

A case study based guide for auditing government development funds



MUHURI
MUSLIMS FOR HUMAN RIGHTS



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Social **AUDIT** *Guide*

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Introduction

Welcome to this Social Audit Guide.

A social audit is a structured way of measuring, understanding and reporting on funds destined to benefit a community. The goal of the social audit is to improve the performance of government – and in so doing enhance accountability and transparency. Social auditing values the voice of the stakeholders, in particular the voices of the beneficiaries, referred to as right holders - whose voices are rarely heard.

A social audit is therefore a *process* and not an event and is based on the principle that democratic local governance should be carried out, as much as possible, with the consent and full understanding of *all* concerned.

This document contains many case studies or cases from the field. These are set up alongside a framework and toolbox of approaches that will guide those wanting to audit the use of development funds at the grassroots. The guide will assist the auditors to audit and ultimately to conclude whether funds intended to stimulate development through community projects and services were used correctly and if the spending has made a difference in the lives of the targeted community.

Financial audits primarily interrogate the financial aspects of a project – legitimate, effective and transparent use of funds, for example. A social audit does this in addition to adopting a *social lens* that focuses on how the community requests, receives and oversees the project, and whether the community feels an ownership for the project and if the project ultimately instils a sense of responsibility for the project within the community.

Therefore, the basic objectives of a social audit are to:

1. Determine if the procedure for implementation of the development fund is being followed correctly (as stipulated by the law and its' guidelines);
2. Determine if the community / beneficiaries have been involved in the whole cycle of the development project being funded (planning, implementing, follow-up);
3. Determine if the development money is indeed benefiting the community and if not, why;
4. To engage the broader community in the process and ultimately impart basic skills to citizen auditors on how to monitor development funds.

BACKGROUND

Muslims for Human Rights (MUHURI) is a non-governmental organization based on the Coast of Kenya. It was established in 1997 to promote the human rights of marginalised social groups with a view to contributing towards the national and international human rights struggle. MUHURI continues its committed effort to promote and protect the enjoyment of human rights and civil liberties by all. MUHURI is legally registered under the NGO coordination act.

Each year, for the past 7 years, as part of its' social accountability programme, MUHURI has conducted social audit training for citizens of 7 coastal constituencies. Therefore MUHURI has extensive experience in the social audit process and has tried and tested the tools presented in this guide, specifically within the context of the CDF or Constituency Development Fund. CDF is one of the development funds introduced by the Government of Kenya through an Act of Parliament.

MUHURI has created this guide to share the social audit process with other partners in the African region and globally. With context specific adaptations, MUHURI believes that the principles presented can be applied to audit other development funds allocated to communities from government budgets. The intention is that the process remains simple enough to ultimately become an organic part of what civil society groups do: to carry out audits of all development funds systematically and regularly within their own communities. As more and more groups and organisations adopt the social audit process at the grassroots – officials at national and local government levels, whom MUHURI refers to as duty bearers, will be held to account for their expenditure and their actions. MUHURI believes that if well - prepared representatives of civil society, or right bearers, engage in auditing projects within their community, the culture of complacency toward failed public funded projects could eventually end.

It is the *local access* that a community has to the project, the project files and to those responsible for its implementation that facilitates a social audit. The process is community led and re-educates communities who have for many years felt disempowered to question the behaviour of unprincipled public officials putting self above public interest. By learning to demand public sector ethics

and transparency through social auditing, the hope is that communities will ultimately hold their duty bearers more accountable.

Being a relatively young 10 year old process, social audits of development funds are still evolving. The more people and organisations that become part of this process and feedback to MUHURI on their experiences, the more effective the process may become.

Rights Based Approach to Accountability

Social audits need to be understood within a rights based framework.

There are various rights that are intrinsic to a social audit - the right to information; the right to citizenship and its benefits; economic and social cultural rights and the right to development.

Within a rights based approach to accountability, citizens have the right to demand accountability and public officials have an obligation to account.

With every right, comes a responsibility. Therefore, within this framework, the people, as intended beneficiaries of public projects and services have a responsibility to ensure that their resources are utilised in an accountable and transparent way and that they actually benefit as individuals and collectively as communities.

MUHURI believes that these rights can be exercised through the social audits described in this guide.

What is a Social Audit?

Social Auditing is the process of ensuring accountability through the use of social movements and community groups.

Therefore, a social audit is a community driven initiative, where members of the community have access to the project files and to the project itself. A social

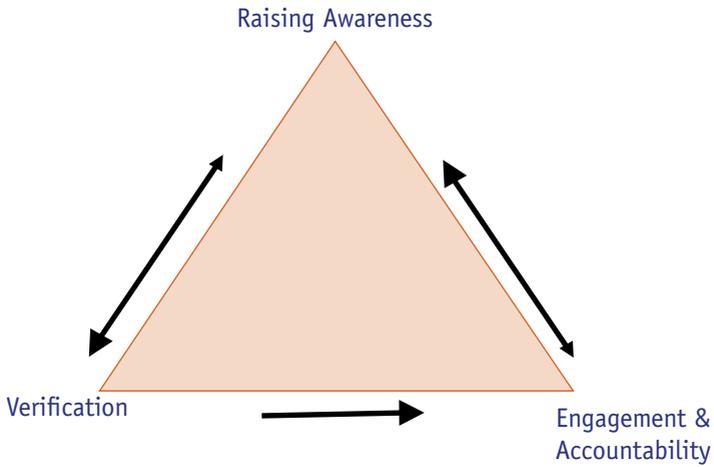
audit takes place at the grassroots, where any citizen group, should be in a position to undertake the process - for a social audit to get underway, a citizen group needs access to the project files and to the project itself.



Adapted from village Social Auditor's Handbook

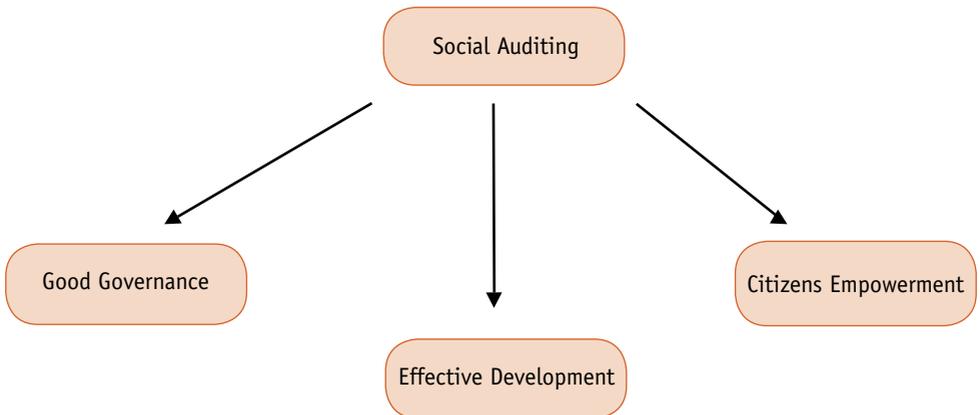
MUHURI has adapted the lessons and concepts documented by Mazdoor Kisan Shakti Sangathan in India above and had developed a three-pronged- approach to social auditing. The 3 components that MUHURI emphasises in its approach are illustrated below and considered critical to the success of a social audit:

1. Raising Awareness
2. Verification - physical & documents
3. Engagement & accountability



The Benefits of Social Auditing

Effective social auditing offers mechanisms and structures to promote and protect the right of citizens to development.



Social Auditing, when it is done effectively and consistently, can:

- ◆ Promote civic engagement and empower people
- ◆ Reduce corruption and ensure effective development is realised
- ◆ Increase transparency and accountability for the promotion of good governance

What are Development Funds and why audit them using a social audit approach?

The Development Funds referred to in this guide are typically public funded kitties targeting development projects at the grassroots. In theory, the funds are intended to finance development projects which have been identified and proposed by residents or chosen by government as a development effort that will mitigate poverty and harmonise the spread of development throughout the country. The development funds described in this guide are earmarked for:

- ◆ **Construction:** *for example* - schools, hospitals, halls, chief offices, roads
- ◆ **Services:** *for example* - bursaries, free primary education, hiring of nurses subsidized funds in schools, agriculture (seeds), pension, OVC
- ◆ **Equipment:** *for example* - motor bikes or bicycles for community health workers, computers or books for libraries

Within the Kenyan context, the rules that regulate transparency and accountability of devolved funds are not as clear as those regulating funds managed centrally by line ministries and Ministry of Finance. This has created space for mismanagement and corruption. Social audits in Kenya were designed to force the government to be more open and accountable for the use of these development funds. MUHURI believes that this may be relevant in other developing world contexts and therefore puts forward the social audit as a mechanism to protect the potential benefits of development funds globally.

The Process

The social audit is described as a cyclical process that must be repeated. It is not a one-off event. In this guide it is described as a series of 11 stages, each stage has multiple steps.

Stage 1 Assess the need

Stage 2: Planning

Stage 3: Brief training

Stage 4: Communication with & prioritization of key stakeholders

Stage 5: Community sensitization

Stage 6: Accessing key documentation

Stage 7: Field Verification

Stage 8: Analysis

Stage 9: Audit report

Stage 10: Accountability Forum

Stage 11: Follow up



STAGE 1: IDENTIFYING THE NEED

It is important that a social audit be done with the support of the beneficiary community. When there is no *buy-in* from the people, residents and communities then it becomes difficult to follow through with the process. The first step in an audit requires that the community recognise or identify the need to audit a particular project or projects. This need may be something that could be raised during a community meeting or within another forum. Often, the community may not realise that social audits exist or are even a possibility – so once they are informed about this possibility of conducting a social audit, they may in turn identify a need. As auditors, your role is to raise awareness about the social audit process and its possibilities within a rights based approach, described above.

STAGE 2: PLANNING

Preparations for the audit – identifying the delegates

Not too far away, down the hillside, in the hot coastal heat, Adam, an enthusiastic and dedicated MUHURI human rights officer, originally from this area of Kenya and a key community liaison, was running a forum. He had drawn together all the community based organisations and civil society groups, religious and opinion leaders from the location to discuss the development fund (one dedicated to community development, called CDF) and the social audit process. Adam was keeping his eye out for active, energetic, engaged, literate, confident members of this community, who showed signs of commitment to transparency and good governance. He would run at least two of these forums in each of the 12 locations, to be sure to cast out an inclusive net – he wanted to make sure people of different ages as well as women were involved in this important process. He needed each location to delegate their best representatives. The chosen participants would be responsible to learn the social audit process skills, initiate the audit and engage their communities in the social audit.

As the case study above illustrates, one of the primary steps in the planning stage is to select a team of auditors. This can either be done through NGO's or CBO's or you could do what Adam did in the story above, which is to call a community meeting and describe the social audit process and ask the community to consider whom they would put forward for this work. MUHURI proposes that auditors should have certain key attributes and competencies.

Auditor attributes should ideally include:

- ◆ Proven integrity & credibility within the community being audited
- ◆ Respect for the beliefs and viewpoints of others
- ◆ Attitude of fairness
- ◆ Interpersonal skills – including a capacity to listen
- ◆ Commitment towards transparency and accountability
- ◆ Knowledge or willingness to learn about development funds and the relevant laws and guidelines.

Auditor's competencies and skills should ideally include:

- ◆ Ability to facilitate group meetings (community and team)
- ◆ Ability to communicate effectively and to read
- ◆ Ability to remember information and to think about information in an analytical way - connecting smaller pieces with the larger picture
- ◆ Ability to be organised and to think on the move!
- ◆ Ability to learn about project management and to apply knowledge to the audit
- ◆ Experience working with communities and functionaries around development

The number of auditors selected will depend on how big your audit or its' scope. Due to the intensity of work in many audits, MUHURI suggests a minimum of 3 auditors, although this may vary. For the mini-audits described at a later stage, 2 auditors would suffice. Ideally, at least one of the auditors will be a woman, and at least one will be a younger person under the age of 30 – but the appropriateness of this recommendation may vary in your context. MUHURI works hard to mainstream a gender and age sensitive approach, but if you're auditing a project aimed at supporting the capacity of village elders, then a young female auditor, may not be the most appropriate selection.

The second step in this planning stage involves **assigning roles and responsibilities** within the audit team. MUHURI encourages clear articulation of roles from the outset.

Identify an audit leader: This key person leads the process. This individual should be very familiar with the audit process, either through having carefully reviewed this manual or having undergone training in social auditing. This person must be able to manage the complexity of the audit and be able to constantly see the 'big picture' and to keep the goals of the social audit in sight.

Identify the other roles: Team work is essential for the audit, because there is a lot to be done and repeating or duplicating tasks can waste time. Some possible roles exist like: spokesperson, note taker and logistician. You can choose the roles. However, most importantly, before moving ahead, MUHURI suggests that you ensure that everyone on the audit team fully understands the following:

- ◆ Objectives of the audit
- ◆ Scope of the audit
- ◆ Proposed time schedule
- ◆ Financial arrangements – how will expenses be addressed
- ◆ Communication plan
- ◆ Conflict resolution plan

Costing

Social audits do not need to be expensive. They can be normal cost effective community based activities which can be done by community members on their own at the grassroots, as illustrated by the simple mini-audit described in the physical verification stage.

The cost of a social audit will vary depending on your approach and the scope of your audit –which may vary from auditing one small development project to an entire constituency.

As a rough guide to planning your costs, MUHURI suggests that you keep the following line items in mind:

- ◆ Travel for auditors to and from the organisation and its audit sites
- ◆ Costs to photocopy project files
- ◆ Costs to prepare and print a report
- ◆ Cost to run the public forums – this may depend on if your forum is a small gathering under a tree or a larger forum attracting more senior officials. Either approach is perfectly acceptable. But will influence the cost of the audit.

Security

MUHURI's work monitoring CDF (Constituency Development Fund) through social audit has sometimes not been very popular amongst the political elite. In particular corrupt members of parliament (MP). In Kenya, CDF has sometimes been used by certain unethical MPs as a political fund. They sometimes limit meaningful participation of communities when they

detect their misappropriations. MUHURI has experienced the sharp end of resistance from politicians who have shown that they will do everything and anything to ensure that they safeguard their secrets. In Kisauni Constituency, the house of a MUHURI field officer was raided by a gang. The gang was sent with a message to MUHURI from the political leadership – the message said ‘we are not happy with MUHURI’s interference in CDF through the audit in this constituency’. This is intimidation and it raises security concerns and serious barriers to ensuring accountability and transparency. Again in Likoni, during an audit, a gang of nine raided the venue where the social auditors were reviewing files. Auditors had uncovered a ghost project – a project that did not exist and where the funds were squandered by officials. On this occasion the gang stabbed a guard in the hotel in an attempt to scare away the group of auditors.

MUHURI’s experience illustrates how as social auditors, you should carefully consider threats and security concerns during the planning phase of any social audit. Security challenges around a social audit can arise where there is no proper legal, policy or regulatory framework to support the audit or when leadership works in unethical ways without penalty. If you are working within such a context then you will likely face the same problems encountered by MUHURI in the cases above.

These are a number of ways that MUHURI has adopted to address security at various stages:

- ◆ Mobilize the residents around the audit – this serves as a form of security. If the community understands the essence of the process, they will support the auditors.
- ◆ Be vigilant as a team throughout the audit.
- ◆ Publicize any threats that the auditors may receive – make the threat and the details of the threat public to the people, the press and to the police.
- ◆ Notify police that you will be holding a public meeting, either during community sensitization or during the accountability forum.

Providing security and back-up to your auditors may be essential but may however add an additional cost. Be sure to be clear with the auditors about the risks of being an auditor and encourage them to be observant and to take precautions and to be sensible.

Timeframe

From the point of initiating the audit, the process can take anywhere from 1 week to 6 months, depending on the number of projects, the extent of the audit and the level of cooperation required from the officials involved. MUHURI suggests that the audit needs to be short enough to sustain interest and momentum within the community and among the auditors and long enough to ensure that all steps have been completed systematically and effectively. It will then need to be repeated at regular intervals so keep those being audited under pressure to perform and to account.

Identify the scope of the audit

Before starting the audit process, make sure your team is very clear about the focus or scope of the audit they intend to conduct.

Identifying the scope helps the audit team set very specific objectives for their audit, eliminating lack of clarity.

FIRST: Be clear how **BIG** or *small* your audit will be – project wise, geographically and financially.

SECOND: Understand the *Legal, Policy & Regulatory Framework* guiding your specific audit.

How big is the project being audited?

MUHURI finds these questions can help to determine the scope of the audit:

- ◆ **Financially** - how much was allocated to the project and spent?
- ◆ **Geographically** - how far does the project reach, how many communities were affected/involved?
- ◆ **Time-wise** - how long was the project planned for and is it still ongoing?

MUHURI suggests that you keep the audit small when doing one for the first time – taking an opportunity to understand the legal frameworks and the bureaucratic systems first and then planning to expand the audit on the next round, with more experience and confidence.

STAGE 3: BRIEF TRAINING

In Matuga constituency, the MUHURI social audit training was carefully planned. First, the theory was important because the participants learned about how the Development Fund (CDF in this case) was managed; they learned about human rights and development; social accountability and governance and the legal frameworks that permit the fund as well as those laws that facilitate social audits. Once the group of auditors in Matuga, Kenya, had a firm foundation in the key concepts, the group addressed procurement procedures, signs of corruption within procurement and avenues of redress for suspected corruption. The auditors in training were shown how to navigate the project files and how to identify 'red flags' or inconsistencies that could alert them to problems with the project. Role plays were very helpful and were framed around how to conduct physical verification of the development projects on the ground. Attention was given to anticipating what auditors might face 'in the field' and how to cope with these challenges - like secretive or unhelpful fund management members! During the training, the auditors learned how to critically analyse and collate the information they would collect, and also how to develop plans as a team. How to keep track of the the information they still needed to obtain and to organise their time effectively, in order to get the job completed while fully understanding the projects.

Since the auditors are likely to be new to this process, depending on your scope, it can be valuable to run at least a brief 1-2 day training (longer if possible) to ensure the team is prepared for the social audit task. This training can be very simple and modified to the context including the capacity and literacy of the auditors. MUHURI proposes that the following key elements are covered in training – you will need to adapt these to your country context. MUHURI strongly recommends participatory techniques – especially role plays.

Table 1: *Social Audit Training – an example of a training framework*

Social Audit Training Example of a training to familiarize auditors with principles & process	
Session	Session content
Introduction and Climate Setting	Familiarization of participants, Administration, Welfare and Logistics
Social Audit Objectives and Framework	Layout of the training agenda and understanding the purpose of the training
Right Based Approach to Development	Human rights within the context of a social audit
Introduction to the Devolved Fund being audited	Purpose of the fund & its functionalism & mode of implementation
What is a social audit – why, what, when & how	Preparing the auditors to understand the social audit process
Social Accountability and Devolved Governance	Social accountability, devolved government and public finance
Further understanding Social Audit	Principles of social audit; Rationale and process of social audit; Lessons learnt from previous MUHURI & India audits
Frameworks Supporting Social Audit	Legal, Policy and Institutional Framework for Social Audits and avenues for community participation
Overview of Procurement	Understanding general procurement procedures within your audit context (specific to fund and country); Identifying signs of corruption in procurement; How corruption occurs in Procurement
Collecting of Audit information	Types, sources and methods of collecting information Relevance of information
Understanding and familiarization with a project file for the audited fund	Describing a Typical Project File as it should be when complete Frequently missing documents in the project files Group work - familiarizing auditors with a project file
Collation and Analysis of Audit Information	How to gather and analyse data and how to identify Red flags that require further investigation
How to conduct physical verification	Audit Questionnaire & how to complete it How to Conduct Physical Verification & complete form
Challenges when conducting a Social Audit	Resistance & refusals Overcoming challenges

STAGE 4: COMMUNICATION WITH KEY STAKEHOLDERS

In Changamwe constituency in Kenya, where MUHURI conducted a social audit, the Member of Parliament (MP) was heavily resisting the idea of a social audit of the development fund in his constituency. But MUHURI finally got an appointment to meet with him. After much discussion, he seemed to understand the intention and how it was going to be carried out and how it could benefit him – he gave his blessing to proceed. MUHURI would have moved forward even if the MP had not seen the legitimacy and importance of our audit, but it really helped to have his support from the start! On the other hand in Kisauni constituency, where another social audit took place, MUHURI had a lot of difficulty engaging the fund committee and the MP. It was as if the MP was actively fighting MUHURI from the start – by using scare tactics to discourage people from answering questions during the audit or attending the accountability forum –the residents were threatened if they did!

Apart from different personalities and different levels of integrity among these two Members of Parliament, MUHURI found that carefully timing the social audit really influences the outcome. In Changamwe, MUHURI auditors approached the MP before elections. The MP did not want negative press - he only wanted to benefit from the audit. He knew MUHURI would do it with or without his blessing. In the end he did benefit from being perceived as having an open book policy. While in Kisauni the audit was scheduled midterm, after the elections, the MP may have had things to hide and he did not want them uncovered and he had plenty of time until the next election.

Stakeholder management is critical to the success of an audit. Different stakeholders have different interests in the audit and they also have different levels of power - politically and socially. By engaging the right people in the right way in this audit process, you may make a big difference to the outcome. In the early stages of the audit planning you need to turn officials into supporters of your work. Otherwise the possibility exists that they may try to block the audit.

By communicating with stakeholders early and frequently, you can ensure that they fully understand what you are doing and understand the benefits of your project – this means they can support you actively when necessary. You cannot anticipate what people’s reaction to your audit will be, but you

can build mechanisms into your planning that will facilitate/encourage their support.

MUHURI suggests that you prepare a stakeholder map. This ensures that you have communicated with the key people. A stakeholder map means you have identified the key stakeholders

1) Identify Your Stakeholders

Brainstorm! Who are your stakeholders?

- ◆ Who is affected by your audit?
- ◆ Who has influence or power over the audit?
- ◆ Who has interest in its successful or unsuccessful conclusion?

Community	Government	Private Sector	Press	National /International Groups
Project Beneficiaries	Members of Parliament	Business groups – Think Tanks	Local	NGOs - locally and international committed to good governance and budget reform
Respected people in the community (head teachers, nurses etc)	Ministers	Companies	National	
Elders	Commissioners		International	
Peer group organisations CBOs, CSOs	Constitutional Offices Independent Offices eg: Human Rights Commissions		Radio, Print, TV	

2) Prioritize Your Stakeholders

When you have a list of people and organizations that may be affected by your work, you need to prioritize those that have the power either to block it or advance it in the direction of ensuring accountability. Some stakeholders may be interested in what you are doing, others may not care.

A Power/Interest Grid as shown below in Figure 1, is one format that MUHURI thinks could help you to organise your stakeholders by their power in the community and by their interest in your work – either beneficial or detrimental.

- ◆ **Highlight how the audit could benefit them:** Some key stakeholders, like Members of Parliament, may need to see what they will get out of the process, before they support your work. When approaching them, you will need to frame the work in a way that highlights these benefits. For example, you could assure a politician that if he readily encourages the audit he will be perceived as someone who:
 - Has an open policy and knowingly has nothing to hide;
 - Supports transparency and accountability and is willing to have his constituency/district etc, evaluated in order to improve services for the people;
 - Has integrity and is committed to good governance.

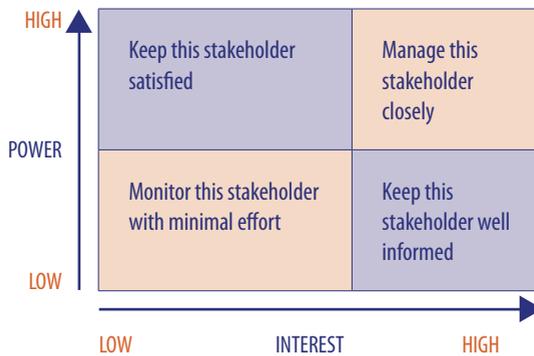


Figure 1: Power / Interest Grid for Stakeholder Prioritization¹

Someone’s position on the grid shows you the actions you may have to take with them:

- ◆ **High power, interested people:** these are the people you must fully engage in the audit – make your greatest efforts here! Consult with these stakeholders prior to starting the audit (whether they support your efforts or not), send them updates as well as the final report and do strong follow through.
- ◆ **High power, less interested people:** put enough work in with these people to keep them engaged – send updates, final report and follow through.
- ◆ **Low power, interested people:** keep these people adequately informed, and talk to them to ensure that no major issues are arising. These people can

1 http://www.mindtools.com/pages/article/newPPM_07.htm

often be very helpful with logistics or back up. Send them the final report and enquire on their feedback.

- ◆ **Low power, less interested people:** Monitor these people - but don't spend too much of your resources and energy here. Do send them the final report.

During a MUHURI audit in Matuga, MUHRUI gauged its stakeholders as follows:



Figure 2: Power / Interest Grid – based on example from MUHURI experience

Finding high profile ambassadors to support your work could be a key to success of an audit. Having the support and ‘green light’ from the most relevant people on your stakeholder map will aid the process enormously. In Bahari Constituency, MUHURI engaged a former Commissioner of Human Rights. He behaved as an ambassador; he was willing to speak with provincial commissioner, senior politicians in Nairobi, Officer in Charge of the Police Department (OCPD) in the constituency under audit. This was very helpful.

- ◆ **Develop a close relationship with the press.** The press can sometimes play an important role in your audit; therefore MUHURI encourages you to try to nurture your relationship with the press in some way. Contact your local radio station or newspaper and try to find one person with whom you can establish a rapport. If this contact person understands your work and its purpose, then the press could become your best friend during the course of the audit. You will need to invite them to the forum where you release the results of the audit and engage them in covering the story and its' follow through.



STAGE 5: COMMUNITY PREPARATION THROUGH SENSITIZATION

The social audit is scheduled for 6 weeks away and a theatre troupe, called 'Kwale Arts' is busy preparing the community for the process. This group of actors live and work in Kwale, on the south coast of Kenya. They have been selected and supported by MUHURI to sensitize the community in the build up to the Social Audit. MUHURI's preference is the Magnet Participatory Theatre approach² which has proved very effective because it is designed to not only entertain and educate, but to involve audience and to encourage participation and reflection. It typically takes place in outdoor, public spaces and explores issues directly affecting a community. It encourages discussion and problem solving.

On one rainy afternoon in October, 2011, music plays loudly from speakers attached to the roof of a white pick-up. People have gathered around! The show opens with a debate between a group of dishonest fund officials and an uninformed community. We watch the officials going about their business, deviously embezzling large portions of funds, and signing off poor quality unsupervised development projects. Opposite them, sits a group of ignorant community members, portrayed as old men and women, who come from an era when one took what the government said as the truth. They watch the activity and do not question anyone or anything. They have no idea about the large amount of money available to their community for development. All of a sudden a group of informed youth appeared from behind the trees - from a distance, they ponder the actions of the crafty fund officials filling their pockets. The players then freeze the action and turn to the community members - allowing the audience to actively participate. A member of the community is asked to act out what the ones who have seen the theft should do..... An open discussion follows where suggestions are explored. The actors then continue the performance, showing how an informed community must behave to protect the development funds.

2 Odhiambo C.J (2005) Theatre for development in Kenya: interrogating the ethics of practice The Journal of Applied Theatre and Performance Volume 10, Issue 2.

The troupe tactfully used community theatre to express the people's needs and their frustrations, using laughter, anger and exaggerated desperation with the system. The goal is met when this group of spectators is primed about the fund being audited, and the social audit. But the message delivered by the troupe would need to be repeated.

Through 7 social audits, MUHURI has learned that the sensitization process is cyclical – the theatre troupe initiates a process of awareness and questioning, which ideally must be followed by further questions and answers and ultimately change. So the troupe would plan to return in a few weeks time to answer the questions that would have begun to circulate as a result of the sensitization and to reinforce the importance of community participation. The troupe bade farewell, attracting attention using catchy songs they had created, that tackled the issues and that people would remember.

As this case study shows, community sensitization is a key stage in the audit process and it should be a priority and ideally ongoing throughout. It ensures that the audit is participatory and connects the communities affected with the audit. It makes the audit relevant.

MUHURI believes that an informed community can become an empowered community, which in turn can mobilize support for legal sanctioning; compel duty bearers to attend hearings and give the process credibility. Lack of awareness among communities can lead to resistance to change and rejection of the audit findings. A fundamental principle of the social audit is awareness and participation of citizens.

Community sensitization:

- Primes the community to the need for a social audit;
- Orients the community to the process including the accountability forum;
- Clarifies the why, what, where and how of the social audit.



As you plan your audit, you will need to plan your community sensitization:

1. Plan and design the content of the community sensitization very carefully based on the purpose of the audit and the nature of the community.
2. Carefully select a group to run the sensitization or allocate an in-house crew to do it, if they have the right facilitation skills.
3. Use innovative formal or informal approaches to draw the crowds – like street theatre/drama, barazas or community meetings, puppetry and songs.
4. Use your chosen method to provide information in a simple digestible form that is pitched appropriately to the mobilized crowd.
5. Allow time and space for all groups within the community to ask questions and to feel heard. Plan the sensitization process in a way that ensures good coverage across the communities affected. Small clusters of respected leaders, opinion shapers in the area can attract legitimacy but can also inhibit community members from sharing their views and concerns. Being cognisant of these dynamics is an important social auditor skill.
6. Come back and repeat the process often – before, during and after the audit, if at all possible!

STAGE 6: ACCESSING KEY DOCUMENTATION

“...it is not easy for an ordinary citizen to be given the information but even as a registered NGO we were given the go around for a very long time!” (MUHURI - Human Rights Officer)

In Kenya, despite the international ratified treaties as well as the clauses in the new Constitution (yet to be implemented through enactment of a Right to Information Act) that protect that right to information, accessing development project files remains a significant challenge - due to the ever persistent culture of secrecy around government finances.

Six months prior to the scheduled date for the social audit training in Matuga Constituency MUHURI began trying to access the project files, which would form the basis of the audit. MUHURI wrote an official letter to the CDFC – the fund committee executive. The letter described the social audit and the need to access 25 files for this process. Twenty five was a representative sample of the 100 projects funded by this development kitty in Matuga Constituency. After one month, no response was received to the letter. After 4 more official letters were dispatched and received by the CDFC office, without acknowledgement or reply, MUHURI staff tried to get an appointment to visit the committee members – permissible by law. No appointment was given and so they visited the CDFC office in Kwale without invitation. They did so on 6 different occasions, each time a more senior MUHURI staff member attended the meeting. After being given no audience on all these occasions, they finally had to resort to speaking with different CDFC members beyond the executive members of the CDFC appointed by the MP to manage the fund and to the MP himself. They were permitted to access 12 files only – more than 70% of these files were incomplete and missing key documents.

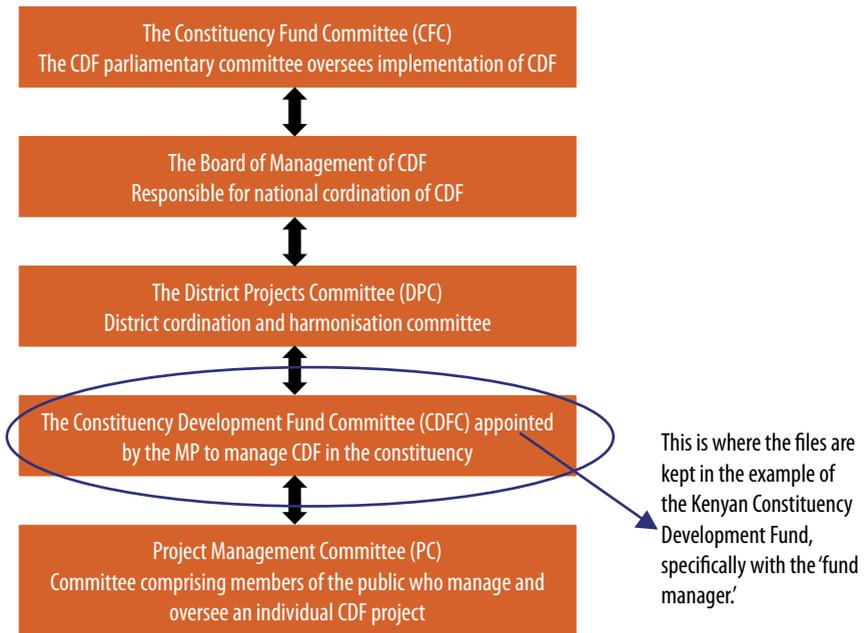
The success of the audit depends entirely on information, in large measure, this means the volume and completeness of the information collected and collated by the auditors. If you are auditing more than one project, you may be in a position at the end of the audit to draw conclusions about the overall management of the fund. In this case you will need sufficient volume of information to draw your conclusions. When MUHURI audits a development fund in a constituency

it will aim to access 20% of the active project files. MUHURI will establish the total number of active projects underway in the area under audit and will aim to access just less than one quarter of the total. Often MUHURI will ask for a selection of files – some bursary files, a few construction project files for a variety of schools, clinics and water projects, for example, alongside a mix of simple and more complex projects. It is the fund manager who will make the selection, and based on MUHURI’s experience it is a very random process. The fund managers usually are not very selective and tend to provide a random selection. If however, you are auditing a specific set of projects, than you can request specific project files.

Once you have accessed the file(s), they should be complete. The project file that describes the project needs to have most if not all the key documents filed. This can often not be the case. Therefore, accessing quality documents can represent one of the most challenging aspects of the social audit process. MUHURI proposes the following steps to try to overcome this challenge:

1. Understand the fund management structures and who holds the project files that you wish to audit.

Example 1: Institutions responsible for managing the fund



2. Write a letter to the relevant officials requesting for access to the files and copy in any other key stakeholders identified in your power grid, who could help or who would benefit from knowing about your request and the response to your request.
3. Ideally, deliver the letter by hand and try to meet the 2 -3 members of the committee to describe the activity and time frame.
4. Provide a strong legal framework for your request – if it exists in your country. In Kenya the new constitution defends the right of citizens to access public documents.
5. If you have the support of a member of parliament – request their support in the form of a letter or a phone call addressed to the relevant civil servant.
6. Follow up – with visits and phone calls.
7. Allocate substantial time to this stage – it can take a lot of time, but is vital.

Once the project documents are accessed – you have overcome a key hurdle! Each development fund will have a different set of core documents that will need to be reviewed during the audit and these will vary with your context and how your development funds are managed. Below, in Box 1, are a few examples of key documents that may be included in a development fund project file.

If these key documents are not in the file, a decision needs to be made whether a project is audited in the absence of key documents.³ MUHURI suggests that you make a minimum of 3 attempts to obtain the missing documents. When there is no success, MUHURI recommends that you consider a superficial audit of the project file that highlights the absence of key documents and publicly requests complete files as a first step.

Trying to audit projects that have incomplete files can often waste time. The fact that the files are incomplete and poorly maintained is a valuable audit outcome and must be made public. Once the files are complete and include the key documents, then auditing can continue. Sometimes, key documents have been permanently lost or misplaced or purposefully destroyed. Under these

3 Note: If you have not tried at least 3 times to access missing documents, further effort is required to access them.

circumstances you will need to make a decision whether you will proceed with the audit or withhold the audit while the files are recovered.

The project file and its components might include the following components.

Box 1: Key project file documents for different types of development funds

<p>CONSTRUCTION DEVELOPMENT PROJECT</p> <p>For example, dedicated to construction of buildings – schools, clinics, offices, wells, markets etc.</p>	<p>SERVICE DEVELOPMENT PROJECT</p> <p>For example, dedicated to employment of teachers, nurses, engineers, community health workers etc.</p>	<p>EQUIPMENT & MATERIALS DEVELOPMENT PROJECT</p> <p>For example, dedicated to purchase of motor bikes for community health workers; IEC material, well pumps etc.</p>
<ul style="list-style-type: none"> • Bids - proposals put forward by contractors • Workplans - principal working document with essential information on time lines, responsibilities & total costs for each phase • Bill of Quantities (BQ)- a breakdown of all project inputs item by item • Budgets • Tenders documents - advertisement, blank BQ, Schedule of Materials • Contracts - formal agreements with contractors & suppliers • Reports and other documents specific to the particular project & consultation process undertaken • Minutes of meetings accounts of all meetings • History and timeline of the project • Schedules - List of work items & written description 	<ul style="list-style-type: none"> • Contracts • List of employed people • Payroll • Recruitment criteria / policies • Employee log • Budgets • Minutes of meetings: board, staff, community, network meetings • History and timeline of the project • Performance appraisals 	<ul style="list-style-type: none"> • Budgets • Tender notice • Procurement report • Inventory reports • Servicing plan and report • Log books

STAGE 7: FILE REVIEW & PREPARATION FOR SITE VERIFICATION

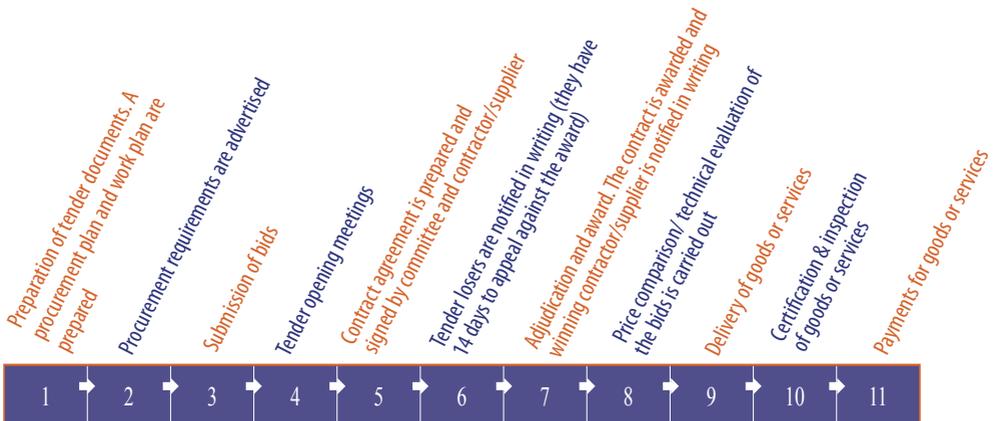
With the project files in hand, the teams who have gone through a basic training now shift to preliminary interpretation of the files. They spend a day working through the files – navigating their way through the information. Certain forms help to understand a project file – depending on its content. For construction projects MUHURI uses a pink audit summary report form and a yellow summary of BQ forms, alongside a form where we highlight our alerts or red flags – these are things that are raising questions in our minds and need to be investigated carefully during the field verification.

This stage requires that you carefully acquaint yourself with the file. Before reviewing the file, you need to be well acquainted with all the Essential Background Information, to provide a context for your file review.

- ◆ Policy documents for the development fund you are auditing
- ◆ Project areas and geographical coverage
- ◆ Demographic profile of the District or County or area bordering the audit.

Timeline - It is helpful to start with acquainting yourself with any pre-established timelines for implementation of your development fund. Some funds have rules about when and how steps should be carried out. Below is an example from the Kenyan CDF, which provides a timeline of the procurement stages. Reviewing these timelines and the required documents can be a valuable place to start when reviewing a project file.

Example 2: Stages of procurement – from Kenya’s Constituency Development Fund



Below is an example of Stage 2, and the advertisement of procurement requirements. Reviewing this advertisement alongside the fund implementation guidelines as published by the relevant government body, is an important task in the file review stage of the audit.

Example 3: Bid Advertisement

MUNICIPAL COUNCIL OF MOMBASA
VIJIWENI PRIMARY SCHOOL
P.O. BOX 96268 - 80010
MOMBASA

(1).INTERESTED BIDDERS ARE REQUESTED TO PURCHASE TENDER DOCUMENTS FROM THE SCHOOL MANAGEMENT ON OR BEFORE MONDAY 20TH AUGUST 2007 BY 10.00 A.M.UPON PAYMENT OF A NON-REFUNDABLE FEE OF KSHS. 1,000.00.

