as periodic updates.
- Implement the audit plan(s) approved, including as appropriate any special tasks or projects requested by management and the National Coordinator - EOC.
- Maintain a professional audit staff with sufficient knowledge, skills, experience and professional certifications to meet the requirements of this assignment.
- Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- Issue periodic reports to the National Coordinator - EOC and management summarizing results of audit activities.
- Keep the National Coordinator – EOC informed of emerging trends and successful practices in internal auditing.
- Provide a list of significant measurement goals and results to the National Coordinator – EOC.

- Assist in the investigation of significant suspected fraudulent activities within IHPAU and EOC and notify management and the National Coordinator - EOC of the results.
- Assist in strengthening the capacity of the Internal Audit Division of IHPAU.
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to IHPAU and EOC at a reasonable overall cost.

Authority

The Assignment Manager and staff of the internal audit activity are authorized to:

- Have unrestricted access to all functions, records, property, and personnel.
- Have full and free access to the National Coordinator.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in units of IHPAU and EOC where they perform audits, as well as other specialized services from within or outside IHPAU and EOC.

The Assignment Manager and staff of the internal audit activity are not authorized to:

- Perform any operational duties for the IHPAU and EOC or its affiliates.
- Initiate or approve accounting transactions external to the internal auditing activity.
- Direct the activities of IHPAU and EOC's employee not employed by the internal auditing activity, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

Deliverables

The firm should submit to the National Coordinator and the Bank:

- An inception report: This will detail the firm's observations after the initial assessment and propose changes (if any) to the approach and workplan. The report should provide the Team's audit plan for the following 12 months. This report should be submitted not later than one month after assumption of duty by the firm.
- A monthly activity report on progress against the firm's workplan. The report update should identify tasks that were completed in the month, those not completed and any why, and the action to be taken.
- A monthly internal audit report indicating audit findings, implications and recommendations.
- A mid-term review report on progress made, milestones achieved and emergent challenges if any. This report should be prepared and submitted not later than eighteen months after assumption of duty by the firm.

- An end-term review highlighting project success, failures, lessons learnt, and recommendations for continuous development of the internal audit function. This report should be submitted not later than two months after the Project's closing date.

The firm is at liberty to suggest other deliverables that will effectively track and demonstrate progress towards or achievement of desired goals.

Duration of the Assignment

The firm will provide internal audit service to the Government of Sierra Leone the during the implementation of the COVID 19 Project.

Standards of Audit Practice

The internal audit activity will meet or exceed the Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors.