MA Cheat Sheets: HACT Assurance Activities

UNDP issued the UNDP Guidelines for Engagement with NGOs under Country Based Pooled Funds in late 2016 and rolled these out in 2017. This was part of an effort to harmonize implementation approaches with those of the OCHA Operational Handbook.

To complement the Guidelines, UNDP has developed MA Cheat Sheets to provide additional practical information on selected subject matters. There are 9 available Cheat Sheets on the following topics: MA Structure and Performance Review * Capacity Development * Results Logic and ATLAS Architecture * MA and ATLAS * HACT * Quality Assurance * NEX Advance * Asset Management * Fraud. These can be found [here](#).

**HACT Assurance Activities under the MA**

UNDP as Managing Agent has a strong role with regards to assurance activities which is embedded in the HACT Framework. There are two main activities required for the MA under HACT, these are: the micro assessments, assurance activities (comprising of spot checks and audits) and capacity development initiatives. All these activities should be integrated in the CO Assurance Plan.

**Relevant Policy Documents:**
- [UNDG HACT Framework](#) (Version of 2014) Global guidelines that were developed by the UNDG with participation of UNDP, UNICEF and UNFPA. WFP in some instances also applies HACT.
- [UNDP HACT Guidelines](#) This are the UNDP specific HACT guidelines that have been developed to operationalize the UNDG HACT Framework taking into consideration UNDP’s business model and needs. The UNDP HACT POPP Guidelines are the procedures offices should use to comply with HACT requirements.
- [UNDP Policy on Engaging CSOs/NGOs as Responsible Parties](#) (Version of 20/10/2015). This policy clarifies that NGOs selected under a CBPF fall under the Strategic Selection category which is based on the assessment of NGOs/CSOs collaborative advantage (paragraph 10.b.i page 2/3). This also provides the rationale for the use of the Responsible Party Agreement for all projects managed by the MA.

**Best practices and lessons learned with regards to Quality Assurance:**

**MICRO ASSESSMENTS**
- A strong tracking system will help understanding which NGO partners have been assessed and when they need to be assessed again and allow easy information sharing with the Fund Manager.
- Ensure adequate budgeting for micro assessments to be able to cover all related costs.
- Micro-assessments should not be used to determine the eligibility of the NGO to participate in the CBPF. Micro assessment should be used to determine the way in which cash transfer are made to NGO partners. Eligibility to the Fund should be established based on the processes as delineated in the Operational Manual of the CBPF.
- Where the CBPF Fund Manager is OCHA, the “high” and “significant” HACT risk ratings will be compounded into “high”.
- Where the country based HACT working group is active, review which NGO partners are shared, this will allow for cost sharing of micro-assessments or relying on micro assessments completed by other UN Agencies.

**SPOT CHECKS**
- Spot checks are to be undertaken by third party service providers. The CO can, in exceptional circumstances and after written agreement of the HQ HACT Focal Point, undertake the spot checks itself. See Annex A of the UNDP HACT Guidelines.
- Where possible and relevant, the MA should invite the Fund Manager to undertake joint spot checks and programmatic monitoring missions. This will strengthen the understanding of the performance of the NGO partner. MA Teams are encouraged to read the programmatic monitoring reports to complement the understanding of the performance of the NGO partner.
- Use spot checks to follow up on Audit recommendations; undertake asset verification and capacity development in areas for improvement.
- Ensure adequate budgeting for micro assessments to be able to cover all related costs.
- The guidelines on spot checks can be found [here](#). Or on [UNDP HACT Guidelines](#).
AUDITS

1) NGO partners should be trained about UNDP Assurance Activities and their process. For MAUs that are working with humanitarian CBPFs, it should be explained that results of these activities will be uploaded in their Dashboard (Grant Management System (GMS)) and therefore made available to a third party.

2) Quarterly follow-up with partners with regards to audit recommendations should be consistently done. Discussions should be held with the Fund Manager on whether corrective action ought to be applied in case of non-action.

The HACT SharePoint Platform

The HACT SharePoint is the corporate platform used to monitor HACT related processes and activities. To remain compliant with HACT requirements, the MAU should ensure the information on the HACT SharePoint site if kept up to date and all relevant documents are uploaded in the “Macro and Micro Assessment & Assurance Activities forms” section of the Platform.

Maintaining and updating information on the platform is usually done under the coordination of the CO HACT Focal Point. The information/data listed below needs to be entered/reflected on the platform:

- All partners including responsible parties/NGOs the country office is working with and their estimated cash transfer over the programme cycle.
- An approved micro assessment plan showing scheduled micro assessment dates for partners who meet UNDP’s HACT Micro Assessment threshold. The plan should be updated annually.
- Micro assessment reports for completed micro assessment, the resulting partner risk rating and the selected cash transfer modality.
- An approved Assurance Plan indicating dates of scheduled Assurance activities. This should be updated annually.
- Spot Check reports and key findings when spot check are completed.
- Any report or suspected instance of Fraud
- Audit reports and management letters
- Capacity development gaps noted and agreed action plan.

The HACT Performance Dashboard can be accessed from the HACT SharePoint under the “HACT Performance Dashboard section”. This will show the status of HACT related activities.

A User Guide on how to navigate the HACT SharePoint site can be found under the “User Guide” section.

SERVICE PROVIDERS:

- It is recommended that, in support of the quality assurance activities of the MA, a number of LTAs are established with 2 or more service providers. This will ensure sufficient availability and choice to address the frequency and volume of the demand.

- An LTA was established at the Global level with Moore Stephens for micro-assessments.
  - Information about the SoPs to contract them can be found [here](#)
  - Copy of the LTA can be found [here](#)

ASSURANCE PLAN

All, micro assessments, spot checks and audits for projects managed by the MA should be included in the Country Office wide Assurance Plan.