BIDDERS TO ATTACH:-

- (a).COMPANY REGISTRATION CERTIFICATE
- (b).VAT CERTIFICATE
- (c).PIN CERTIFICATE
- (d).REGISTRATION CERTIFICATE FROM MOR&PW-(Ministry of Roads & Public Works).
- (d).KRA CERTIFICATE OF TAX COMPLIANCE.

TENDER DOCUMENTS SHOULD BE RETURNED NOT LATER THAN TUESDAY 21ST AUGUST 2007 AT 3.00 P.M.



As you review the file, alongside the timeline, you can begin to complete a file review form – which you will have adapted to the incorporate the sections applicable to the funds you are auditing.

Example 4: File Review Form

Name	Location	Financial Year	Amount Allocated	Amount Spent	Balance available or overspend
Proposed Renovation Vijiweni Primary School	Vijiweni Mombasa	2007-2008			
Documents found in project file		Missing documents in project file			
<ul style="list-style-type: none"> • Bill of Quantities • Budgets • Tenders documents • Contracts • Reports and other documents 		<ul style="list-style-type: none"> • Bids • Work-plans • Minutes of meetings • History and timeline • Schedules 			
Project status					
Complete	<input type="radio"/>				
On going	<input checked="" type="radio"/> x				
Stalled	<input type="radio"/>				
Contractor (Amount paid)			Supplier (Amount paid)		
Preliminary people to talk to:					
<ul style="list-style-type: none"> • Project Management Committee Chair • Village Elder • Head teacher & School Building Committee • Parent – Teacher Association • Labourers • Contractors • Students 					

As per the example above, once you have completed the file review, you will have a much clearer idea about the project and what you want to investigate during field verification.

If you are auditing a Construction Project, you will need to review the Bill of Quantities (BQ). A quantity surveyor will have usually compiled the blank baseline BQ with the Item and Description columns complete. Copies of this will be made available, at cost to any interested bidder, as indicated in the Example 1 of the BID advertisement. The interested contractor will then take the blank BQ and complete it – generating the numbers from his research of the cost of materials and factoring in his fee for transport, supervisions and so on.

Example 5: A Bill of Quantities - an example

ITEM	DESCRIPTION	QTY	UNIT	RATE	TOTAL
	<u>FITTINGS</u>				
	<u>Cupboard</u>				
A	Supply and fix solid plate double leaf Shutters overall size 850mmx2300mm high. Use RHS 20mm x 20mm x 1.2mm as framing and 18 gauge plate	4 16	NO. NO.	6500 —	26000.00 —
B	Supply and fix angleiron framing 25mm x 25mm x 4mm thick with 25mm blockboard as shelves	16	NO.	3000	48000.00
C	75mm steel built hinges	12	PRS	200	2400.00
D	Supply and instal steel aidrops (shinning) bolts 150mm long. Instal internal steel stoppers	4	NO.	1000	4000.00
	<u>Painting</u>				
	Prepare and supply three coats gloss oil paints to General surfaces of metal	60	SM	90	5400.00
	<u>Notice Board</u>				
	12mm thick colotex soft board size 6300mm x 1200mm high fixed complete with 20mm x 40mm thick moulded beading	4	NO.	10000	40000.00
	12mm thick colotex soft board size 1800mm x 1200mm high fixed next to existing blackboards with 40x20mm thick beadings	4	NO.	4000	16000.00
	CARRIED TO COLLECTION				141800.00
	COLLECTION				
	From page 3				36800.00
	From page 4				167850.00
	From page 5				141800.00
	CARRIED TO SUMMARY				346450.00

ITEM	DESCRIPTION	QTY	UNIT	RATE	TOTAL
	<u>DOORS</u>				
A	Remove the existing timber door frames and cart away as directed	4	NO.	50	200.00
	<u>Steel Door</u>				
B	Supply and fix solid plate mild steel door overall size 1000mm x 2500mm high complete with ironmongery RHS 25mm x 25mm x 1.5mm and 18 gauge mild steel plate	4	NO.	6200	24800.00
C	Supply and fix standard hardwood panel door 900mm x 2500mm complete with frame, ironmongery and painting. (H/teacher's block)	1	NO.	10000	10000.00
	<u>Painting</u>				
D	Prepare and apply red oxide undercoat and two finishing coats of gloss paint on General surfaces of metal	20	SM	90	1800.00
	CARRIED TO COLLECTION				36800.00

Having seen what portions of a BQ looks like above, Example 4 below is a format that MUHURI uses for auditors to compare prices between tenders. Reviewing the BQ is also an opportunity to double check the figures allocated to each item. Sometimes contractors inflate figures, tax or add zeros as they don't always expect that the document will be carefully reviewed.

Before you review the Bill of Quantities, you may need to understand general key terms around the stages of building, outlined in Table 2.

Table 2: Key Terms for a BQ

<ul style="list-style-type: none"> Excavation 	<ul style="list-style-type: none"> Process of digging out the earth which involves careful measurement according to architectural plans
<ul style="list-style-type: none"> Concrete 	<ul style="list-style-type: none"> All the cement related works in a project
<ul style="list-style-type: none"> Brickwork 	<ul style="list-style-type: none"> Building of walls and structures, combined with concrete
<ul style="list-style-type: none"> Steel 	<ul style="list-style-type: none"> Steel is used to reinforce concrete
<ul style="list-style-type: none"> Carpentry 	<ul style="list-style-type: none"> All the works related to wood – windows, doors, roof beams
<ul style="list-style-type: none"> Roofing 	<ul style="list-style-type: none"> All work related to the roof structures – depending on the design this may involve flat steel reinforced concrete or wooden structures, tiles, or corrugated iron sheets
<ul style="list-style-type: none"> Doors 	<ul style="list-style-type: none"> As above specific dimensions for doors and the hinges, latches required
<ul style="list-style-type: none"> Windows 	<ul style="list-style-type: none"> As above for windows
<ul style="list-style-type: none"> Finishes -painting 	<ul style="list-style-type: none"> All work related to plaster and paint
<ul style="list-style-type: none"> Plumbing 	<ul style="list-style-type: none"> All work related to water pipes, toilets and drains, including septic tanks and storage tanks
<ul style="list-style-type: none"> Electrical 	<ul style="list-style-type: none"> All work related to electrics – including connecting to mains, circuit boards, switches and fittings.
<ul style="list-style-type: none"> Landscaping 	<ul style="list-style-type: none"> All work related to removal of building rubble and preparation of the land around the site for use. May involve planting of grass and trees.

When you review the project file always check for the presence of a BQ, an essential component when construction is being planned. You will need to note the number of BQs available in each file. This should include both the approved and the disqualified quote for tenders. As per the example below, during your review, you will look at each BQ and indicate the total amount allocated for each line item.

Example 6: How to review a BQ before field verification

No.	Item Description	QTY	Unit	RATE Quantity Surveyor	Contractor 1 AMOUNT	Contractor 2 AMOUNT	Contractor 3 AMOUNT AWARDED	Contractor 4 AMOUNT	Contractor 5 AMOUNT
1	Doors	4	1000	4000	4000	4500	38000	6000	78000
2	Iron Sheets	1000	200	200000	250000	220000	300000	200000	380000
3	Bricks	2000	15	30000	25000	30000	32200	28000	25500
4	Blackboards	2	1500	3000	4500	2800	3000	3200	3000
5	Hospital Beds	50	10000	500000	560000	580000	540000	498000	500000

Note: Rate indicates actual cost of item as prepared by a quantity surveyor prior to contractors submitting their bid. This amount is the 'actual cost' and is compared with what the contractors put forward in their BQ – including their profit margin. As you can see with paler green highlights, some contractors quote over the actual price and others under. Contractors will factor in their profit at different places in a BQ - preferably in the labour section, but sometimes they slip it in at various places. This exercise familiarizes the auditor with the details of the BQ.

Having inspected the BQ carefully and raised any red flags or concerns with the approved BQ, you can now compile your preliminary thoughts in the form of project screening, before you embark on your field verification. Below is one example of how to do this.

Example 7: How to screen the project information before field verification

Name	Location	Financial Year	Amount Allocated	Amount Spent	Credit/Debit
Majengo Primary School (Renovation)	Majengo	2005/2006	2,450,876.00	1,009,800	1, 441, 076 in CREDIT
Documents found in project file		Missing documents in project file			
Bill of Quantities	Workplan				
Minutes	Completion certificate				
Tender Documents	Payment vouchers				
Red Flags highlight in BQ					
Awarded Contractor – quoted 10 – 30% over actual cost more often than other contractors					
Project status					
Complete	<input checked="" type="radio"/>				
On going	<input type="radio"/>				
Stalled	<input type="radio"/>				
Contractor (Amount paid)			Supplier (Amount paid)		

STAGE 8: SITE VERIFICATION

Stage 7 is the opportunity to go to the ‘field’ or into the site where the projects have been implemented. As you set out, remind yourself of the key purpose of your audit. These are the questions you must answer:

1. Is the procedure for implementation of this development fund being followed precisely?
2. Is the community involved in the whole cycle of the development project being funded? (planning, implementing, follow-up)
3. Is the development money benefiting the community?

You are going out to investigate whether what you have read on paper and what you have reviewed in the files is indeed what is on the ground, in the community destined to benefit from the development fund in question.

This stage requires patience and care. The auditors need to ask relevant questions to key stakeholders, listen carefully to the responses, document the answers carefully and be respectful to all those contributing information to the audit. The audit is a process that will be repeated. Therefore, MUHURI emphasises that every encounter is a chance to build bridges that will lay the foundation for collaboration around future audits.

“Be accurate in your observations and recordings! Communicate openly, not like the police! And remember, we are not only fault finding! You will see the bad and you may see the good! Both are important to write down!” (Trainer)

“Some information that you need to make your case will be very difficult to find. Don’t waste your time on hearsay, focus on factual information and you will come away with something that you can present to the [fund] committee with confidence! ” (Trainer)

“Our project file is virtually empty, with one document photocopied twice, so we have a lot of investigations to do, to understand what has happened to nearly 1.5 million shillings – our story is just beginning, there is a long way to go!” (Social Auditor)

“We know these communities, we feel confident because we’ve been very well trained! I lived near [this] High School and I know the principal of the school we are auditing, knowing him may help, but it may not! We will see! But I have been so surprised by this process! I did not know that a project file existed or that all these documents were needed to show the trail was truthful.” (First time auditor)

Key Advice when conducting physical verification

- Look for good things - not only bad
- Focus on the facts, not on hearsay
- Ask questions
- Show respect – you are not the police
- Write everything down
- Be exact in your records
- Speak to the community
- Take photographs
- Do not judge – simply collect the facts!

As you head out, be very clear on:

- ◆ Number of projects you intend to audit?
- ◆ Preferred sampling approach – how will you decide whom to interview?
- ◆ A clear division of tasks – team leaders, interviewer, recorder, treasurer, presenter.
- ◆ A clear documentation plan – like field note books, forms, and how to do it.
- ◆ Logistics (map, length of audit day, emergency procedures) and how to handle expenses like phone calls, transport for the audit.

The approach or the methodology is critical to the strength of the outcome of your audit. Be sure to award sufficient time to planning your approach or method.

You will need to think through who you intend to speak to and how you will choose the informants. It needs to be clear how you come to your decision on

who to speak to, otherwise, during the final forum when you present findings, you may be asked, 'why did you choose to speak to that member of the committee and not me? I would have told you something different!'

What follows below is a reflection on two case studies and their sampling approach during a MUHURI audit.

In Kenya currently there is no legislation guiding allocation of bursaries for one specific development fund, so this raises challenges for those of us conducting social audits. It's a sensitive issue and we need to go about it carefully and make sure we speak to the right people and don't jump to conclusions without strong evidence. Generally go about auditing bursaries like this:

We obtain the files from the fund office, and we look through them carefully, and we categorize the bursary recipients on the list based on the location in which they live and the type of institution where the students are studying – this can be anything from a driving school, to a high school, technical schools or university. We then connect with community workers who will support the effort – local auditors are best. They know the area well and often they know the families we want to talk to. So then we choose a random few from a certain location – we do this by putting names in a hat and drawing out the names – this is called random sampling. We then ask the local informant to help us connect with these individuals. We find ask them questions. First the questions are standard, like: 'how did you come to benefit from this fund'; what are your grades like at school; what work does your father/mother/guardian do? We also note the condition of the student's home and whether they appear to be needy We also ask other people in the community, whether they are aware of any reason why that person may benefit from a bursary or talk to the head teacher to see if he or she was involved in the selection or recommendation process. We link all this information together with list of bursaries from the development fund, alongside those provided by the school. We blend all this information, this is called triangulation – it helps us understand the problem and the solution from different angles and opinions. This way we can be more certain of our results.

Since the audit involves getting a full story of the project from inception through to implementation – it is important to carefully plan how you will

select the groups you speak with, to be sure that they represent the general views of the community. Certain sampling approaches are most relevant to the audit: purposive and snowball also referred to as chain referral.

In one location being audited in Matuga constituency, one of the auditors lived in this location, and he recognised a name of a family friend on the bursary list – he knew exactly where he lived. The group had to think fast and decided to set off and to find that student. The student lived about 20 minutes walk from the school, in a 4 bedroom brick house. He welcomed the team into the house, where they sat on a well padded couch while he searched for the bursary voucher receipt he signed when he was awarded his bursary. The team leader asked him how he came to benefit from the bursary. As he lead the team outside and walked with them to a neighbour who lived another 15 minutes away, he explained that the bursary came as a surprise, because his average is only a C-, but suspects it was due to his fathers’ hard work and good luck! His classmate was about 16 years old and was found sitting on a bench reading a newspaper outside a very small house made of mud and sticks. After showing the auditors his receipt and sharing that he was top of his class, he then lead the auditors through dry maize fields to visit 3 more students on the bursary list to determine if they were legitimate recipients of a bursary. All the students visited had received a bursary: some lived a more privileged life than would be expected of a bursary recipient, while others were clearly very needy and talented students. Yet 20 more names remained on the list and using the snowball sampling approach, with time, the auditors would easily audit an entire list, using this approach. It simply required more time.

For purposive sampling, you will categorize your stakeholders and key informants and you then prioritize which categories are most relevant to the project being audited. For example, for a high school construction project you may want to seek out of each of the following representatives: 2 students from the school; 2 school teachers; 2 parents; alongside your key informants, such as laborers, contractors, suppliers and engineers. For a health facility you may want to speak to members of a woman’s’ group, some youth representatives, health practitioners and village elders, for example. You would select them based on their knowledge of the village situation, ability to discuss freely and their interest in the wellbeing of their community or

in the specific project. Sample size will depend on the resources (budget) and time available.

You can design your sampling approach by combining the different approaches and methods – just be sure that everything that is collected during the social audit could be ‘repeatable’ if someone else was to carry the same audit out again. The mix of methods is very important and will give you a lot more strength when you come forward with recommendations.

As auditors you need to find the answers to these questions in various places. If you find the answers in documents, this is secondary information. But if you get the answers from talking to people, this will be called primary information. With primary information, you need to be sure to ask the questions to the right people in the right way.

Typically, you can use different two approaches to asking questions. You can use questions that get a yes or no answer or you can ask questions that get more elaborate, detailed answers, as illustrated below.

Box 2: *Yes/No Closed/Quantitative Questions vs Open ended/Qualitative Questions*

YES/NO answer expected (sometimes known as a quantitative approach)	More elaborate, detailed answer expected (sometimes known as a qualitative approach)
Did the community request this new school?	How was the community involved in requesting this school
Were community members hired as laborers to build this school?	How did this new school come about?
Is this school considered a good school now?	What were the expectations the community had of this school and have these expectations been met?

The key difference between these approaches is their flexibility. Yes/No quantitative methods are fairly inflexible – informants are asked identical questions in the same order. This means you can quickly compare between respondents – *for example: in response to the question, ‘were you consulted prior to the new wing of the school being built?’, only 2 of the 25 teachers were consulted on the proposed design of the buildings.*

Qualitative methods are typically more flexible – that is, they allow for greater spontaneity. The teachers in this example could tell you that they were not interested in being consulted, or that the head teacher acted on their behalf or that they wish they had been consulted as the classrooms are not catering to their teaching requirements. In addition to your open, spontaneous questions that are often in the form of a conversation, you can have a list of structured questions or a questionnaire that you want to ask, these can even be asked over the phone, in the case of a contractor, who may be working in another part of the country at the time of your audit.

If you decide to ask more in-depth questions that go beyond a YES or NO answer then you can choose to interview someone using qualitative – open ended questions. These will be in-depth interviews that will be face to face and will need some additional time.

For example, a small-scale farmer may not have a clear yes or no answer to your question about the construction of a well project. But if you walk with him around the well site and talk to him about problems of water access in his village, he may tell you more about the evolution of the well project and how it affects his daily life.

Recalling the key questions the audit intends to answer will help you to plan your questions carefully. Below, in Box 3, are the CORE questions and in Box 4 there are examples of questions that MUHURI asks during a social audit of a development fund. Each question asked must link back to one of the CORE audit questions outlined in the box below.

Box 3: *Core Audit Questions to cross reference with field verification questions*

1. Is the procedure for implementation of the development fund being followed correctly (as stipulated by the law and its' guidelines)?
2. Have the communities / beneficiaries been involved in the whole cycle of the development project being funded (planning, implementing, and follow-up)?
3. Is the development money benefiting a large or significant portion of the community? If not, why not?

Box 4: Example questions s& cross referenced with Core Audit objectives

The questions relating to the Project committee ⁴	Which key social audit question will this question help to answer? #1, #2 or #3 as above.
Is there a management committee for the project in place?	#1
How many members are sitting in the committee?	#1
Were all the components that were mentioned in the BQ cross verified at the project site?	#1
Was the quality of the project up to a high standard expected of development funds? (Was the work in accordance with the expenditure incurred?)	#1
How is the project benefiting the community?	#1 & #3
Was there any sub-contractor(s) employed?	#2
The questions relating to Labour	Which key social audit question will this question help to answer? #1, #2 or #3 as above.
Was there any sub-contractor(s) employed?	#2
Were & How many people from the community were employed in the project?	#2
The questions relating to Community Profile Total Population: Total Households: Men: Women: Total Number of households below the poverty line:	
The questions relating to Transparency provisions	Which key social audit question will this question help to answer? #1, #2 or #3 as above.
Who requested the project or identified a need for the project?	#2
Do the members of the community know about the development projects undertaken in their locations?	#2
Was the community aware of the amount spent on the project?	#2
Is the community aware of the number of contractors who submitted their tenders for the project?	#2
In building projects - Did the community know which contractor was awarded the project contract?	#2

Were there any transparency boards (notice boards announcing the contract) describing the project and the amount spent?	#1 & #2
How does the committee follow up on the implementation of the development fund – for example in construction projects there is a work-plan, in employment of nurses – schedules; for procurement of equipment?	#1
Does the committee managing the development fund implementation have adequate capacity to do so? (Is the committee skilled enough to assess the situation? Is the successful contractor, one contractor who has many companies with different names, for example? Does the committee think it is awarding work to different companies, when they are not? Are contractors being vetted correctly?	#1
Is there anything indicating conflict of interest in the implementation of the development project (accessing names of committee members may help? Has the relationship between contractor and the committee been assessed? For example, the local MP has cattle in the area and decides to put in a cattle dip in that area, or a politician has relatives who will benefit from the project.	#1
The questions relating to Bursaries	Which key social audit question will this question help to answer? #1, #2 or #3 as above.
Is there physically operating school / college / educational institution(s) as recorded in the CDC minutes as recipients of bursaries?	#1
Does the Head Master / Mistress or Principal confirm receipt of the amount recorded in the CDC minutes?	#1
Do the students whose names have been recorded in the CDC minutes confirm receipt of funds?	#1, #2 & #3
Do the community members agree that the students whose names have been recorded in the CDC minutes as recipients of bursaries are truly needy students?	#1, #2 & #3
Do they provide names of eligible and needy students who have not received the bursary?	#1, #2 & #3

Beyond asking questions, observation generates very valuable information. Auditors will experience a lot as they travel and work with community members and key informants in the field. These are informal observations, where you carefully document anything you observe in passing.

Formal Observations often use a checklist, like the one below. This differs from informal personal observations in that the items to be observed are predetermined or predefined. In the case of an audit of a construction project, a checklist may work well, as seen below.

Example 8: A Field Verification Checklist for formal Building Inspection Checklist

Example Building Inspection Checklist	Yes / No
<p>Doors</p> <ul style="list-style-type: none"> • Does each door panel open and shut without obstruction of the door frame? • Is the door panel a true rectangle shape or has it been planed to fit the frame? <p>Tip: Check for uneven gaps at the top and bottom of the door panel.</p> <p>Windows</p> <ul style="list-style-type: none"> • Does every window open and close? • Is there condensation and damp damage? • Are there any cracked panels of glass? <p>Tip: Often timber frames are patched and painted, look for irregularities in the paint surface. Are there efforts to hide damage or short cuts?</p> <p>Wall & Ceiling Surfaces</p> <ul style="list-style-type: none"> • Is the texture of wall cement powdery? • Is the level of the ceiling even and consistent with the plan? • Are the beams as per the BQ, including the wood type and diameters? • Is the paint the thickness of 2 coats or more? <p>Tip: Shining a torch from an angle at the wall and ceiling surfaces can highlight patch repairs and thin paint cover.</p> <p>Roof Frame</p> <ul style="list-style-type: none"> • Is the timber used hard wood, as per specifications? <p>Plumbing</p> <ul style="list-style-type: none"> • Are the sinks functioning and flushed through waste pipes to the outside and beyond? • Turn taps on and off. Is there running water? • Is the quality and kind of piping used as per the BQ standard approved by Ministry? • Is there drainage from sinks and toilets? • Can you verify the incoming pipe at the source? • Are waste pipes cracked or seals broken? 	

Example Building Inspection Checklist	Yes / No
<p>Electrical Service</p> <ul style="list-style-type: none"> • When you open the fuse box is there a fuse wire system or a modern circuit breaker system? • Is there physical presence of access to power? • If funds were spent connecting power is this operational? <p>Roof Cover & Drainage</p> <ul style="list-style-type: none"> • Check that iron roof sheets – are these per specifications? • Check gutters – are they present and is the quality of the gutters per specification? • Are the down pipes connected to a storm water pipe at ground level and not just left to discharge rain water at the base of the building? <p>Sub Floor Area</p> <p>Check the material quality of the concrete floor – is it powdery and easy to lift?</p>	

Documentation and writing everything down during the audit is essential. Auditors need to document the entire audit process – where you went; whom you spoke to; what you asked; what were the answers; what you saw! These details ensure that the audit approach is itself transparent and that you have the information you need to make a just and fair final evaluation. The example below illustrates the value of a field note – as a way of noting down your conversations and observations for review when you leave the field and return to your debriefing space.

Example 9: A field note

Field Verification Day 1: Field Notes

9 am: Met with 10 labourers at construction site where project is on hold/stalled.

We held a discussion under the tree. 8 of the 10 revealed that they had not been paid since the second month of the contract.

When asked what those who had not received payment did, they described that they continued working for 6 months unpaid, then the project stalled and they found other means to get payment. They would not say what they did.

When labourers left, we walked around the site, with an old woman who lives next door to the site.

She pointed to small children stealing the coral blocks from the site. We asked her if she knew who they were and why she did not report and she said they were the children of the labourers who had never been paid for their work.

When documenting your conversations or interviews, MUHURI encourages auditors to try to write down as much as possible in ‘the words’ of the respondent - this can often be more convincing when written in a report. Quotes can sometimes better illustrate the opinions of a wide range of stakeholders.

For example – writing down a quote like the one below can be powerful – writing down the really convincing quotes can give your report more value and make it more interesting to read for politicians who may be interested to hear the opinions of his or her constituents.

“I felt angry and disappointed when our careful proposal for funding to power the solar well pump was turned down by the MP – our community had put so much time into this plan and we were hopeful it would be accepted by the fund committee. We did even not get a reply - instead they brought a new house for the chief!” (Village Elder)

When the audit team finishes each day of field verification, MUHURI suggests that the group comes together for debriefing and to write a summary of the day’s findings – there is an example of a summary below. This summary will guide the subsequent days of field verification and should be completed each day.



Example 10: Field Verification Summary

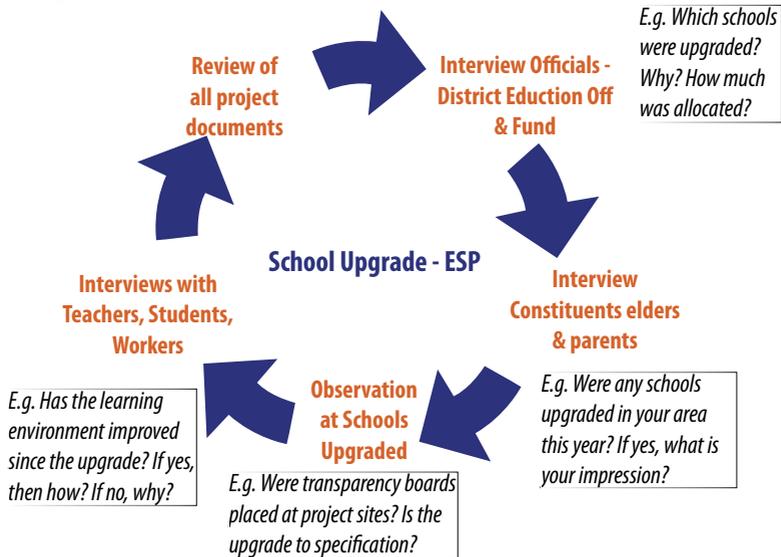
Site: Jengo Primary School Project: Renovation Project Status: Complete Fund Status: 1 million plus in credit/unaccounted for	Complete? Yes <input type="radio"/> No <input checked="" type="radio"/>
Auditors Observations (Structures)	
<p style="text-align: right;">Building Site Inspection</p> <p style="text-align: right;">Community/Village walk about</p> <p>Concerns raised: <i>On walk about the renovation appeared to be poor quality. Detailed measurements indicated the project was not completed as per architectural plan. Door and window dimensions incorrect, floor lifting, wood beams bound together with wire tape. Teachers report no new desks provided as required, insufficient chairs for student numbers and black boards do not allow for easy erasing. During rains, 4 teachers note, water washes into classrooms. This is confirmed by 10 students. Head teacher had no comments. Community leaders unaware as had not inspected renovation as were not aware it was complete. 9 parents spoken to during a teacher-parent meeting under way, they reported they contributed to the renovation through a school harambee, to top up CDF funds. They did not know that there was a credit available. Fund committee confirms that they community raised money, therefore there was a credit. Confirms that community not aware of credit. Not aware of architectural designs not being followed, says this is not their responsibility to check. Project Management Committee also not aware of design problems observed above. Contractor reports project was signed off my management committee and ministry of works – with no concerns raised.</i></p>	<input checked="" type="radio"/> x <input checked="" type="radio"/> x
Audit information	
	<p style="text-align: right;"><u>Community testimonies</u></p> Elders <input checked="" type="radio"/> x Youth <input checked="" type="radio"/> x Women <input checked="" type="radio"/> x Men <input type="radio"/> Schools <input checked="" type="radio"/> x Churches/Mosques <input type="radio"/> Community Groups <input type="radio"/>
	<p style="text-align: right;"><u>Project committee</u></p> Executive <input checked="" type="radio"/> x Treasurer <input type="radio"/> Fund Manager <input checked="" type="radio"/> x Management Committee <input checked="" type="radio"/> x
	<p style="text-align: right;"><u>Contractor</u></p> <input checked="" type="radio"/> x Revisit
Comments – Day 1 Verification – to follow up	
<p><i>Suspected poor project management – lack of capacity of committee alongside Ministry of Work officials who sign off project without discussion with community representatives. Contractor BQ and actual building – do not match. Project signed off prematurely with quality check and community funds used and not fund balance. Location of fund balance to be questioned – no credit in project account. Misappropriation to be considered. Signing off incomplete project – to be questioned. Community contribution to the project – how did this come about?</i></p>	

In Kenya, one current development fund is the Economic Stimulus Program (ESP). It was introduced after the 2007-8 election violence to boost the economy. It has a very wide mandate, but in specific communities where MUHURI works, MUHURI human rights officers have seen it used for hiring of nurses or modernizing of schools; creating centres of excellence; building market places or upgrading education, with the provision of computers for example.

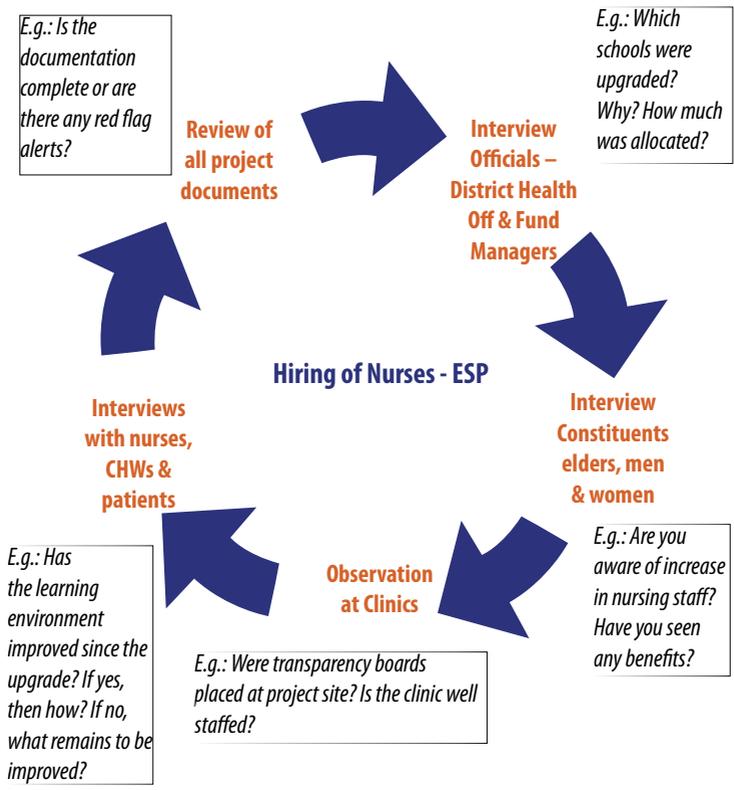
When health facilities in one constituency where MUHURI works were supported by this fund, schools were upgraded more nurses were hired and the community health workers were given motor bikes to expand their access to the defined catchment areas.

Below are diagrams drawn by MUHURI staff outlining simplified approaches to field verification. This approach could enable community members to more simply audit their development funds. The examples below illustrate one simple cycle of questioning and the people whom the auditors' could contact and interview. This approach suggests that even a few interviews and observations could serve as something called a mini – audit. MUHURI uses the mini-audit as a way of empowering small CBO's to initiate or follow up on audits in their communities. These efforts are low cost and do not require a lot of time.

Example 11: Mini-audits - simple field verification cycle for auditing an ESP School Upgrade



Example 12: Mini-audit - a simpler field verification cycle for auditing an ESP
Hiring of Nurses



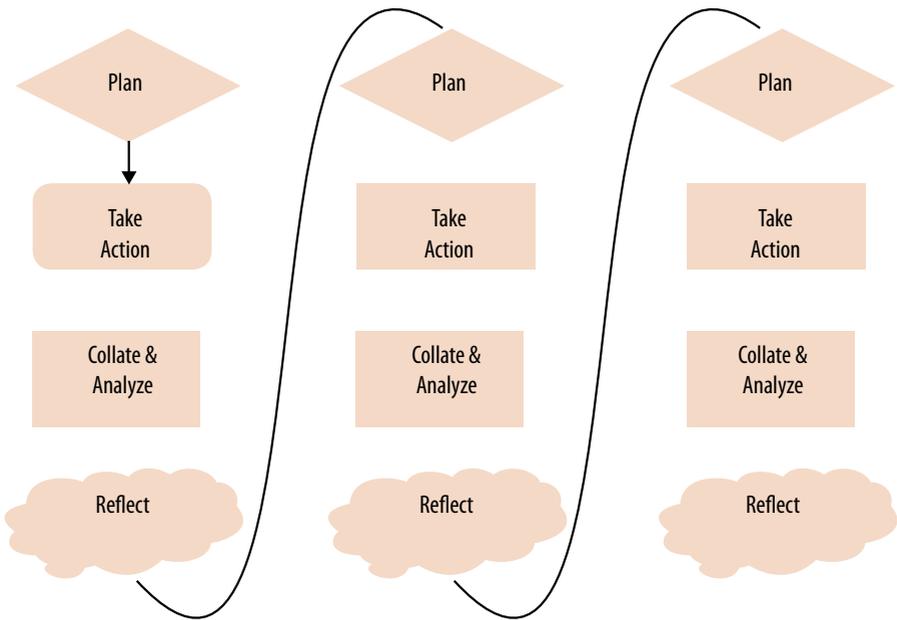
STAGE 9: COLLATE & ANALYSE

In the introduction the social audit was described as a process - a cycle that gets repeated, ideally over and over again. From the assessment of need, through to follow up and to the assessment of the original need or a new set of audit needs.



But sometimes there will be specific parts of the cycle that the auditor may need to repeat. Below there is a diagram that shows you how for example you may plan the audit, take action (by doing field verification) and then go out to collect the information you need, analyze the information and reflect on the findings. At this point, you may discover that you need to go back to the community and interview another informant who will compliment or dispute your findings and then perhaps you will reflect on that. Eventually, for one specific audit, you will reach a point of 'saturation' and you will be ready

to stop collecting information and you can do final analysis and draw final conclusions and develop recommendations.⁴

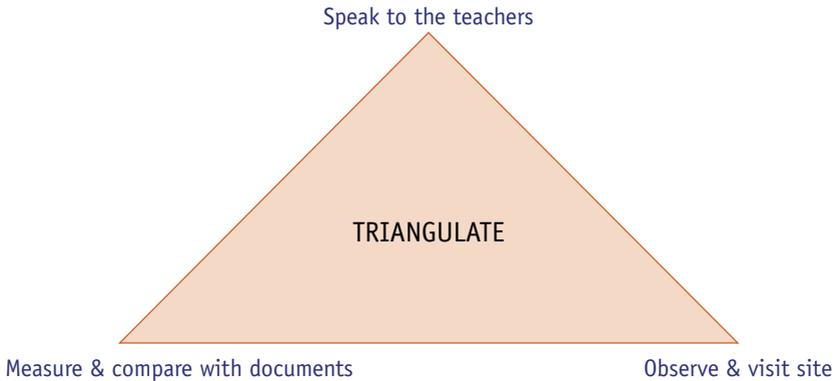


Analysis - means applying a structure to understand the information you have collected during the audit. Often it involves looking for patterns that will draw attention to the reason for a problem or confirm that there is no problem. The analysis of the findings is one of the most critical parts of the social audit process and if done badly could jeopardize the whole process –by making stakeholders doubt your methods and results.

In your analysis MUHURI suggests that you should look at the outcomes or results you gather through all the different methods you chose to use. Looking at problems from these different angles is called triangulation in research. The easiest way to do this is to draw a triangle around a question and make sure that you have come to the answer using at least 3 different methods. In other words, each piece of information collected should ideally be confirmed by 3 different sources. For example, you found that the school renovation was not to the standard expected.

4 Diagram above adapted from: <http://cadres.pepperdine.edu/ccar/define.html>

You confirmed this by: 1 – speaking to teachers, 2 – observing and visiting the site and 3 – measuring and comparing measurements with documents and standards set by the relevant Ministry.



An example of this triangulation may be as follows:

1. You spoke to the teachers who told you that the water enters the school during the rain and the black boards are black paint on cement and are made in such a way that the teacher cannot easily rub the chalk off the board.
2. You visited the site, it had just rained and you saw the water running off the roof, without gutters and saw the water entering into the classroom. You tried to write something on the black board and it was difficult to erase.
3. You measured and compared the results with the architectural design and reviewed the Ministry of Works policies around building standards - you found that the quality and the dimensions on site were not to the standards indicated in the policies and plans.

This 3 sided triangulation approach means you can have a lot more confidence in your results – because what you will present at the forum to your stakeholders will have been confirmed by 3 different unconnected groups or sources. This increases the trustworthiness or ‘truthfulness’ of the information you have gathered, which will help you draw conclusions from the audit.

Don't forget to review the details from your daily debriefing – there will have been observations and ideas that were fresh in the auditors mind during the debrief sessions, that may get lost in the analysis phase. Take time to review your summaries and the highlights of each interview and each inspection. Each interview summary should include key incidents, strong statements, and frequently occurring responses.

Once you've done this, the key incidents, strong statements, and frequent responses should be classified or grouped. One helpful grouping is those statements that raise an alert – either a negative alert or a positive or reassuring alert.

Audit Negative Alert - i.e. a red flag that raises alarm bells that something has not be done as it should

Audit Positive Alert - i.e. a reassurance or positive report that something is being done well

Under the negative alert – you can list all the data that raises questions and concerns and the same under a positive alert. You can compare these across all the interviews and key stakeholder groups. These can then be compared with the findings you draw from the project file or other documentation.



Example 13: Analysis Framework for Social Audits

Audit Questions Example	Source of Information				
	Fund Committee Members	Management Committee Members	Successful Contractor & Other Bidders	Labourers	Elders
How was the project selected & by whom?	Community requested	Community requested	Don't know	MP decided	MP decided
How was the community involved in the project selection/design/implementation?	Community involved in all stages from selection to completion	Only in selection of project	Don't know	No labourers from the community involved in construction	Community not involved at any stage Management Committee not composed of residents
Description of the project tendering process?	Advertised in newspapers 2 weeks in advance	Advertised in newspapers 2 weeks in advance	Advertised in newspapers 2 weeks in advance	Don't know	Don't know
Who bid for the work & what were the selection criteria?	5 companies, Department of work's criteria used to select	1 company bid for the work - brother of committee chair	5 companies submitted interest, but no time to develop BQ, with 1 day notice	Don't know	Don't know
What was the estimate & overspend on the project?	\$50 000 No overspend	\$50 000 No overspend	\$50 000 budget with \$5000 overspend	Don't know	Don't know
Who supervised the project & how?	Management committee	Department of works	No one seen on site regularly	Contractor only	Don't know

= Critical Concern - High indication that rules of the fund have not been followed and risk of misappropriation high

= medium concern

= low concern

= no concern

						Concerns
Residents	Beneficiaries Students	Bill of Quantities	Minutes	Expenses	Work Plan	
MP decided	Don't know	N/A	No reference to community request	N/A	N/A	⚠️⚠️⚠️
Community not involved at any stage Management Committee not composed of residents	Community not involved at any stage Management Committee not composed of residents	N/A	No reference to community involvement	N/A	N/A	⚠️⚠️⚠️
Don't know	Don't know	N/A	Advertised in newspapers 2 weeks in advance	N/A	N/A	💡
Don't know	Don't know	N/A	N/A	N/A	N/A	⚠️⚠️
Don't know	Don't know	\$5000 worth of items not accounted for in expenses	Approval of overspend of \$5000 for misc.	No expense vouchers for \$5000	No additional work added to plan to account for \$5000 overspend	⚠️⚠️⚠️
Don't know	Don't know	N/A	N/A	Allowance for PMC supervisor signed off	N/A	⚠️⚠️⚠️

Example 14: Collating Information from Project File

GUTTERS on NEW DINING ROOM AT ABC SECONDARY SCHOOL				
	Red Flag Observations	Confirmed by	Preliminary Conclusion	Follow up if any
Bill of Quantities	Section 7.22 - re: drainage gutters - not abided by in practice	<ul style="list-style-type: none"> File review Interview with contractor: confirms not installed 	Very possible misappropriation of funds - payment made for absent fixtures	<ul style="list-style-type: none"> Rule out theft since installation. Discuss with head teacher Follow up with fund manager to identify recipient of cash allocation for gutters
Work Plan	<ul style="list-style-type: none"> Gutters not indicated in work plan weekly actions 	<ul style="list-style-type: none"> File review Interview with contractor: confirms not planned for 		
Architectural Drawings	<ul style="list-style-type: none"> Gutters indicated on drawings 	<ul style="list-style-type: none"> File review 		
Expense Claims	<ul style="list-style-type: none"> 100 000 KES (\$1500) allocated to gutters – cash expense claim submitted 	<ul style="list-style-type: none"> Expense claim review Interview with fund manager 		
Site Inspection	<ul style="list-style-type: none"> No gutters present on inspection 	<ul style="list-style-type: none"> Site Inspection 		

 = Critical - High indication, that rules of the fund have not been broken and risk of misappropriation high

 = medium concern

 = low concern

 = no concern - no indication of inappropriate practices

STAGE 10: AUDITS REPORT

Once you have completed analysis of your information, as social auditors you need to present the key results in a story like format that means something to the audience who will receive it. It must be clear, logical and straightforward and encourage interest and action. The audit report will be in draft form until after the accountability forum – since more information will be gathered during the public gathering.

MUHURI suggests that there should be 2 sections to your report: Firstly the findings that are supported by the information you have collected and confirmed through more than one method and source. The second section is a recommendation section, which will also represent the 'Declaration' at the end of the Accountability Forum.

The recommendations and action points from the audit need to be:

1. Specific
2. Measurable
3. Achievable
4. Realistic
5. Bound by time

The follow up plan will in part be formed by your results but will also come from the outcomes of the forum. The recommendations must be agreed upon by the community (right bearers) and the fund managers and executive (duty bearers). While social audits should not intend to fault find, any problems that are uncovered must be followed with specific actions that would deter or prevent the problem from happening again.

Example of Recommendations developed post audit

- ◆ Disciplinary action against the District Public Works officer for having handed over the Completion Certificate and Certificate of Making Good Defect before work done.

- ◆ A new project management committee should be chosen with the involvement of the community and the community should be involved to ensure project completion.
- ◆ Project Management Committee should receive adequate capacity building training which enables them to manage projects that are within their scope.
- ◆ It was clear from the audit that most of these committees lacked the skills/knowledge to do so.
- ◆ The fund committee and Project Management Committee should be trained on how to document and file appropriately. The audit revealed that project files lacked essential information that should always be included. The absence of key documents raises questions about transparency and accountability, even when documents are lost or misplaced due to inefficiency and negligence.
- ◆ Procurement guidelines and procedures must be adhered to and properly - this will reduce opportunities for corruption in the management of these projects.
- ◆ Completed projects must be put in action upon completion – to avoid waste and misuse.
- ◆ Proper vetting of the fund and management committees for the projects must be guaranteed to avert fraud and misappropriation of funds.
- ◆ There should be minimum qualifications for members of fund and management committees – basic skills in project management and administration should be the minimum skill level.

STAGE 11: ACCOUNTABILITY FORUM

The purpose of the accountability forum is well described by a MUHURI human rights officer:

“to hold duty bearers accountable for their actions and to allow the citizens as the right holders, the opportunity to ask questions that they have never had the opportunity to ask – a rare chance and this must not be missed.” (MUHURI - Human Rights Officer)

One of the essential goals of a social audit is to increase community cohesion and recognition of their role in requiring that their duty bearers - civil servants and elected officials be accountable and transparent. One of the keys to a successful audit is to ensure that everyone who wishes to attend the public accountability forum, where the results of the audit are presented, is encouraged to attend. The forum has the carries significant capacity to build social capital.

“I felt a small, hot fire beginning to burn inside of me, when I saw my neighbor asking questions up there where you see those big people are sitting. I decided I want to speak out too, and say that we are no longer blind to their tricks...” (Community member at a Public Accountability Forum in Kenya)

You will need to prepare carefully for the accountability forum. Keeping within your budget limits you will need to plan for the following:

- ◆ **Identify a space where you can hold the forum:** this should be an open, preferably shaded/protected area, accessible to the passing public. Your location will be your primary way of attracting community members to participate.

Music is playing very loudly and people began to take notice of the activity. We were just back from the main road to Mombasa, where local matatu mini buses stopped to drop off curious passengers and small market stalls and little shops served enquiring customers. More and more people began trickling-in, gathering under the tents while a large group of children had

settled down under the tree to watch as the people began to dance. A pair of comedians performed a caricature around stereotypes and human rights and the laughter drew yet more people, as did the acrobats.

- ◆ **Select and Train your Master of Ceremonies (MC):** If you can afford an MC – you need to be sure he or she has the right skills. The MC will need to be very familiar with the philosophy of an audit and ideally should be involved in the audit. The MC needs to have a sense of humor, a strong presence and be able to play jester and judge. People must want to listen to him or her and must abide by his or her requests. Strong facilitation experience is the MC's strength.



“It takes immense courage to speak up to those in power, when one is accustomed to being treated with disdain.”⁵ The success of the accountability forum depends on the MCs capacity to allow the community to defend their rights through asking questions and getting answers but not to allow the situation to explode into an angry heap; and he had

5 <http://www.mksindia.org>

to ensure the Fund committee did not storm off before signing the final declaration. He had to make sure that the purpose, of the forum was achieved while constantly gauging the emotions barometer.

- ◆ *Invite at least one official from the fund being audited.* Preferably invite the whole management committee from the local level and anyone more senior, would be beneficial. Prepare a table or honor for these officials, where they can sit and hear the proceedings.
- ◆ *Public Announcement System* is very helpful if you have a big crowd, but it is not essential and if your budget does not allow for it, you can manage very well without it. So long as you keep the crowd quiet when the cases are presented or questions are asked and answered.
- ◆ *Carefully brief your case presenters* - those who are chosen from your team as presenters need to be coached intensely, to speak clearly and with confidence, to communicate their professionalism as auditors and to focus on the key issues and not to get sidetracked by criticisms or other side matters.

“Once they had consolidated their findings, we now have to choose a presenter from within the team – we had to find the most eloquent member of the team, and the one who understood the issues clearly – the one who presents needs to own the information and find ways to present it.” (MUHURI – Human Rights Officer & Trainer)

- ◆ *Introduce the Process* – once you have sufficient crowds to start the forum, introduce the social audit process to the public. Its intention – to enhance community involvement in effective development through auditing community projects being implemented through this fund. Emphasise that it is not a fault finding mission, but a commitment to transparency and accountability.
- ◆ *Present each case* – awarding a maximum of 5 minutes for each presentation. Ensuring that the key findings are presented as per your report – only the findings that are substantiated by your triangulated data. Inviting a member of the community, for example, an unpaid laborer or a nurse from the dispensary where there is no running water, as a ‘voice from the community’ can be appropriate in limited numbers.

- ◆ Invite a relevant official to respond to each case
The MC called on anyone with questions. A young man stood up “I want to understand all of this, we all want to understand how our money is being spent, but please don’t use these words in English – BQ, work-plan, architectural drawings, without explaining them to us!” The committee fund manager spoke: “We are not here to give you a lesson in fund management!” The crowd booed and the pressure intensified! And quickly a quickly another member of the community came forward: “you are accountable to us. You have learned these terms and their meanings and it is your duty to explain them to us in a way we understand!” The secretary to committee promptly and dutifully stood up and explained the terms that had been tossed about and not understood. The residents of the constituency could now follow the discussion being presented more closely.

- ◆ *Invite the community to respond to the official’s response* - facilitating this dialogue is the power of this forum and is the cornerstone of democracy. Do not cut back on the time allocated to this moderated conversation between the community and their ‘duty bearers.’

- ◆ *Document the process* - a lot of important information and insight will emerge from this forum. Assign someone the responsibility to record the forum and to write a report. It will be a valuable learning tool and of great value to your fellow auditors around the world. Supplementary information about the projects being audited is collected during the forum. This information can enrich and strengthen the subsequent longer audit report – that forms part of the follow up. So ensure that the report is not finalised until after the forum.

- ◆ *Present the Declaration* - there are different ways to present the declaration, and you can create your own approach. In MUHURI’s experience it is valuable to read out the declaration slowly and clearly to the officials, the community and the press and then to initiate a process whereby the officials followed by the community ‘ratify’ the declaration. MUHURI does this by presenting a large cloth with the declaration as follows:

‘We the people of this constituency and our duty bearers are committed to transparent and accountable utilization of public funds for the benefit of the community as per the declaration.’

The duty bearers and officials are asked to sign this declaration and then the community is asked to witness, either through signatures or finger prints. This serves as a powerful end to the forum and the dancing and music that can accompany the process, can effectively diffuse any tension that has built up. The focus shifts to a joint effort to promote sound development, rather than criticism, cynicism and anger.

The declaration was read out loud to the people: the elderly, parents, youth and children - all witnessed the duty bearers signing the declaration with both signatures and finger prints. A positive, optimistic enthusiasm prevailed, mixed with a serious expectation that MUHURI would follow through with the implementation of these resolutions.



STAGE 12: FOLLOW UP

The work of the social auditors does not end with the accountability forum – although this is very often the case. The hardest work often begins at this stage. You need to have a well defined follow up plan and committed team. The tasks involved at this stage should be held to a tight timeline. If you lose the momentum from the forum, you will have wasted a great deal of impetus – need to hold officials to account. If officials realise that your follow through is weak, they will score highly with their empty words during the audit and yet, will never be held to account.

- ◆ *Finalise your detailed report* - this is where you clearly list the findings. Both positive and Negative. Then you proceed to describe the negative findings in detail and propose ways in which these should be further investigated and acted upon.
- ◆ *Prepare a one page summary of your report for circulation* - distribute this to the press, alongside a well crafted press release.
- ◆ *Have a clear idea of who the stakeholders are* - who should receive the brief report and the long in depth report. Return to your stakeholder grid in the introductory section, and remember who should be engaged and in what manner.
- ◆ *Dedicate one person to deliver reports* - this should take place within 2 weeks of the forum.
- ◆ *If corruption or misappropriation is heavily suspected, a visit to your Anticorruption Commission* should be a priority. Explain your approach and your findings and request their support. Some of the stakeholders can play the role of building momentum and pressure around the findings of the audit and supporting your group in ensuring follow up on the agreed upon recommendations.

“The report must influence change on the ground but it must also influence policy...if the Law has no clear guidelines on how the fund should be managed, then this must be addressed. Or what about the struggle to access public information, if it is interfering with the rights of citizens, then this must be addressed! The report and following up on the report, is critical to the success of any social audit. (MUHURI Officer)

MUHURI suggests 4 main arms to your follow-up strategy, with each arm carrying equal importance.

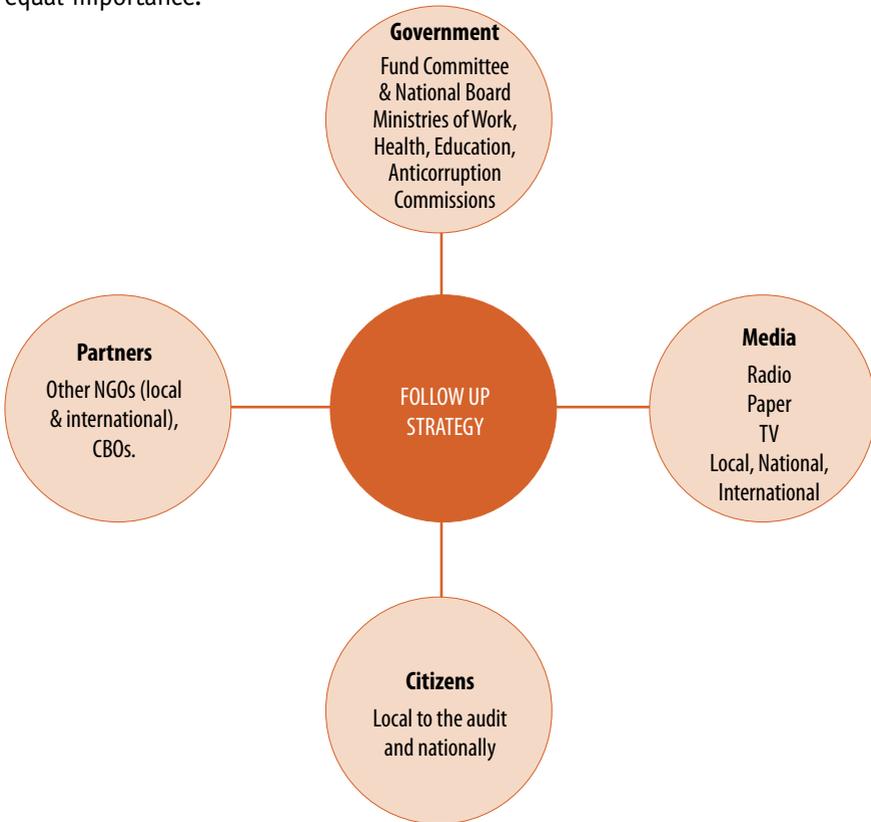


Figure 3: Four arms of a social audit follow up strategy

Conclusion

The Social Audit must be participatory, inclusive and responsive – these are key ingredients for any social accountability exercise, however big or small. The audit must engage with the issues at the grassroots and with civil society, the right bearers, and with the leadership and bureaucrats – the duty bearers. It is a long, long road to good governance – it demands perseverance and total commitment from the auditors. Public sector ethics, transparency and accountability are essential for sustainable development and crucial in eradicating systemic corruption, building trust in public institutions and ultimately reducing poverty. The audit process is never over until this has been accomplished.

Appendix A

Tools for Training - *To be adapted to your context*

CASE STUDIES OF CDF MISAPPROPRIATION AND ABUSE

Case Study 1

Kutembela is the treasurer for Malimau Constituency Development Committee (CDFC) in Kenya. The CDFC has advertised several contracts/tenders. His brother who owns Mau Contractors has submitted his quotation for the tender. Mau Company has previously been blacklisted by the Ministry of Public Works, along with other poor quality contractors operating in the Constituency. Kutembela, the treasurer receives five different quotations. On the day of opening the tenders, he ensures that the representatives of the other contracting firms do not attend the opening session and then recommends that Mau Company be awarded the tender because none of the others showed commitment to the project. Mau Contractors gets the tender, despite a poor track record of quality projects.

1. What kind of offence has been committed in this scenario?
2. What kind of information would represent evidence of such an offence?
3. Where and from whom would you find this information?
4. What section of the law for this devolved fund has been contravened?
5. What is your future recommendation to this constituency regarding future contracts?

Case Study 2

The Chuka Constituency CDFC wanted to construct a classroom for Chuka Juu Primary School. Technical experts from the Government delivered the estimated cost to construct the classroom as 1.1 million Shillings. However most of the bidding contractors estimated that it would cost 12 million shillings. Despite this significant variation, the CDC approves the tender for 12 million and Mburu Contractors win the tender.

1. What are the implications of such a situation?
2. What kind of offence has been committed?

3. What kind of information would represent evidence of such an offence?
4. Where and from whom would you find this information?
5. List the documents required to verify the above.
6. What is your future recommendation to this constituency regarding future contracts and this kind of problem?

Case Study 3

More than 10 casual labourers working in Kashani primary school are complaining that they have not been paid for five months. The labourers were employed as casual workers by Mungerezi Contractors. They have lodged several complaints to the CDFC but no action has been taken against the contractors. In addition, the labourers together with members of the community have complained to the CDF committee that the materials used to build the classroom did not correlate with those indicated in the Bill of Quantities (BQ), however the CDFC went ahead and approved the payment to the contractors without further enquiry.

1. Which public officials will you want to speak to in order to further understand this situation?
2. What documents will help you in unpack the problem?
3. What is your future recommendation to this constituency regarding future contracts in light of this problem?

Case Study 4

In Chikoza Constituency, the CDF committee claims to have purchased 34 computers costing 1.2 million for Dudu Vule primary school using the CDF funds. It is four months today since the purchase of the computers. However the Computers are gathering dust in the school's store. On being approached by a local Human Rights Group over this matter, the principal of the school said that they had no power in the school and therefore could not operate the computers. More so, he confessed that there was no one skilled on computers.

1. What is the problem you want to investigate?
2. Which documents will help you to gather valuable data on the issue?
3. To whom should you speak to help you to understand how this situation came about?

Appendix B

Crossword Puzzle – Key Project File Document Recognition - *To be adapted to your context*

In this puzzle, there are 13 words or phrases (a phrase will consist of two or four words) that constitute technical terms and jargon that are typically used in the implementation and procurement of CDF. For each word/phrase there is a short description or clue below and on the following page. Each clue also indicates the number of letters in that word/phrase and whether the word/phrase is presented horizontally, vertically, or diagonally in the matrix. Working with your partner, try and find all the words/phrases in this matrix.

M A Y D A Y T O O H E L L K I L L E R L R P E S B W
L P F Y E N T V O X C H E R S A U A S E P L M G I G
U R X F Y B U G Y E O U E T I O P A P T N K A P L C
C E R T I F I C A T E O F C O M P L E T I O N S L H
Y T V R A W R T Y G H J G K L A A N Q E R H C Y S M
O E W Q E Y A N C E B A N K G U A R T R H N K H O G
F N J L X A T V O T J C K P U D X K V O T J C K F V
R D C E P Z A D A N C E B O L I P M W F L B O M Q Y
E E N T R E M O T E A T B N M T Z L X A F M R R U X
G R T T Y B F D A G S D E M C R C S Y C F Q D G A Z
I A S E C O N D S C H E D U L E A B Z C V N R B N K
F G O R N I Y U F E B A U A R P B L A E P I A R T M
E R P O T D E F R T O B Y E M O C K B P H D H S I P
S E Q F E Y E O V W O C Z X R R A P C T X J N F T T
N E R O L N S R Z W K D A P M T A M D A K M A Y I C
O M S F K M R M A F A E B Q O T E L E N P O M T E J
P E T F C N Q O R N E F A Y E C X K F C Q R T H S S
S N U E O J H F W Y A G A C F Y P P G E T U H D A V
E T V R R B M A Y O R L E E Z O Z M H S V W I H X Z
R Z W U D M N G N U D E Y O U R C L I R Y X A H W B
N K X S R Q P R O K O M A S D H A K J Q Z A R G R T
W M Y E W V M E P B E N T H I R D S C H E D U L E O
O P Z V H O L E A O B N G B B S G L K M K B H E D A
G T R P N O R M E L E N P O L P R K L N J C R R M M
E C T Y A L P K L E N P O M T E J E M O I D I W R P
M J N U M U M N P P L E T I O N S X P P H E A D P S
O W G H J K L T D L G S D E M C R E F O G F M Y I W
H T I F I C A T E Y A E N T V O U C H E R S A H C X
N N K M T J F G N H U N O I U A S D F G H T M Y E Z
L P E R F O R M A N C E B A N K G U A R A N T E E S

Clues:

1. Two words (6, 8 letters, Horizontal): Shows all the projects that are allocated funding in a constituency in a single year. It indicates the name of constituency, year in a single year of finding, and the specific serial number of the project. It also indicates the amount allocated to each project.
2. Two words (5, 8 letters, Horizontal): This document gives a detailed breakdown of all projects in a financial year.
3. Two words (4, 4 letters Diagonal): Is the principal working document for any project. It gives a summary of all the project activities, their cost, date, and who is responsible for them
4. Three words (3, 6, 9 letters vertical): This is an agreement signed by the bidder/contractor and client representative or Client
5. Three words (5, 2, 10 letters vertical): This is a financial Document in the contract document giving the proposed project cost and specifications. It is prepared by Quantity surveyor
6. Three words (6, 8, 6, letters diagonal): This is a comprehensive report depicting all the bidder performance on the tender requirement during tendering
7. Three words (11, 4, 9 letters horizontal): This document should be given by contractor from recognized financial institution to guarantee the client that the contractor will perform as per schedule. This can be in the form of bank guarantee
8. Three words (6, 2, 5 letters vertical): It is a document written from the client to the contractor informing him about awarding of the bids as per the quote
9. Three words (6, 2, 10 letters vertical): It is a document written by the contractor to the client/ employer informing about the receipt of the contract
10. Three words (11, 2, 10 letters horizontal): This is a final document issued at the end of construction project depicting the date of completion and quality assurance of workmanship.
11. Two words (5, 6 letters vertical): Comprehensive financial and narrative analysis depicting the entire breakdown of expenditures for a particular financial occurrence.
12. Two words (4, 4 letters vertical): It is an original book of entry used to record all the monies which come in on the receipt side and all the money which goes out on the payment side.

Appendix C

Tools for Training - *To be adapted to your context*

Procurement & Definitions

Match the name on the left with the description or definition on the right.

Defect liability period	Is a certificate that is given to persons authorised to expend money from a CDF Account!
Defects	Is the date of completion of the works as certified by the project manager!
Completion Date	Is any part of works not completed in accordance with the contract!
Site investigation Reports	Is the certificate issued by project upon correction of defects by the contractor!
Liability Certificate	Is the period named in the contract data and calculated from the completion date!
Intended completion Date Liability Certificate	Are those reports that may be included in the tendering documents which are factual and interpretative about the surface and subsurface conditions at the site!
Variation	
Authority to Incur Expenditure Variation	

Appendix D

Tools for reviewing project files

Identification of documents in project files

Below is a list of all the important documents you should find in a project file for a classic devolved fund for construction of community projects. Indicate, using a (✓) tick if the document is in the project file when you review it and a cross (X) if the document is not in the project file. Highlight all the missing documents and factor into your audit plan to pursue access to these missing documents.

List of Documents	
Application from Communities/Location Meetings	
Minutes	
Bursary Applications	
Second Schedule	
Third Schedule	
NMC Authority to Incur Expenditures	
Form of Invitation for Tenders	
Pre-tender Agreement	
Bills of Quantities	
Schedule of Tenders Received	
Tender Analysis Report	
Form of Agreement	
Performance Bank Guarantee	
Confidential Business Questionnaire	
Conditions of Contract	
Letter of Offer	
Letter of Acceptance	
Revised BQ/Work Plan	
Payment Vouchers	
Contractor Running Bill (with material and labour bills and receipts)	
Certificate of Completion	
Handing over Certificate	
Cash Book	
Vote Book	
Stock (Store ledger) and Asset Registers	
Minutes of Meetings	
Monthly Returns or Implementation Status	
DDO Annual Return to NMC	
Audit Report	

Appendix E

Tools for gathering information – with example to help you modify to your context

Example of a Fund Questionnaire used by MUHURI

Title of Project	
Project Number	
Date of inception	
Stipulated in the work-plan	
Relevant Government	
Department(s)	
Completion Date	
Handing over date	
Project Sector Construction <input type="radio"/> Service <input type="radio"/> Equipment <input type="radio"/>	

LOCATION	FINANCIAL YEAR UNDER REVIEW	
Government estimate in tender	<p>LOWEST Evaluated Bid AMOUNT:</p> <p><i>For example: If there are three contractors, and the quotes come in as: 10 million; 12 million & 14 million</i></p> <p><i>In addition to cost, criteria may include: Experience Nature of materials Tools & equipment References</i></p> <p><i>The BID Evaluation committee should review and advise who the successful bidder is and indicate selection criteria. In development fund audits on the Kenyan coast this procedure is not followed in general. You will need to refer to your equivalent: e.g. in Kenya, The Public Procurement and Disposal Act (2005)/hand in hand Public Procurement and Disposal Regulations (2006).</i></p>	SANCTIONED AMOUNT: Amount agreed upon in the awarded BQ

Who is the financier		
Additional funding? Who? How much?		
Amount projected		
Amount allocated		
Amount spent		
Balance		
Status of project	Complete: Y/N	Amount required to complete
If No – why not complete:		

Counter Part Funding

Has there been any counter part funding in the project? From other funds, from community or corporations?

For example: Sometimes there n Kenya there is double funding –

In one case audited by MUHURI, a well was funded by a company who paid another company to dig the well. Meanwhile the development fund took credit for the project and funds were claimed for using all the copies of receipts. It was phantom development project and someone benefited personally from the funds allocated: the officials and the company.

Operational issues of the project being audited

Does the project have any consequences which are not intended or anticipated in the design?

- Price increase
- Or land allocated for project under disputes
- Is the plan that was designed not followed in reality...for some reason?

For example in a constituency audited in Kenya, a high school was planned and the contractor opted out of putting windows into the building, because costs had increased and he wanted to save.

Are there any disputes or cases of complaints regarding the project?

In Lamu – a construction of a development fund project was well underway when the community, who had not be consulted in the run up to the project, disputed that the site was cemetery.

Do the architectural plans and the reality of construction connect – are they consistent?

Appendix F

Guide to conducting a building inspection for a social audit

Photograph the project and all its components - if you have this opportunity

When photographing we suggest you right a label for the project and include this in the photograph, to ensure you do not mix projects.

Be strategic with your photographs – taking a wide photo of the project within its context and then a closer zoom of the project itself.

Photograph positive and negative aspects of the project

Measure

Recommended Tools

25-foot metal tape: A standard tape measure--rigid, retractable, lockable. This is especially useful for measuring the inside of rooms.

50 or 100-foot cloth or vinyl tape: This is the best tape for measuring exteriors and other spaces that have a corner on which you can hook the end of the tape.

Clipboard: A clipboard is very helpful for this – as you draw the space you are measuring so that you can compare with the architectural plans in the project file.

◆ **How to Measure**

- ◆ Having a partner who can hold the end of the tape is helpful, but not essential.
- ◆ Sketch the basic floor plan—wall, window, and door placements—before measuring.
- ◆ Sketch the exterior first, then the interior. Don't worry too much about it being proportional at this point.
- ◆ Measure the outside first and then the inside, filling in dimensions on your sketch for the key features--window and door openings, projections like black boards.

- ◆ Keep the tape level for more accurate measurements. Be sure to start at a level that allows you to get measurements for the key features, windows for example. Measure wall thickness too.
- ◆ Make additional measurements and notes on the drawing as you see fit. These might include the ceiling height, trim width, flooring or wall materials, etc. You will probably be photographing the building as well, so let the camera do as much of this “descriptive” work as possible.
- ◆ Label the field drawing with the name and/or address of the building, the names of those who measured it, and the date. The field drawing with all of your dimensions should be kept along with your finished drawing.
- ◆ **Assess the building**
 - ◆ Use a checklist, like the one in Appendix X, to assess the building. Be sure to modify the checklist to your particular context.
 - ◆ Be as objective as possible during your assessment.
 - ◆ Keep clear documentation, so that during analysis you can compare your findings with the architectural drawing specification and the BQ and purchase receipts. A detailed site visit is a fundamental component of the audit. Try not to cut corners or to scribble down things that could be important, but if not well documented could be lost.
 - ◆ Other observations are essential including:
 1. Is the building / well / clinic /school being used?
 2. Is the infrastructure being maintained?
 3. Does the building look new or has it already aged in a short period?

Feedback

We hope this social audit guide has been useful. We would value hearing about your experiences using the guide.

Please send any feedback and or comments back to us via **email: info@muhuri.org** and write - social audit feedback in the subject line. Thank you.



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